



Local ballot measure: S

S

Scotts Valley Fire Protection District Bond

Ballot question

Scotts Valley Fire and Life Safety Investment Measure. To improve 911 response times, maintain lifesaving emergency medical services, strengthen wildfire protection and prevention, and construct a seismically safe and strategically located station to ensure operations during a disaster; shall the Scotts Valley Fire Protection District measure issuing \$24,500,000 in bonds at legal rates, levying approximately \$17 per \$100,000 of assessed valuation, generating \$1,700,000 annually while bonds are outstanding be authorized, requiring citizens' oversight, and all funds spent locally?

Pregunta de Boleta

Medida de Respuesta a Emergencias Médicas y Protección contra Incendios del Distrito Central de Bomberos 911. Para mantener los tiempos de respuesta del 911; proteger los servicios locales de emergencia médica y protección contra incendios; y prepararse para los tiempos de respuesta al 911; proteger los servicios locales de emergencia médica y protección contra incendios; y prepararse para incendios forestales, inundaciones y terremotos mediante la mejora y reparación de equipos y estaciones de salvamento envejecidos, ¿Se debería adoptar la medida del Distrito Central de Bomberos del Condado de Santa Cruz autorizando \$221,000,000 en bonos a tasas legales, imponiendo \$29/\$100,000 de valoración tasada, generando \$11,600,000 anuales mientras los bonos están en circulación, requiriendo la supervisión de los ciudadanos, la divulgación del gasto público, auditorías y todos los fondos a nivel local?

What your vote means:

YES	NO
A "yes" vote is a vote to authorize the Fire District to issue and sell bonds in the amount of \$24,500,000 to be repaid by the levy of an <i>ad valorem</i> tax on real property.	A "no" vote is a vote against the issuance of the proposed general obligation bonds.

For and against Measure S

Titles used by argument signers are for identification purposes only and does not necessarily reflect the position of the organization in question.

If an asterisk (*) follows a name, it means the person is signing on behalf of that agency/organization.

FOR	AGAINST
<p>Danny Reber Executive Director, Scotts Valley Chamber</p> <p>Robert Aldana</p> <p>Michael Weaver</p> <p>Kelly Weaver</p> <p>Daron Pisciotta Board of Director, Scotts Valley Fire Protection District</p>	<p>No Argument against Measure S was filed.</p>



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Arguments and replies are the opinions of the authors. We print them exactly as submitted, including errors.

Argument for Measure S	Argument against Measure S
<p>Vote YES on Measure S to invest in Community Safety!</p> <p>The Erba Lane Fire Station does not meet essential services building and safety standards, putting the community at risk in the event of a disaster.</p> <p>Measure S will construct a new, safe, strategically located fires station and administrative support building at Mt Hermon Road & La Madrona Drive that meets seismic standards and building codes. Once built, the Erba Lane Station will be sold with the proceeds being used toward the new fire station. The staff and equipment from Erba Lane will be relocated to the new fire station.</p> <p>Community Safety through:</p> <ul style="list-style-type: none"> • Build a disaster resilient fire station ensuring emergency response in a disaster. Two independent studies indicated the Erba Lane Station does not meet modern building code and could collapse on the firefighters, apparatus and equipment in an earthquake. • Quicker response times to medical emergencies, fires and car crashes. • Build an administrative support building to enhance the District's ability to respond to a wildfire. • The new Station would optimize service coverage, maintaining the District's insurance rating, benefiting overall community safety. <p>Finances:</p> <ul style="list-style-type: none"> • Average tax rate of \$17 per \$100,000 assessed taxed value (\$110 per year for the average tax payer) – these funds can only be used for the station relocation effort. Building costs will rise if we wait. • The Fire District owns the land on La Madrona Drive – it was purchased in 2002 for this purpose. • Offsetting funds: sale of the Erba Lane Station; and capital reserve funds. • Investing in a new station will meet the needs of the community now and for 50+ years! <p>Please join us in Protecting Scotts Valley! A Yes vote is a vote for safety, security, and future of Scotts Valley. Let's ensure our firefighters have the resources they need to protect us by building a resilient fire station that meets today's standards and tomorrow's challenges.</p> <p>VOTE YES on Measure S</p> <p>Danny Reber, Executive Director, Scotts Valley Chamber</p> <p>Robert Aldana</p> <p>Michael Weaver</p> <p>Kelly Weaver</p> <p>Daron Pisciotta, Board of Director, Scotts Valley Fire Protection District</p>	<p>No Argument against Measure S was filed.</p>

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Impartial Analysis of Measure S

Jason M. Heath, County Counsel

By: Ruby Márquez, Chief Assistant County Counsel

Under the California Constitution, Health and Safety Code, and other related statutes, fire protection districts may issue general obligation bonds for very limited purposes. These bonds are sold to the public and constitute a debt of the district. They are repaid by the levy of an *ad valorem* tax, which is calculated based on the current assessed value of each property and collected at the same time as other county taxes on real property.

