1. Adopt a resolution finding that a Safe Modern El Cerrito Library Project is in the public interest and necessity. (Adoption of the resolution requires four affirmative votes);

2. Waive first reading and introduce by title an ordinance to submit to the voters of El Cerrito at the November 8, 2016 election a measure to authorize the issuance of general obligation bonds ("GO bonds") for a Safe Modern El Cerrito Library Project. (Introduction and subsequent approval of the ordinance also requires four affirmative votes. The measure authorizing the issuance of GO bonds must be approved by two-thirds of the voters voting on the measure);

3. Approve a MOTION authorizing an appropriation of $12,000 from the unrestricted General Fund balance for estimated election costs associated with the measure.

BACKGROUND
The City’s Strategic Plan identifies “Develop and Rehabilitate Public Facilities as Community Focal Points” as a primary goal. The strategies outlined for this goal include continuing to assess facilities to prioritize and strategize investment (i.e., library, public safety building, senior center, community center).

The El Cerrito Library was built in 1948 and was expanded in 1960 to 6,500 square feet. The Library is too small to serve the needs of our community, lacks modern technologies and is frequently overcrowded. The Library does not meet current earthquake safety or energy-efficiency standards. The Library has major structural and building system deficiencies that impact the safety, comfort and functionality of the building. The Library is also not fully compliant with the Americans with Disabilities Act (ADA). Further, the library is substandard when compared to those in neighboring communities.

For more than the past 15 years, the community has expressed interest in a safe, modern library facility to meet the needs of our community. The Library is overcrowded and too small for the community’s public safety, educational, and informational needs. In 2006, the City completed a Needs Assessment and a Building Program for a new library facility in anticipation of applying for a State construction bond grant.
Unfortunately, California voters did not pass the bond measure that would have funded the grant. In the decade since 2006, the City has sought funds to expand the Library from outside sources, but due to economic conditions, the loss of the Redevelopment Agency, and limited availability of grant funding, the Library remains an inadequate facility.

The 2006 Needs Assessment recognized the deficiencies in the current library facility and recommended a larger facility with upgraded technology, larger collection, and increased seating capacity including flexible meeting space for groups and studying. The recommendation called for expanding the size of the building to approximately 21,000 square feet.

The current library lacks room for special services such as literacy tutoring, group study space. Acoustics are poor due to lack of separation between children and adult areas and the library collection has been stunted due to lack of space. Additionally, there is not enough seating in the currently library and no defined teen area. Despite these conditions, library staff has expanded services over the years offering programs for toddlers, school-aged students, teens and adults, and the number of library visits have increased by 26% since 2006 and circulation is up by about 28%.

With no funding available from outside sources, staff and the City Council concluded that the best method for funding a safe, modern library that meets the community’s needs must ultimately rely on new, locally-controlled revenue generated by a measure approved by the voters of El Cerrito.

On July 16, 2015, the City Council received an independent public opinion research presentation from Bryan Godbe of Godbe Research that indicated community interest for a seismically safe library that meets the space, technological, educational, and safety needs of the community. The results indicated approximately 70% support for a bond measure in 2016 to fund the replacement of the 67-year-old Library as well as support for several elements of recreational/community center facilities that could be harmonious with a library. Staff received consensus from the Council to pursue planning for a library that meets the community’s needs, and since that time, staff have been working on the various steps necessary in order for the Council to consider a ballot measure to fund the facility in November 2016.

**ANALYSIS**

**Community Feedback**

From July 2015 through July 2016 the City further engaged the community, implementing a public information and outreach program to gather more feedback. During that time, staff has solicited input from thousands of community members, asking about their library needs and priorities.

With the help of the El Cerrito Library Foundation, the City received over 2,000 responses to the community survey on library priorities. The survey was also available at City facilities, the library, a few El Cerrito businesses, as well as at events such as the
Fourth of July Festival, and online. Overall, the community survey found that top community priorities for the El Cerrito Library include:

- A safe, energy-efficient library that meets earthquake and fire codes
- Updated wiring to accommodate computers and technology
- A children’s area with space for children’s story times
- Space for public access computers, a computer learning center, and free Wi-Fi
- Improved access for seniors and disabled residents

City staff, Librarian Liz Ruhland, as well as El Cerrito Library Foundation member Tom Panas also each spoke with community groups and made informational presentations about the library and the current needs.

Library Space Needs and Associated Facilities
As part of the first phase of the planning process, the City hired Kathryn Page Associates to update the 2006 Needs Assessment for the El Cerrito Library. The 2014 Updated Library Needs Assessment prepared by Kathryn Page Associates was presented to the City Council on March 2014 (and is available online at http://www.elcerrito.org/DocumentCenter/View/4498). The updated space needs analysis revealed that a significant increase in space and a well-designed, efficient, technologically-current building are necessary to provide El Cerrito residents with a library that meets El Cerrito residents’ library service needs.

