

RESOLUTION NO. CC-2408-064

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, CALLING AND GIVING NOTICE OF HOLDING A SPECIAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 5, 2024, ORDERING THE SUBMISSION OF A MEASURE TO THE QUALIFIED VOTERS OF THE CITY, PLACING A MEASURE TO APPROVE THE ISSUANCE OF GENERAL OBLIGATION BONDS TO FINANCE MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY ON THE NOVEMBER 5, 2024 BALLOT, REQUESTING CONSOLIDATION WITH THE STATEWIDE GENERAL ELECTION, AND SETTING PROCEDURAL DETAILS

WHEREAS, the City of Redondo Beach (the “City”) is a charter city duly organized and existing under the Constitution and laws of the State of California; and

WHEREAS, as mentioned in the City’s Capital Improvement Program (CIP), the City desires to undertake the acquisition, construction, reconstruction, rehabilitation or replacement of the City’s police and fire facilities (together, the “Improvements”); and

WHEREAS, the City has outgrown its aging police and fire facilities, which were built in the 1950s when the City’s population was approximately one-third of the current population; and

WHEREAS the current fire stations, where constructed in 1959 for a total staff of 39 firefighters serving a population of 50,000. Today the fire department responds to over 8,000 annual emergency calls with a total staff of 69 personnel serving a population of 70,000 in the same facilities. These stations lack adequate space for personnel and paramedic equipment, hindering operational efficiency; and

WHEREAS on June 28, 2024, the Los Angeles Civil Grand Jury issued a report on *Earthquake Safety Readiness* directing cities to prioritize government building resilience and to initiate retrofitting and rebuilding of these buildings to ensure earthquake resilience; and

WHEREAS, the City falls within a region that is susceptible to earthquakes due to its proximity to several active fault lines which includes the Palos Verdes Fault, Newport-Inglewood Fault and San Andreas Fault. Redondo Beach is part of the broader Los Angeles area, which is classified as Seismic Zone 4. This is the highest seismic risk zone in the United States, indicating a high potential for significant seismic activity; and

WHEREAS, the City’s 911 communication center, police station and fire stations are critical infrastructure and critical components of the emergency response system and must adhere to stringent building codes designed to enhance earthquake resilience and ensure readiness in a disaster. This includes requirements for seismic retrofitting and/or replacement of older buildings to enhance the earthquake resilience of these buildings. These centers are the first point of contact in emergencies, providing immediate response and coordination in any disaster; and

WHEREAS, the fire stations are in need of repair, replacement and upgrades, including but not limited to, addressing structural cracking, seismic retrofitting, mold, asbestos and outdated plumbing and electrical systems, and adding or updating female sleeping quarters and restrooms in order to help recruit and retain fire fighters and paramedics; and

WHEREAS, the police station, which was constructed in 1957 for a total staff of 48, lacks adequate space for current personnel and equipment, hindering operational efficiency for the now roughly 240 Police Department employees; and

WHEREAS the current police station is in need of repair, replacement and upgrades, including but not limited to, mold, asbestos and lead, outdated plumbing and electrical systems, meeting California Structural Performance Category (SPC) requirements to survive a strong earthquake, addressing significant roof leaks during storms, updating inadequate restrooms to meet ADA requirements, and updating facilities to utilize more efficient, economical and environmentally friendly energy systems; and

WHEREAS a new police station would be able to accommodate space for new state-of-the-art technology to enhance the communications center, drone operations, jail operations, and a more contemporary Emergency Operations Center to keep the City secure during the management of emergency incidents; and

WHEREAS a new police station will incorporate modern security measures to better protect officers and arrestees, allow for community integration and meeting spaces, and foster positive relationships between law enforcement and residents to better accommodate the needs of the community; and

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

WHEREAS, on July 30, 2024, the City Council adopted, by a two-thirds vote of all its members, Resolution No. CC-2407-060 determining the necessity to incur a bonded indebtedness to finance the Improvements constituting public infrastructure of the City (the "Bonds"); and