Under existing law, the sale of such bonds must be approved by at least two-thirds (66.67 percent) of voters within the boundaries of that district. However, if Proposition 5 passes in the State of California concurrently in this election, only 55% voter approval will be needed for fire districts.

Measure S was placed on the ballot by the Scotts Valley Fire Protection District ("the District"). The District proposes the sale of general obligation bonds in an amount not to exceed \$24,500,000 to raise an estimated \$1,700,000 annually for specific projects.

As described within the full body of the measure, the Bond Project List includes, but is not limited to:

- Fire Station Improvement Projects, such as constructing, relocating, modernizing, and /or improving outdated fire stations, and removing or replacing existing or inadequate fire station buildings;
- Projects to Support Fire District Operations, such as constructing, relocating, or improving staff facilities, offices, training rooms, and /or fire fleet services facility; and/or
- Acquiring land for the construction and/or relocation of a fire station or, if needed, administrative support services facilities.

The law does not allow these types of bond funds to be used for salaries or other operational expenses.

The District must follow certain accountability measures. This includes: 1) using the funds for the specific purposes and projects stated; 2) depositing the proceeds into a special account, and 3) the filing of annual reports by the Fire Chief as well as by an independent financial auditor. The Board also will establish and appoint a Citizens' Oversight Committee to review expenditures.

At the time of filing, the District estimated the average annual tax rate at approximately \$17 per \$100,000 of assessed property value per year. The best estimate of the highest tax rate to be levied is approximately \$25 per \$100,000 of assessed property value per year. If all bonds are issued, the total debt service to be repaid, including principal and interest, would be \$51,500,000.

A "yes" vote on Measure S is a vote to authorize the Fire District to issue and sell bonds in the amount of \$24,500,000 to be repaid by the levy of an *ad valorem* tax on real property.

A "no" vote on Measure S is a vote against the issuance of the proposed general obligation bonds.

Tax Rate Statement of Measure S

Mark Correira, Fire Chief, Scotts Valley Fire Protection District

An election will be held in the Scotts Valley Fire Protection District (the "District") on November 5, 2024, to authorize the sale of up to \$24,500,000 in bonds of the District for the specific projects listed in the Bond Project List established by the District, as described in the proposition. If the bonds are authorized, the District expects to sell the bonds in two or more series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the District. The following information is provided in compliance with sections 9400-9404 of the Elections Code of the State of California.

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund that bond issue over the entire duration of the bond debt service, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction, or other demonstrable factors is 17 cents per \$100 of assessed valuation (\$17 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 2056-57.
2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund that bond issue, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of



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the election or a projection based on experience within the same jurisdiction or other demonstrable factors is 25 cents per \$100 of assessed valuation (\$25 per \$100,000 of assessed valuation) of all property to be taxed. The best estimate of the year in which the highest tax rate will apply is anticipated to be 2027-28.

3. The best estimate from official sources 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 \$51,500,000.

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 local voters for the District or for any other overlapping public agency.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on the Santa Cruz County's official tax rolls, not on the property's market value. 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 the District's projections and estimates only, which are not binding upon the District. 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 dates of sale and the amount of bonds sold at any given time will be determined by the District based on 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 District as determined by the Santa Cruz County Assessor in the annual assessment and the equalization process.

Full text of Measure S

The County Registrar is requested to print the full text of the Measure set forth below in the voter information pamphlet to be distributed to voters:

Scotts Valley Fire and Life Safety Investment Measure - To improve 911 response times, maintain lifesaving emergency medical services, strengthen wildfire protection and prevention, and construct a seismically safe and strategically located station to ensure operations during a disaster; shall the Scotts Valley Fire Protection District measure issuing \$24,500,000 in bonds at legal rates, levying approximately \$17 per \$100,000 of assessed valuation, generating \$1,700,000 annually while bonds are outstanding be authorized, requiring citizens' oversight, and all funds spent locally?

FINDINGS

- The Scott's Valley Fire Protection District (the "District") provides life-saving emergency medical and fire response services to the City and community of Scotts Valley and adjacent unincorporated areas of Santa Cruz County.
- From medical emergencies, natural disasters, devastating wildfires, or general fire district related neighborhood services, the District answers calls from community members in need 24 hours a day, seven days a week.
- The District conducted an assessment of its existing fire stations and administrative support facilities and determined that they are inadequate at meeting safety requirements and allowing the District to continue to provide rapid 911-response and protect the community from wildfire or other natural disasters.
- Modern fire stations are designed, constructed and improved to allow for optimal and quick deployment of life-saving resources to ensure efficiency when responding to 911 calls for medical emergencies such as heart attacks, strokes, vehicle accidents, and fires and other life-safety events.
- The District's headquarters fire station does not meet current seismic standards putting the firefighters and community at risk in an earthquake and lacks the space to provide modern and essential emergency fire services.
- The District must acquire and construct a new fire station to replace the existing 60-year old fire station, that is well beyond its useful life, not seismically safe, and to meet the current building code and the needs of the District.
- The District's fire stations and administrative support facilities must continue to be prepared for unpredictable wildfires and fire risks by having stations and facilities that allow for rapid response to the thousands of acres of improved and unimproved property and open space within the District and surrounding communities with adequate space to function as a local resource center in the event of a disaster if needed.
- The scope and scale of the fire station and administrative support facility improvement financial needs far exceed the District's current operating budget.
- The Board intends to issue general obligation bonds to finance the Projects and to fund certain costs in connection with



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the issuance of such general obligation bonds.