The report found that an approximately 20,845 square foot facility is recommended for El Cerrito to meet both current and projected library service needs through the year 2030 and beyond. A one-story library was recommended to keep staffing and operational costs to a minimum and to provide optimal building efficiency. A facility of the recommended size would allow among other things, the library to:

- Increase the physical collection 68% to 60,320 books and DVDs/CDs available onsite (in addition to access to e-content through the Contra Costa County Library website.)
- Shelve the physical collection on mid-height shelving to encourage browsing and display instead of traditional full-height book stacks
- Increase seating to 134 open plus six group study/tutoring/collaboration rooms with a total of 56 additional seats
- Expand computer access, from the current 8 workstations to 66 computers, including a mix of standard desktop units and laptops for in-library checkout
- Add a learning space to facilitate computer-based workshops, informal group collaborations and projects
- Add a tutoring and homework study area
- Include an acoustically separate community meeting room that seats 125 with a separate entrance that could be accessed outside of library hours

If the site selected and financing permit, the Safe Modern El Cerrito Library Project could also include associated public facilities to provide additional space for educational and recreational programming.

**Site Selection**
The City engaged Swinerton Management and Consulting to perform cost estimations and construction advice and Group 4 Architecture, Research + Planning, Inc, an architectural firm, to assist with site selection and massing studies. Understanding there is not enough space to accommodate a larger library facility on the current and adjacent sites owned by the West Contra Costa School District (WCCUSD), staff and the consultants worked on identifying a new site for the library.

On March 1, 2016, the Council was presented with the findings of the site feasibility studies that focused on five scenarios:

- Library only on the former Portola Middle School Site “Lower Playfield” area
- Library and additional community center space on the former Portola Middle School site “Lower Playfield” area
- Mixed-use Library and Theater (City-owned) on the Contra Costa Civic Theatre site
- Mixed-use Library with Housing and Retail on a generic San Pablo Avenue site
- Mixed-use Library and Retail on a generic San Pablo Avenue site

Based on the site evaluation criteria, cost estimates, and the synergy with the current Community Center, the City Council unanimously found the most desirable option was the former Portola Middle School Lower Playfield with additional community center space. This was also the preferred option of staff and the consultants. The Council directed City Manager Scott Hanin and Mayor Lyman to pursue discussions with the WCCUSD Board of Education to develop an agreement for a 50-year lease for the “Lower Playfield” area for the City to build a minimum 21,000 square foot library and a 7,500 square foot community center space. The Council’s direction also included urging the WCCUSD to rebuild Fairmont Elementary School as soon as possible, including that the City would ensure there would be adequate room on the Lower Portola Playfield for a temporary campus while Fairmont Elementary School was under
construction/renovation and also a commitment to develop a plan for the ultimate disposition of the current Senior Center and Library sites from the City to the District upon successful passage of a ballot measure to fund the new El Cerrito library. Unfortunately, the WCCUSD was not open to the City’s request for the School Board to consider use of the Lower Portola Playfield for a new El Cerrito Library. The staff may recommend that the WCCUSD Board reconsider this position in the future.

Since the site feasibility study indicated a joint library and theater development on the City-owned Contra Costa Civic Theatre Site would not be cost-effective, staff and the consultants then focused on possible sites on San Pablo Avenue site, particularly in the midtown area near City Hall and at the south end of town near El Cerrito Plaza and the El Cerrito Plaza BART station. Staff is confident that at least one other potential location is currently feasible and under City control. However, at this time, a recommended site has not been identified, but a number of both publically owned and private sites are under consideration. No specifics are yet available due to ongoing planning and negotiations as the goal is to obtain the most advantageous site as possible but staff anticipates returning to Council in the near future with further details and a potential recommendation.

**Measure Overview**

Staff recommends the Council consider placing the Safe Modern El Cerrito Library Measure on the ballot to ask voters the following question:

```
To replace the 67 year old El Cerrito Library with a safe, energy efficient, 21st century library that meets earthquake and fire codes with space for:
- a children’s area for story times and books;
- public access computers and computer learning center;
- up-to-date book and resource collections; and
- improved senior and disabled access;
shall El Cerrito issue $30 million dollars in bonds at legal rates for 33 years, as the Voter Guide describes, requiring independent citizen oversight, and all funds for El Cerrito Library?
```

In order to provide the City with statistically valid information related to community priorities and preferences for financing a library facility, in March 2016, the City Council authorized Godbe Research to conduct a tracking poll focused on library needs and possible ballot measure language about funding a new library to follow-up to the survey conducted in June 2015. The outreach was just completed this week. The preliminary results from this current survey appear very positive with an approximately 3% increase in voter support for the library measure from the previous survey. Of respondents, 73.6% showed their willingness to support a $30 million bond for the Safe Modern El Cerrito Library (as stated above) which is a clear indication of community support for the measure. Although suggestions to amend the language normally occur, because this
specific question has been tested twice and there is strong public support, the staff and consultants strongly recommend not changing this language in the final question given the wording tested in each survey and the 75 word limit.