WHEREAS, on the date hereof, the City Council adopted, by a two-thirds vote of all its members, AN ORDINANCE OF THE CITY OF REDONDO BEACH ORDERING THE SUBMISSION OF A PROPOSITION INCURRING BONDED INDEBTEDNESS TO THE QUALIFIED VOTERS OF THE CITY OF REDONDO BEACH AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, FOR THE PURPOSE OF FINANCING THE COSTS OF THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION OR REPLACEMENT OF CERTAIN MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY (the "Ordinance"), which orders the submission to the voters of a proposition authorizing the issuance of the Bonds to the voters of the City for their consideration; and

WHEREAS, under existing law, approval of the Bonds requires 2/3 of the voters in the City voting on the proposition to vote in favor; and

WHEREAS, Assembly Constitutional Amendment No. 1, as amended by Assembly Constitutional Amendment No. 10, has qualified for the November 5, 2024 Statewide ballot as "Proposition 5" and would, among other things, change existing law to authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure if the proposition proposing that tax is approved by 55% of the voters of the city,

county, city and county, or special district, as applicable, and the proposition includes specified accountability requirements; and

WHEREAS, the foregoing amendments effectuated by Proposition 5, if approved at the November 5, 2024 Statewide ballot, would apply to any proposition authorizing general obligation bonds of a city that is submitted at the same election as Proposition 5; and

WHEREAS, the proposition to approve the Bonds complies with all the provisions of Proposition 5 so that, if Proposition 5 is approved on November 5, 2024, approval of the Bonds shall require 55% (not 2/3) of the voters in the City voting on the proposition to vote in favor; and

WHEREAS, if the ballot measure authorizing issuance of the Bonds is approved by the requisite number of affirmative votes, the City will be authorized to issue the Bonds.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Redondo Beach as follows:

SECTION 1: Pursuant to its right, power and authority under the California Constitution and the laws of the State of California, the City Council on its own motion hereby orders submitted to the voters at an election to be held in the City on November 5, 2024, a ballot measure designated by letter by the Los Angeles County Registrar of Voters authorizing the sale of general obligation bonds to finance the costs of municipal improvement projects constituting public infrastructure of the City described in the Ordinance, to appear on the ballot in substantially the following form:

To recruit/retain qualified firefighters/paramedics/police, improve Redondo Beach's ability to provide fire/police protection and 911 response, help keep Redondo Beach safe by repairing/replacing/upgrading deteriorated fire/police stations/facilities, including removing asbestos and mold, shall Redondo Beach's measure authorizing \$93,350,000 in bonds at legal rates, levying on average \$17.45 per \$100,000 of assessed valuation, generating approximately \$6,280,000 annually while bonds are outstanding, requiring oversight, spending disclosure, and all funds spent locally, be adopted?	BONDS YES _____
	BONDS NO _____

SECTION 2: The full text of the proposed measure to be submitted to the voters is set forth in the Ordinance, and incorporated herein by reference as if set forth in full. The full text of the Ordinance shall be printed in the voter information guide attached as Exhibit A. The proposed measure shall not take effect unless approved by (1) if Proposition 5 passes, a 55% vote of the voters voting on the question or (2) if Proposition 5 does not pass, a 2/3rds vote of the voters voting on the question.

SECTION 3: Tax Rate Statement. The City Council hereby finds that the estimates and projections contained in the measure and in the tax rate statement required by Section 9401 of the California Elections Code and prepared in connection with the measure, 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 City Clerk is hereby directed to cause the tax rate statement, in form attached as Exhibit B hereto, to be included with the sample ballot which will be mailed to voters, and to file the tax rate statement and any other documents required for the Bond measure with the Los Angeles County Registrar of Voters.

SECTION 4: Pursuant to Sections 10002 and 10403 of the California Elections Code, the City hereby requests that the Board of Supervisors of Los Angeles County and the Los Angeles County Registrar of Voters consolidate the City's general obligation bond measure with the Statewide general election to be held on November 5, 2024, and further requests the services of the Los Angeles County Registrar of Voters in carrying out the election for the City's general obligation bond measure, including sending to the City's registered voters all required election materials, conducting the election, canvassing the vote received, and taking all steps necessary and required for the holding of this election within the City. The City Clerk of the City shall receive the canvass as it pertains to the election on the measure from the County, and shall certify the results to the City Council, as and to the extent required by law.