The upcoming general municipal election and statewide election will be held on November 8, 2016. If the Measure for a Safe Modern El Cerrito Library Project as presented is passed by the voters, the City will be authorized to issue up to $30,000,000 in general obligation bonds. Bond proceeds may be used to acquire land and pay for design, construction, furnishing, and similar costs of a Safe Modern El Cerrito Library Project. The GO bonds would be financed by an ad valorem tax on property in the City, discussed in more detail below. To be approved, the measure must receive “yes” votes from two-thirds of the voters voting on it.

The City prides itself on transparent and fiscally prudent financial practices. Consistent with those values and practices and the City’s legal obligations with regard to GO bonds, the measure includes accountability provisions and the question now specifically directs people to the Voter Guide for more specific information. The proceeds of the tax levied to finance the GO bonds will be placed into a dedicated fund. Funds in the account can be used only for the purposes of the measure.

The Finance Director will annually prepare a report regarding the amount of funds collected and expended and the status of the Safe Modern El Cerrito Library project. In preparing the report, the Finance Director will rely upon the City’s independent auditor. The Financial Advisory Board (FAB) will review the annual report to ensure that bond proceeds are being expended in compliance with the purposes of the measure.

As previously stated, because of the restrictive 75-word limit for ballot questions, Staff and the consultants on the project believe that the ballot question should not be altered in spite of likely suggestions to do so and that the language as proposed is consistent with similar measures for other public agencies. Based on the community feedback that the City has received about the measure, including the survey, staff believes that El Cerrito voters consider the information included in the ballot question to be the most important. Some of that information would have to be removed to discuss the type of tax in the question. How the bonds are to be repaid is best explained in the Voter Guide (now specifically referenced in the question) which includes the Ordinance and Tax Rate Statement.

**Financing Plan**

Although the City’s primary operating fund, the General Fund, is in balance, additional revenue is required in order to build a safe, modern library that meets the needs of our community. General Obligation bonds are the most common debt instrument used by cities, school districts and other public agencies for large infrastructure projects such as new facilities.
The City engaged NHA Advisors to provide advice about General Obligation bonds and to develop the Tax Rate Statement. The Tax Rate Statement is included as attachment 3 and will be included in the Voter Guide.

California cities—as well as counties, school districts and special districts—can issue GO bonds to finance the acquisition of real property and construction of public facilities. GO bonds have historically provided local agencies with the lowest borrowing costs among the types of long-term bonds they may issue because of their broad security pledge, which yield the highest possible bond rating and widest investor acceptance. GO bonds issued by local agencies are backed by a promise to levy ad valorem property taxes in an unlimited amount as necessary to pay debt service. Because of this pledge of ad valorem property tax revenues, GO bonds issued by cities must be approved by the voters with a two-thirds majority. Once passed by the voters, the City is then authorized to levy property tax rate surcharge on property owners in proportion to the assessed value of their property at the rate necessary to repay the principal and interest of the GO bonds.

Based on the Updated Library Needs Assessment and cost estimating to purchase (or enter into a long-term lease of) land and construct, furnish, equip, and supply an approximately 21,000 square foot library facility, staff recommends the City Council consider asking the voters to approve a $30 million General Obligation bond to finance a new library facility which may include for educational and recreational programming, if feasible. As described in the tax rate statement within the Voter Guide, the best estimate of the average annual tax rate at this time which would be required to be levied to fund the bond issue over the thirty-three year “life” of the bond debt service is $0.0312 per $100 ($31.07 per $100,000) assessed property value. (Note: the assessed value of taxable property on the County’s official tax rolls is not on the property’s market value.) More specific information will be available at the actual time the bonds are issued.

**Next Steps**

Staff recommends that the City Council take two actions to submit the Safe Modern El Cerrito Library Project measure to the City’s voters. The first action is adoption of a resolution finding that the public convenience and necessity demand a Safe Modern El Cerrito Library Project. Four affirmative votes of the City Council are required to approve the resolution. The second action is to waive the first reading and introduce by title an ordinance to submit to the voters of El Cerrito a measure authorizing the issuance of bonds for the Safe Modern El Cerrito Library Project. Introduction and subsequent adoption of the ordinance also require four affirmative votes of the City Council. The ordinance would need to have a second reading on Tuesday, August 2, 2016, prior to the County’s August 12 deadline to place the measure on the ballot for the upcoming election.

The Safe Modern El Cerrito Library Project measure must be approved by two-thirds of the City’s voters voting on the measure. The proposed ordinance also directs the City
Attorney to prepare the impartial analysis and authorizes a member of the City Council to file an argument in favor of the measure on behalf of the City Council.

**STRATEGIC PLAN CONSIDERATIONS**

Building a safe, modern library for El Cerrito would help fulfill *Goal D: Develop and Rehabilitate Public Facilities as Community Focal Points* as detailed in the City of El Cerrito Strategic Plan; as well as *Goal B: Achieve Long-term Financial Sustainability* and *Goal C: Deepen a Sense of Place and Community Identity*. Specifically, it would contribute to achieving the following strategies:

- Continue the facilities assessment to prioritize and strategize investment (i.e., library, public safety building, senior center, community center).
- Develop a financial plan to address ongoing and deferred maintenance of facilities and infrastructure.
- Identify, promote, and/or develop entertainment, recreational, and leisure activities for people of all ages and demographics.

**FINANCIAL CONSIDERATIONS**

**Election Costs:** Staff is recommending the Council appropriate $12,000 from the unrestricted General Fund balance to cover the expenses charged by Contra Costa County for conducting the election. The County has already given consent to consolidate the election of three El Cerrito Council members with the statewide general election to be held on November 8, 2016, so the additional expense to include a measure on the ballot relate to additional printing, translation and noticing costs.

**Bond Financing:** The Measure asks voters whether or not to authorize the sale of up to $30 million in general obligation bonds to build a safe, modern El Cerrito library and associated facilities for educational and recreational programming, if feasible. If the bonds are approved by the voters, the City expects to sell the bonds in two series beginning in 2017 which is why the payback period is 33 years. The GO bonds will be repaid from dedicated taxes levied on taxable property in the City as described in the Tax Rate Statement that will be included in the official Voter Guide prepared and distributed by Contra Costa County. Based on a review by NHA advisors, the City is currently well within the debt guidelines as described in the City’s financial policy and this debt will not impact these levels as it is backed by a dedicated revenue source.
**LEGAL CONSIDERATIONS**
The City Attorney has approved this report and the attached resolutions and ordinance. The recommended actions comply with applicable law for submission of the Safe Modern El Cerrito Library Project measure to the City's voters.

Reviewed by:

Karen Pinkos,
Assistant City Manager

**Attachments:**
1. Resolution
2. Ordinance (Exhibit A to Resolution)
3. Tax Rate Statement
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL CERRITO
DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY DEMAND THE
LAND ACQUISITION (OR LEASE) AND CONSTRUCTION DESIGN, FURNISHING,
eQUIPPING, AND SUPPLYING OF A SAFE, MODERN LIBRARY PROJECT WITH
FINANCING THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS

WHEREAS, the El Cerrito Library currently does not meet the space,
technological, educational, or safety needs of El Cerrito residents; and

WHEREAS, the El Cerrito Library was built in 1948 and does not currently meet
the earthquake safety standards for libraries built today; and

WHEREAS, when school gets out, the El Cerrito Library is packed with the
school children and simply overcrowded and too small for what our community needs;
and

WHEREAS, library programs for children and teens, including homework help
and reading resources, are critical to providing our students with the resources they
need; and

WHEREAS, library community priorities include a safe, energy-efficient library
that meets earthquake and fire codes, updated wiring to accommodate computers and
technology, a children’s area with space for children’s story times, space for public
access computers, a computer learning center, and free wi-fi, and improved access for
seniors and disabled residents; and

WHEREAS, the current library is dilapidated, cramped, and substandard relative
to its high usage and does not meet national standards for meeting space and seating
for a community the size of El Cerrito; and

WHEREAS, library visits increased 26% since 2006 and circulation increased
over 27% from 2006 to 2015; and

WHEREAS, the 2014 Updated Library Needs Assessment commissioned by the
City found that a significant increase in space and a well-designed, efficient,
technologically-current building are necessary to provide El Cerrito residents with a
library that meets El Cerrito residents’ library service needs and recommended an
approximately 21,000 square foot library in order to meet both current and projected
library service needs; and

WHEREAS, the ordinance placing a measure on the November 8, 2016, ballot to
seek voter approval of general obligation bonds for the Safe Modern El Cerrito Library
Project includes comprehensive fiscal accountability and transparency provisions,
including independent citizens oversight; and
WHEREAS, the fiscal accountability safeguards will ensure funds are used efficiently, effectively and as promised to voters; and