SECTION 5: The City acknowledges that the consolidated election will be held and conducted in the manner prescribed in California Elections Code Section 10418. The location of the central counting place for the ballots to be cast at the election shall be as established by the Board of Supervisors of Los Angeles County and/or the Los Angeles County Registrar of Voters. The precincts, ballot drop box locations and hours of operations, vote center locations and hours of operations, vote-by-mail procedures and timing, and election officers, and all other persons and procedures for the election shall be the same as those utilized by Los Angeles County.

SECTION 6: The City acknowledges that the compensation for election officers, polling place rental fees and any other fees or costs of the election shall be based on the rates set by the Los Angeles County Board of Supervisors which are in effect at the time of the consolidated election, and the County shall be reimbursed by the City for such services as they are performed.

SECTION 7: Direct Arguments. The last day for filing direct arguments for or against the measure shall be **August 16, 2024 at 5:00 p.m.**, and all such arguments shall be filed with the City of Redondo Beach City Clerk, 415 Diamond Street, Redondo Beach, CA 90277 and shall not exceed 300 words in length. Each argument shall be signed and include the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The arguments shall be accompanied by the "Form of Statement to be filed by Author(s) of Argument" as provided by the City Clerk. Arguments received prior to the deadline shall be confidential until the deadline. The City Clerk, upon receipt of arguments and after the filing deadline, shall immediately transmit copies to any known opposing parties who may then submit rebuttals within the time period described below.

SECTION 8: The City Council hereby authorizes Mayor Light, Councilmember Loewenstein and Councilmember Kaluderovic to submit a ballot argument in favor of the measure to be voted on at the November 5, 2024 election pursuant to California Elections Code Section 9282.

SECTION 9: That if more than one argument for or against each measure is submitted to the City Clerk/Elections Official within the time prescribed, pursuant to Section 9287 of the California Elections Code, she shall select one of the arguments in favor and one of the arguments against each Measure for printing and distribution to the voters.

SECTION 10: That the City Clerk/Elections Official shall give preference and priority, in the order named, to the arguments of the following:

- a. The City Council, or member(s) or members of the body authorized by the City Council.
- b. The individual voter, or bona fide association of citizens, or combination of voters and associations, who are the bona fide sponsors or proponents of the measure.
- c. Bona fide associations of citizens.
- d. Individual voters who are eligible to vote on the measure.

SECTION 11: Rebuttal Arguments. The last day for filing rebuttal arguments for or against the measure shall be **August 26, 2024 at 5:00 p.m.**, and all such arguments shall be filed with the City of Redondo Beach City Clerk, 415 Diamond Street, Redondo Beach, CA 90277 and shall not exceed 250 words in length. The rebuttal arguments shall be accompanied by the "Form of Statement to be filed by Author(s) of Argument" as provided by the City Clerk. Arguments received prior to the deadline shall be confidential until the deadline.

SECTION 12: Impartial Analysis. The City Council directs the City Clerk to submit to the City Attorney a copy of the measure, and the City 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 City Attorney to the City Clerk on or before **August 26, 2024 at 5:00 p.m.**, shall not exceed 500 words in length, and otherwise shall comply in all respects with the applicable provisions of the California Elections Code.

SECTION 13: Public Review. Pursuant to Section 9295 of the California Elections Code, there shall be a 10-day public review period for the impartial analysis, arguments submitted for or against the measure, and rebuttal arguments. These time periods are established as follows: (a) with respect to arguments submitted for or against the measure, **commencing on August 17, 2024 and closing on August 26, 2024**, and (b) with respect to the analysis and rebuttal arguments, **commencing on August 27, 2024 and closing on September 5, 2024**.

SECTION 14: The City Clerk shall comply with all provisions of law establishing priority of arguments for printing and distribution to the voters, and shall take all necessary actions to cause the selected arguments to be printed and distributed to the voters. Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

SECTION 15: That the City Council approves the letter designation of PS, FP, and PF as the first, second and third choice, respectively for the submission to the Los Angeles County Clerk/Registrar Recorder identification of the ballot measure.

SECTION 16. In all particulars not recited in the Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 17: The City Clerk is directed to give notice of the election and synopsis of the City's general obligation bond measure in the time, form, and manner as required by law.

SECTION 18: The City Clerk is authorized to transmit a certified copy of this resolution to the Los Angeles County Board of Supervisors and the Los Angeles County Registrar of Voters.