WHEREAS, the City of El Cerrito (the “City”) is authorized to issue general obligation bonds to finance municipal improvements pursuant to certain provisions of the California Government Code, including Article 1, commencing with Section 43600, of Chapter 4 of Division 4 of Title 4 and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 (collectively, the “Bond Law”); and

WHEREAS, the City intends to issue its general obligation bonds (the “Bonds”) pursuant to the Bond Law to finance the acquisition (or lease) of land and construction, furnishing, equipping, and similar costs of a safe, modern library that is energy efficient and meets current seismic, fire and accessibility codes and other related public improvements, as described in the ordinance placing a measure on the November 8, 2016, ballot seeking voter approval of the Bonds (the “Safe Modern El Cerrito Library Project”); and

WHEREAS, in order to initiate proceedings under the Bond Law to provide for the financing of the Safe Modern El Cerrito Library Project, the City Council must make certain findings and determinations.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CERRITO DOES HEREBY RESOLVE as follows:

1. Declaration of Necessity to Issue Bonds. The public interest and necessity demand, and it is the intention of the City Council to require, the acquisition (or lease) and construction of the Safe Modern El Cerrito Library Project and to issue the Bonds to finance the cost thereof, subject to completion of the proceedings required by the Bond Law.

2. Maximum Amount. The estimated cost of the Safe Modern El Cerrito Library Project is not to exceed $30,000,000. The estimated costs include provision for legal or other fees, and other costs and expenses, which are incidental to or connected with the authorization, issuance and sale of the Bonds.

3. Findings. The City Council hereby finds and determines that the costs of the Safe Modern El Cerrito Library Project requires an expenditure by the City greater than the amount allowed for it by the annual tax levy of the City. The principal amount of the Bonds will not exceed the estimated cost set forth above for the Safe Modern El Cerrito Library Project.

4. Issuance of the Bonds. This Resolution is adopted, and the Bonds, if approved by two-thirds of all qualified voters voting on the issuance of the Bonds, are to be issued pursuant to the Bond Law.
5. **Effective Date.** This Resolution shall take effect upon its adoption by two-thirds of all members of the City Council of the City.

I CERTIFY that the foregoing resolution was adopted upon motion of Councilmember _______ and seconded by Councilmember _______ at a regular meeting on July 19, 2016 by the City Council of the City of El Cerrito who passed this resolution by the following vote:

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____________________________________
Cheryl Morse, City Clerk

____________________________________
Gregory B. Lyman, Mayor
ORDINANCE NO. 2016-XX

ORDINANCE OF THE CITY COUNCIL OF THE CITY OF EL CERRITO ORDERING THE SUBMISSION OF A GENERAL OBLIGATION BOND PROPOSITION TO THE QUALIFIED VOTERS OF THE CITY OF EL CERRITO AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, FOR THE PURPOSE OF THE LAND ACQUISITION (OR LEASE), DESIGN, CONSTRUCTION, FURNISHING, EQUIPPING, AND SUPPLYING OF A SAFE, MODERN LIBRARY PROJECT

WHEREAS, the El Cerrito Library currently does not meet the space, technological, educational, or safety needs of El Cerrito residents; and

WHEREAS, the El Cerrito Library was built in 1948 and does not currently meet the earthquake safety standards for libraries built today; and

WHEREAS, library community priorities include a safe, energy-efficient library that meets earthquake and fire codes, updated wiring to accommodate computers and technology, a children’s area with space for children’s story times, space for public access computers, a computer learning center, and free wi-fi, and improved access for seniors and disabled residents; and

WHEREAS, the current library is dilapidated, cramped, and substandard relative to its high usage and does not meet national standards for meeting space and seating for a community the size of El Cerrito; and

WHEREAS, the 2014 Updated Library Needs Assessment commissioned by the City found that a significant increase in space and a well-designed, efficient, technologically-current building are necessary to provide El Cerrito residents with a library that meets El Cerrito residents’ library service needs and recommended a minimum 21,000 square foot library in order to meet both current and projected library service needs; and

WHEREAS, the proceeds of the tax levied to finance the General Obligation Bonds will be placed into a special account and those funds can be used only for the purposes of the measure and the City’s Finance Director must annually prepare a report regarding the amount of funds collected and expended and the status of the Safe Modern El Cerrito Library project; and

WHEREAS, each year, the City’s Financial Advisory Board will review the annual report to ensure that bond proceeds are being expended in compliance with the purposes of the measure and the Safe Modern El Cerrito Library Project; and

WHEREAS, the fiscal accountability safeguards will ensure funds are used efficiently, effectively and as promised to voters; and
WHEREAS, on July 19, 2016, the City Council adopted, by a two-thirds vote of all its members, a resolution entitled "Resolution of the City Council of the City of El Cerrito Determining that the Public Interest and Necessity Demand the Land Acquisition (or Lease), Design, Construction, Equipping, and Furnishing of a Safe, Modern Library Project with Financing through the Issuance of General Obligation Bonds" (the "Resolution of Necessity"); and

WHEREAS, in order to provide for the issuance by the City of its general obligation bonds to finance the City Library Project (as described in the Resolution of Necessity), it is necessary for the City Council to pass an ordinance ordering the submission of the proposition of incurring bonded indebtedness for such purpose to the qualified voters of the City at a regular municipal election; and

WHEREAS, the City Council desires to submit said ballot measure to the qualified voters of the City at an election to be held in the City on November 8, 2016, and to consolidate the bond election with the general statewide election held within the City on that date; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF EL CERRITO DOES HEREBY ORDAIN as follows:

1. Call for Election. The City Council hereby orders that there be submitted to the qualified voters of the City a proposition on incurring a bonded debt (the “Bonds”) for the purpose set forth in this Ordinance, at the general municipal election to be held on November 8, 2016. The proposition shall be approved if at least two-thirds of the voters voting on the question vote in favor of it.

2. Ballot Proposition. The City Council hereby submits to the qualified voters of the City, at the regular election to be held on November 8, 2016, a proposition on issuing the Bonds in substantially the following form:

To replace the 67 year old El Cerrito Library with a safe, energy efficient, 21st century library that meets earthquake and fire codes with space for a children's area for story times/books; public access computers/computer learning center; up-to-date book/resource collections; and improved senior/disabled access, shall El Cerrito issue $30,000,000 in bonds at legal rates for 33 years, as the Voter Guide describes, requiring independent citizen oversight, and all funds for El Cerrito Library?

3. Object and Purpose of Bonds. The object and specific single purpose of issuing the Bonds is the acquisition and construction of the Safe Modern El Cerrito Library Project (the “Project”). The proceeds of the Bonds may only be expended for the specific purposes set forth in the ballot proposition and for the Project described by this Ordinance. The Project consists of the elements listed below as well as similar
substitute elements that further the creation of a safe, modern El Cerrito Library, as described in the 2014 Updated Library Needs Assessment, and the goal of creating a facility that provides adequate space to meet all of the programming needs of a high-usage community the size of El Cerrito:

(a) Acquisition (including lease) of land for a safe, modern El Cerrito Library and associated public facilities that can be used for educational and recreational programming.

(b) Constructing a safe, modern El Cerrito Library and associated public facilities that can be used for educational and recreational programming that are energy-efficient; meet earthquake and fire codes; and include without limitation updated wiring to accommodate computers and technology, a children’s area with space for children’s story times, space for public access computers, a computer learning center, free wi-fi, and improved access for seniors and disabled residents.

(c) Furnishing, equipping, and supplying a safe, modern El Cerrito Library and associated public facilities that can be used for educational and recreational programming.

4. Estimated Cost of the City Library Project. The estimated cost of the Safe Modern El Cerrito Library Project is $30,000,000. The estimated costs include provision for legal or other fees, and other costs and expenses, which are incidental to or connected with the authorization, issuance and sale of the Bonds.

5. Principal Amount of Bonds. The amount of the principal of the Bonds shall not exceed $30,000,000.

6. Maximum Interest Rate. The maximum rate of interest to be paid on the Bonds shall be 8% per annum. Said interest shall be payable semiannually except that interest for the first year after the date of the Bonds may be made payable at the end of said year.

7. Issuance and Sale of Bonds. The City proposes to acquire and construct the Safe Modern El Cerrito Library Project and to issue and sell the Bonds pursuant to Article 1, commencing with Section 43600, of Chapter 4 of Division 4 of Title 4 of the California Government Code, or Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, in one or more series, in the maximum amount and for the objects and purposes set forth above if two-thirds of all qualified voters voting on the proposition set forth above vote in favor thereof. The Bonds will be general obligations of the City payable from and secured by taxes levied and collected in the manner prescribed by laws of the State of California. All of the Bonds are to be equally and ratably secured, without priority, by the taxing power of the City.
8. **Consolidation; Manner of Conducting Election.** The bond election hereby called for November 8, 2016, is hereby ordered consolidated with any other election to be held within the City on said date. The election shall be held and conducted, election officers appointed, voting precincts designated, ballots printed, polls opened and closed, ballots counted, and returned, returns canvassed, results declared, and all other proceedings incidental to and connected with the election shall be regulated and done in accordance with the provisions of law regulating the election as specified herein. The Board of Supervisors of Contra Costa County and the Contra Costa County Clerk, Elections Division, are hereby requested to order the consolidation of the municipal election hereby called with any other election to be held within the City on said date. The City Council recognizes that the County will incur additional costs in conducting the election called by this resolution, agrees to reimburse the County for those costs, and authorizes and directs the City Manager or his designee to expend the funds necessary to pay for the costs of conducting the election. The City Council acknowledges that the consolidated election will be held and conducted in the manner prescribed in Elections Code Section 10418. The City’s boundaries have not changed since its previous election.