SECTION 19: The City Clerk is hereby authorized and directed to work with the appropriate officials of Los Angeles County to carry out the purposes and intent of this Resolution, including preparing, signing, filing and/or revising any applicable documents, agreements, or other materials.

SECTION 20: The City Council hereby finds that adoption of this Resolution for placement of the proposed measure on the November 5, 2024 ballot is not a “project” under the California Environmental Quality Act (“CEQA”), because neither this Resolution nor the proposed ballot measure involves any commitment to a specific project which may result in a potentially significant physical impact on the environment pursuant to Title 14, California Code of Regulations (CEQA Guidelines) Section 15378(b)(4). The proposed ballot measure is for the creation of a government funding mechanism which does not involve any commitment to a specific project which may result in a potentially significant physical impact on the environment.

SECTION 21: If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

SECTION 22: This Resolution shall take effect immediately upon its adoption pursuant to Government Code Section 36937(a).

PASSED, APPROVED AND ADOPTED at a regular meeting of the City Council of the City of Redondo Beach on August 6, 2024.

DocuSigned by:

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James A. Light, Mayor

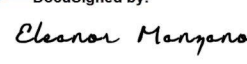
APPROVED AS TO FORM:

DocuSigned by:

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Michael W. Webb, City Attorney

ATTEST:

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Eleanor Manzano, CMC, City Clerk

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) ss
CITY OF REDONDO BEACH)

I, Eleanor Manzano, City Clerk of the City of Redondo Beach, California, do hereby certify that Resolution No. CC-2408-064 was passed and adopted by the City Council of the City of Redondo Beach, California, at a regular meeting of said City Council held on the 6th day of August, 2024, and there after signed and approved by the Mayor and attested by the City Clerk, and that said resolution was adopted by the following vote:

AYES: NEHRENHEIM, LOEWENSTEIN, KALUDEROVIC, OBAGI, JR., BEHRENDT

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

DocuSigned by:
Eleanor Manzano
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Eleanor Manzano, CMC
City Clerk

EXHIBIT A

ORDINANCE NO. 3274-24

AN ORDINANCE OF THE CITY OF REDONDO BEACH ORDERING THE SUBMISSION OF A PROPOSITION INCURRING BONDED INDEBTEDNESS TO THE QUALIFIED VOTERS OF THE CITY OF REDONDO BEACH AT THE STATEWIDE GENERAL ELECTION TO BE HELD ON NOVEMBER 5, 2024, FOR THE PURPOSE OF FINANCING THE COSTS OF THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION OR REPLACEMENT OF CERTAIN MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY

WHEREAS, the City of Redondo Beach (the “City”) is a charter city duly organized and existing under the Constitution and laws of the State of California; and

WHEREAS, as mentioned in the City’s Capital Improvement Program (CIP), the City desires to undertake the acquisition, construction, reconstruction, rehabilitation or replacement of the City’s police and fire facilities (together, the “Improvements”); and

WHEREAS, the City has outgrown its aging police and fire facilities, which were built in the 1950s when the City’s population was approximately one-third of the current population; and

WHEREAS the current fire stations, where constructed in 1959 for a total staff of 39 firefighters serving a population of 50,000. Today the fire department responds to over 8,000 annual emergency calls with a total staff of 69 personnel serving a population of 70,000 in the same facilities. These stations lack adequate space for personnel and paramedic equipment, hindering operational efficiency; and

WHEREAS on June 28, 2024, the Los Angeles Civil Grand Jury issued a report on *Earthquake Safety Readiness* directing cities to prioritize government building resilience and to initiate retrofitting and rebuilding of these buildings to ensure earthquake resilience; and

WHEREAS, the City falls within a region that is susceptible to earthquakes due to its proximity to several active fault lines which includes the Palos Verdes Fault, Newport-Inglewood Fault and San Andreas Fault. Redondo Beach is part of the broader Los Angeles area, which is classified as Seismic Zone 4. This is the highest seismic risk zone in the United States, indicating a high potential for significant seismic activity; and

WHEREAS, the City’s 911 communication center, police station and fire stations are critical infrastructure and critical components of the emergency response system and must adhere to stringent building codes designed to enhance earthquake resilience and ensure readiness in a disaster. This includes requirements for seismic retrofitting and/or replacement of older buildings to enhance the earthquake resilience of these buildings. These centers are the first point of contact in emergencies, providing immediate response and coordination in any disaster; and