9. **Procedure for Voting on Proposition.** Ballots for the election shall be provided in the form and in the number provided by law. Voters shall be provided an opportunity to vote for or against the proposition on the ballot, in accordance with procedures to be adopted by the authorized officers of the County charged with conducting the election.

10. **Accountability Requirements.** In accordance with Sections 53410 and 53411 of the California Government Code, the City Council hereby adopts the following accountability requirements relating to the Bonds:

    (a) A separate account shall be created and held by the City, into which the proceeds of the Bonds are deposited.

    (b) The Finance Director of the City shall file a report with the City Council no later than January 1, 2018, and at least once a year thereafter, showing the amount of Bond proceeds collected and expended, and the status of the project to be financed from the proceeds of the Bonds.

    (c) The Finance Director of the City shall also file the annual report described in the preceding paragraph to the City’s Financial Advisory Board, which will review the annual report to ensure that Bond proceeds are being expended in compliance with the purposes of the measure and the Safe Modern El Cerrito Library Project.

11. **Ballot Arguments; Tax Rate Statement; Text of Measure.**

    (a) The Mayor is hereby authorized to file an argument in support of the ballot measure which is prepared in connection with the election. At the
Mayor’s discretion, the argument may also be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote on the measure. In the event that an argument is filed against the measure, the Mayor is also authorized to prepare a rebuttal argument on behalf of the City Council, which may also be signed by members of the City Council or bona fide associations or by individual voters who are eligible to vote on the measure. Ballot arguments shall not exceed 300 words. Rebuttal arguments shall not exceed 250 words. The deadline for filing ballot arguments is August 24, 2016. The deadline for filing rebuttal arguments is August 29, 2016. Direct and rebuttal arguments shall be filed with the City Clerk’s Office.

(b) The Finance Director is hereby authorized to execute any Tax Rate Statement to be included as part of the official ballot measure.

(c) The full text of this Ordinance shall be published in the Voter Information Guide.

12. Impartial Analysis. Pursuant to Section 9280 of the California Elections Code, the City Clerk is hereby directed to submit a copy of this Ordinance to the City Attorney and the City Attorney or his designee is hereby authorized and directed to prepare an impartial analysis of the ballot proposition showing the effect of the ballot proposition on the existing law and the operation of the ballot proposition. Such analysis shall not exceed 500 words in length and shall comply in all respects with applicable provisions of the California Elections Code. The City Attorney’s impartial analysis shall be filed with the City Clerk’s Office no later than August 19, 2016.

13. Compliance with the California Environmental Quality Act. The City Council finds that this Ordinance is exempt from the California Environmental Quality Act (Public Resources Code §§ 21000 et seq., “CEQA,” and 14 Cal. Code Reg. §§ 15000 et seq., “CEQA Guidelines”). This Ordinance only submits to the voters of El Cerrito the question whether the tax and bonds described by this Ordinance should be approved to fund the Safe Modern El Cerrito Library Project but does not approve the Project. As such, under CEQA Guidelines section 15378(b)(4), this Ordinance and the tax and bonds described herein are not a project within the meaning of CEQA because they create a government funding mechanism that does not involve any commitment to any specific project or service that may result in a potentially significant physical impact on the environment. If revenue from the tax and bonds were used for a purpose that would have such effect, the City would undertake the required CEQA review for that particular project. Therefore, pursuant to CEQA Guidelines Section 15060, review of the Ordinance under CEQA is not required. Prior to commencement of any component of the Safe Modern El Cerrito Library Project, any necessary environmental review required by CEQA shall be completed. The City shall perform CEQA analysis for the Safe Modern El Cerrito Library Project prior to approving the Project, if the Project requires analysis under CEQA.
14. **Official Actions.** The Mayor, the City Manager, the Finance Director and the City Clerk, or any of their designees, are hereby authorized to execute any documents and to perform all acts necessary to place the bond measure on the ballot.

15. **Publication of Ordinance.** This Ordinance shall be published once a day for at least seven (7) days in a newspaper published at least six (6) days a week in the City, or once a week for two (2) weeks in a newspaper published less than six (6) days a week in the City. The first of said publications shall, in either event, be within fifteen (15) days after the adoption of this Ordinance.