WHEREAS, the fire stations are in need of repair, replacement and upgrades, including but not limited to, addressing structural cracking, seismic retrofitting, mold, asbestos and outdated plumbing and electrical systems, and adding or updating female sleeping quarters and restrooms in order to help recruit and retain fire fighters and paramedics; and

WHEREAS, the police station, which was constructed in 1957 for a total staff of 48, lacks adequate space for current personnel and equipment, hindering operational efficiency for the now roughly 240 Police Department employees; and

WHEREAS the current police station is in need of repair, replacement and upgrades, including but not limited to, mold, asbestos and lead, outdated plumbing and electrical systems, meeting California Structural Performance Category (SPC) requirements to survive a strong earthquake, addressing significant roof leaks during storms, updating inadequate restrooms to meet ADA requirements, and updating facilities to utilize more efficient, economical and environmentally friendly energy systems; and

WHEREAS a new police station would be able to accommodate space for new state-of-the-art technology to enhance the communications center, drone operations, jail operations, and a more contemporary Emergency Operations Center to keep the City secure during the management of emergency incidents; and

WHEREAS a new police station will incorporate modern security measures to better protect officers and arrestees, allow for community integration and meeting spaces, and foster positive relationships between law enforcement and residents to better accommodate the needs of the community; and

WHEREAS, the undertaking of the Improvements by the City constitutes the acquisition, construction, reconstruction, rehabilitation or replacement of “municipal improvements” and “public infrastructure” because the Improvements are (1) part of the structures, facilities and equipment owned and operated under the control of the City, (2) part of the basic, underlying features of the City’s physical landscape, community identity, and organization, (3) once completed, open to the public for use and/or benefiting the public, and (4) necessary or convenient to carry out the objects, purposes and powers of the City; and

WHEREAS, the City intends to issue its general obligation bonds (the “Bonds”) to finance the cost of the acquisition, construction, reconstruction, rehabilitation or replacement of the Improvements; and

WHEREAS, under existing law, approval of the Bonds requires 2/3 of the voters in the City voting on the proposition to vote in favor; and

WHEREAS, Assembly Constitutional Amendment No. 1, as amended by Assembly Constitutional Amendment No. 10, has qualified for the November 5, 2024 Statewide ballot as “Proposition 5” and would, among other things, change existing law to authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure if the proposition proposing that tax is approved by 55% of the voters of the city, county, city and county, or special district, as applicable, and the proposition includes specified accountability requirements; and

WHEREAS, the foregoing amendments effectuated by Proposition 5, if approved at the November 5, 2024 Statewide ballot, would apply to any proposition authorizing general obligation bonds of a city that is submitted at the same election as Proposition 5; and

WHEREAS, the proposition to approve the Bonds complies with all the provisions of Proposition 5, including all of its accountability requirements, so that, if Proposition 5 is approved on

November 5, 2024, approval of the Bonds shall require that 55% (not 2/3) of the voters in the City voting on the proposition vote in favor; and

WHEREAS, if the ballot measure authorizing issuance of the Bonds is approved by the requisite number of affirmative votes, the City will be authorized to issue the Bonds.

NOW, THEREFORE, the City Council of the City of Redondo Beach does hereby ordain as follows:

SECTION 1. PURPOSE AND INTENT. Pursuant to the authority provided by the California Government Code and California Elections Code, the City Council proposes to order the submission of a proposition authorizing the City to issue general obligation bonds (the "Bonds") to the qualified voters of the City at the Statewide general election to be held on November 5, 2024.