16. **Effective Date.** This Ordinance shall become effective immediately upon its adoption by two-thirds vote of all the members of this Council (at least four affirmative votes).

I CERTIFY that the foregoing ordinance was introduced upon motion of Councilmember _______ and seconded by Councilmember _______ at a regular meeting on July 19, 2016, and was adopted upon motion of Councilmember _______ and seconded by Councilmember _______ at a regular meeting on ______, 2016 by the City Council of the City of El Cerrito who passed this ordinance by the following vote:

AYES: Councilmembers

NOES: Councilmembers

ABSENT: Councilmembers

ABSTAIN: Councilmembers

____________________________________
Cheryl Morse, City Clerk

_________________________________
Gregory B. Lyman, Mayor
An election will be held in the City of El Cerrito (the “City”) on November 8, 2016, on the question of issuing bonds in the principal amount of $30,000,000 to finance the Safe Modern El Cerrito Library Project as described in the bond measure and Ordinance No. 2016-XX, which submitted the bond measure to the City’s voters for approval at the November 8, 2016, election. If the bonds are approved, the City expects to sell the bonds in two series beginning in 2017. Principal and interest on the bonds will be paid from taxes levied on taxable property in the City. The following tax rate information is given to comply with Sections 9400-9404 of the Elections Code of the State of California.

Based on estimated assessed valuations available at the time of filing of this statement:

1. The best estimate of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the sale of the first series of bonds, based on estimated assessed valuations available at the time of filing of this statement, is $0.0188 per $100 ($18.78 per $100,000) of assessed valuation in fiscal year 2017/18.

2. The best estimate of the tax rate that would be required to be levied to fund the bond issue during the first fiscal year after the last sale of the bonds, based on estimated assessed valuations available at the time of filing of this statement, is $0.0428 per $100 ($42.80 per $100,000) of assessed valuation in fiscal year 2020/21.

3. The best estimate of the highest tax rate that would be required to be levied to fund the bond issue, based on estimated assessed valuations available at the time of filing this statement, is $0.0431 per $100 ($43.09 per $100,000) of assessed valuation in fiscal year 2021/22.

4. The best estimate of the average annual tax rate which would be required to be levied to fund the bond issue over the entire life of the bond debt service, based on estimated assessed valuations available at the time of filing of this statement, is $0.0312 per $100 ($31.07 per $100,000) of assessed valuation. The final fiscal year in which a tax is anticipated to be collected is 2049/50.

Voters should note that such estimated tax rates are specific to the repayment of bonds issued under this authorization and exclusive of any other bond authorizations approved or to be approved by the City or any other overlapping public agency.

Voters should note that the estimated tax rates are based on the assessed value of taxable property on the Contra Costa County’s official tax rolls, not on the property’s market value. 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. Certain taxpayers may also be eligible to postpone payment of taxes. Property owners should consult their own property tax bills and the County Assessor to determine their property’s assessed value and any applicable tax exemptions.

The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The estimates are based upon the City’s projections and are not binding upon the City. The dates of sale and the amount of bonds sold at any given time will be determined by the City based on the need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the City as determined by the County Assessor in the annual assessment and the equalization process.

Dated: August ___, 2016

______________________________
Gregory B. Lyman
Mayor, City of El Cerrito
SUPPLEMENTAL REPORTS AND COMMUNICATIONS

Item No. 5(F) Urge the Bay Area Air Quality Management District to Adopt the Community Worker Alternative in Rule 12-16

1. Notification that the Environmental Quality Committee voted to support the Community-Worker proposal – Submitted by Maria Sanders, Liaison to the Environmental Quality Committee.

Item No. 6(B) Appeal of the Planning Commission’s Approval of Amendments to a Conditional Use Permit for the Summit K2 Charter School Located at 1800 Elm Street


4. 1800 Elm Street Conditional Use Permit Addendum – Submitted by Doug Giffin, Education Matters.

5. Ex-Parte Communication Disclosure – Submitted by Mayor Lyman.


7. Elaboration on Appeal of the Planning Commission’s actions on June 15, 2016 – Submitted by Joanna Pace on behalf of appellants.

8. Survey of traffic on 1800 Elm Street – Submitted by Joanna Pace on behalf of Franklin Leong, Appellant, El Cerrito.


Item No. 6(C) PL 14-0171 El Dorado Townhomes Tentative Subdivision Map

11. Comments on proposed subdivision map – Submitted by Howdy Goudey, El Cerrito.

Item No. 7 Placement of a General Obligation Bond Measure for a Safe Modern El Cerrito Library