SECTION 2. FINDINGS. The City Council hereby makes the following findings with respect to the proposed measure for the Bonds:

- (i) On July 30, 2024, the City Council adopted, by a two-thirds vote of all its members, a resolution entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY DEMAND THE ACQUISITION, CONSTRUCTION, RECONSTRUCTION, REHABILITATION OR REPLACEMENT OF MUNICIPAL IMPROVEMENT PROJECTS CONSTITUTING PUBLIC INFRASTRUCTURE OF THE CITY, AND THEIR FINANCING THROUGH THE ISSUANCE OF GENERAL OBLIGATION BONDS," pursuant to which the City Council has found and determined that the public interest and necessity demand the issuance of general obligation bonds to finance the Improvements, which are municipal improvement projects constituting public infrastructure of the City.
- (ii) In order to provide for the issuance by the City of general obligation bonds to provide financing for the Improvements, it is necessary for the City Council to adopt an ordinance ordering the submission of the proposition of incurring bonded indebtedness for such purpose to the qualified voters of the City at a municipal election.
- (iii) The City Council desires to submit said ballot measure to the qualified voters of the City at the Statewide general election to be held in the City on November 5, 2024, and to consolidate the bond election with other elections held within the City on that date.

SECTION 3. CALL FOR ELECTION. The City Council hereby orders that there be submitted to the qualified voters of the City a proposition on incurring bonded indebtedness for the purposes set forth in this Ordinance, at the Statewide general election to be held on November 5, 2024.

SECTION 4. BALLOT PROPOSITION. The City Council hereby submits to the qualified voters of the City, at the Statewide general election to be held on November 5, 2024, a proposition on issuing the Bonds. The statement of the measure shall be in substantially the form set forth in the resolution of the City placing the measure on the ballot.

SECTION 5. OBJECT AND PURPOSE OF BONDS. The object and purpose of the Bonds is to finance some or all of the costs of the Improvements. 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: costs of design, engineering, architect and other professional services, inspections, site preparation, utilities, landscaping, construction management and other planning and permitting, 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; addressing unforeseen conditions revealed by construction or renovation, and other necessary improvements required to comply with existing building codes and other applicable law, including the Americans with Disabilities Act; costs of the bond election; bond issuance costs; project administration during the duration of such projects; and financing and interest costs on the Bonds.

The final costs, locations, designs, layouts and other components of the Improvements will be determined as plans are finalized, construction bids are awarded, and projects are completed. Therefore, the City Council cannot guarantee that the Bonds will provide sufficient funds to allow completion of all needed Improvements.

SECTION 6. ESTIMATED COSTS OF IMPROVEMENTS. The estimated costs of the Improvements is \$93,350,000. The estimated cost includes legal or other fees, the costs of printing the Bonds, and other costs and expenses incidental to or connected with the authorization, issuance and sale of the Bonds. To the extent the Improvements financed are revenue-producing public works, the cost of the Improvements may also include bond interest estimated to accrue during the construction period and for a period of not to exceed 12 months after completion of construction.

SECTION 7. PRINCIPAL AMOUNT OF BONDS. The amount of the principal of the Bonds shall not exceed \$93,350,000.

SECTION 8. MAXIMUM INTEREST RATE. The maximum rate of interest to be paid on the Bonds shall be the statutory maximum of 12% 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.

SECTION 9. ISSUANCE AND SALE OF BONDS. The City proposes 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, and 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 the requisite number of qualified voters voting on the proposition vote in favor thereof. The Bonds will be general obligations of the City payable from and secured by ad valorem taxes levied and collected in the manner prescribed by the laws of the State of California. The revenue generated from the ad valorem tax levied and collected will be used for the payment of debt service on the Bonds. All of the Bonds shall be equally and ratably secured, without priority, by the taxing power of the City.

SECTION 10. MANNER OF CONDUCTING ELECTION. The election on the Bonds held on November 5, 2024 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 with which it is consolidated.

SECTION 11. 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 of Los Angeles (the "County") charged with conducting the election.

SECTION 12. ACCOUNTABILITY REQUIREMENTS. In accordance with Proposition 5 and Sections 53410 and 53411 of the California Government Code, the City Council hereby adopts the following accountability requirements relating to the Bonds:

- (i) The proceeds from the sale of the Bonds shall be used only for the purposes specified in this Ordinance, and not for any other purpose, including City employee salaries and other operating expenses. The administrative cost of the City for the Improvements shall not exceed 5% of the proceeds from the sale of the Bonds.
- (ii) The proceeds from the sale of the Bonds shall only be spent on projects and programs that serve the jurisdiction of the City.
- (iii) This Ordinance shall be the ordinance through which projects will be funded and the City hereby certifies that it has evaluated alternative funding sources.
- (iv) The City shall conduct an annual, independent performance audit to ensure that the Bond funds are expended pursuant to the local program specified in clause (iii).
- (v) The City shall conduct an annual, independent financial audit of the proceeds from the sale of the Bonds until all of those proceeds have been expended for the Improvements.
- (vi) The City shall post the audits required by clauses (iv) and (v) in a manner that is easily accessible to the public.
- (vii) The City shall submit the audits required by clauses (iv) and (v) to the California State Auditor for review.
- (viii) The City shall appoint a citizens' oversight committee to ensure that Bond proceeds are expended only for the purposes described in the measure approved by the voters. Members appointed to the oversight committee shall receive educational training about bonds and fiscal oversight.
- (ix) Any entity owned or controlled by a member of the City Council shall be prohibited from bidding on any work funded by the proposition.
- (x) A separate account shall be created and held by the City, into which the proceeds of the Bonds shall be deposited and applied solely for the purpose of financing the Improvements.
- (xi) The Finance Director of the City shall file a report with the City Council at least annually showing the amount of Bond proceeds collected and expended, and the status of the Improvements.

SECTION 13. IDENTIFICATION OF TAX. The tax imposed by this measure is an ad valorem tax levied upon taxable real property in the City, and will be used to pay the principal and interest on the Bonds.

SECTION 14. OFFICIAL ACTIONS. The Mayor, the City Manager, the Finance Director, the City Clerk, and 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.

SECTION 15. INTERPRETATION. The provisions of this Ordinance, being necessary for the health, welfare, and safety of the City and its residents, is to be liberally interpreted to carry out its purposes. No error, irregularity or informality, and no neglect or omission of any officer, in any proceeding taken related to the submission of the proposition incurring bonded indebtedness to the qualified voters of the City shall void or invalidate any such proceeding, any Bonds issued by the City or any levy of ad valorem taxes to pay principal of and interest on the Bonds.

SECTION 16. SEVERABILITY. If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provisions or applications, and to this end the provisions this Ordinance are declared to be severable.

SECTION 17. PUBLICATION OF ORDINANCE. This Ordinance shall be published once a day for at least seven days in a newspaper published at least six days a week in the City, or once a week for two weeks in a newspaper published less than six days a week in the City. The first of said publications shall, in either event, be within 15 days after the adoption of this Ordinance. If there are no such newspapers, it shall be posted in three public places in the City for two succeeding weeks. No other notice need be given.

SECTION 18. EFFECTIVE DATE. In accordance with Section 36937(a) of the California Government Code and Section 9.16(a) of the City's Charter, this Ordinance shall become effective immediately, as an ordinance relating to an election, upon its adoption by two-thirds vote of all the members of this City Council.

EXHIBIT B

TAX RATE STATEMENT

An election will be held in the City of Redondo Beach (the "City") on November 5, 2024, to authorize the sale of up to \$93,350,000 in bonds of the City to finance the project listed in the bond measure. If such bonds are authorized, the City expects to sell the bonds in one or more series. Principal and interest on the bonds will be payable solely from the proceeds of ad valorem tax levies made upon the taxable property in the City. The following information is provided in compliance with applicable provisions of the California Elections Code. Such information is based upon the best estimates and projections presently available from official sources, and other demonstrable factors.

Based upon the foregoing and projections of the City's assessed valuation:

1. The best estimate of the average annual tax rate that would be required to be levied to fund the bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of filing of this statement is \$0.01745 per \$100 (or \$17.45 per \$100,000) of assessed valuation of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is 2053-54.
2. The best estimate of the highest tax rate that would be required to be levied to fund the bond issue, based on assessed valuations available at the time of filing this statement is \$0.02832 per \$100 (or \$28.32 per \$100,000) of assessed valuation of all property to be taxed. The best estimate of the first fiscal year in which the highest tax rate will apply is 2025-26.
3. The best estimate of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is \$182,004,931.

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

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property within the City as shown on Los Angeles 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. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

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 or durations and are not binding upon the City. The actual debt service amounts, tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the rating for the bonds, 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 dates of sale and the amount of bonds sold at any given time will be determined by the City based on need for 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 Los Angeles County assessor in the annual assessment and the equalization process.

Signed by:

Mike Witzansky

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Mike Witzansky, City Manager
City of Redondo Beach

8/8/2024 | 10:12 AM PDT

_____, 2024