- In the judgment of the Board, it is advisable to call an election to submit to the electors of the District on the November 2024 ballot the question of whether general obligation bonds of the District (the "Bonds") shall be issued and sold for the purpose of raising money for the construction, acquisition, upgrade, and maintenance of fire stations, administrative support facilities, and real property to enhance essential fire services (as further described below, under "Bond Project List").
- Net proceeds from the sale of the Bonds will be used to finance the Projects, and all expenditures will be subject to annual independent audits and oversight.
- No proceeds of the sale of the Bonds shall be expended for salaries, pensions or benefits of District employees.

OBJECT AND PURPOSE OF BONDS

This measure (the "Measure") authorizes the issuance of general obligation bonds (the "Bonds"), the object and purpose of which is to finance the Projects and certain costs in connection with the issuance of the Bonds.

The Projects will be completed as needed, and each is assumed to include its share of costs, including planning and construction costs. The final cost of each Project will be determined as real property is purchased, plans are finalized, construction bids are awarded, or projects are completed.

Proceeds of the Bonds may be used to reimburse the District for amounts advanced from the general fund or other funds or accounts to fund Projects when such purchases are made prior to the availability of Bond proceeds.

REQUIRED APPROVAL

The Measure shall be deemed approved if approved by at least 2/3 of the registered voters voting on the proposition; *provided, however*, that if Assembly Constitutional Amendment ("ACA 1") is approved by California voters on the same date that voters of the District are voting on the proposed Bond measure, such measure shall be deemed to be approved if approved by at least 55% of the registered voters voting on the proposition.

ESTIMATED COST OF PROJECTS

The estimated cost of the portion of the costs of the Projects to be paid for from the Bonds is \$24,500,000. The estimated cost includes legal and other fees and the cost of printing the Bonds and other costs and expenses incidental to or connected with the authorization, issuance or sale of the Bonds. The cost of the Projects includes planning and construction costs.

PRINCIPAL AMOUNT OF BONDS

The aggregate principal amount of Bonds to be issued in or more series is not to exceed \$24,500,000.

MAXIMUM INTEREST RATE

The maximum rate of interest to be paid on the Bonds shall not exceed 12% per annum, which interest rate does not exceed the maximum rate permitted by applicable law.

ACCOUNTABILITY REQUIREMENTS

The following accountability measures apply to the issuance of Bonds pursuant to this Measure:

- (a) The specific purpose of the Bonds is to finance the Projects;
- (b) The proceeds from the sale of the Bonds will be used only for the purposes specified in this Measure, and not for any other purpose;
- (c) The proceeds of the Bonds will be deposited into an account to be created and held by the District;
- (d) The Fire Chief of the District shall file an annual report with the Board which report shall contain pertinent information regarding the amount of funds collected and expended, as well as the status of the Projects;
- (e) All expenditures will be subject to oversight by an independent oversight committee, composed of individuals appointed by the Board, to confirm that Bond expenditures are consistent with the intent of this Measure; and
- (f) All expenditures also will be subject to an annual independent financial audit to confirm that Bond expenditures are consistent with the intent of this Measure.

IDENTIFICATION OF TAX; USE OF REVENUE

The tax imposed by this Measure is an *ad valorem* tax levied upon taxable real property in the District. The tax will be used to pay the principal and interest on the Bonds.



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BOND PROJECT LIST

This Bond Project List describes the specific projects the District proposes to finance with proceeds of the bonds.

In order to meet all identified facility needs, the District intends to complete projects using a combination of funding sources, including contributions, development impact fees, and grant funding (if available). Approval of this measure does not guarantee that all projects on this Bond Project List will be funded beyond the local revenues generated by this measure.

Proceeds from the sale of bonds authorized by this measure shall be used only for the construction, , replacement, furnishing and equipping of fire facilities, and the acquisition or of real property for fire facilities, all as listed on the Bond Project List. Specific projects to be funded by the bond measure include, without limitation, the following:

A. FIRE STATION IMPROVEMENT PROJECTS

- Construct, reconstruct, relocate, modernize, and/or improve outdated fire station;
- Acquire land for the construction and/or relocation of fire station or administrative facility;
- Remove or replace existing, inadequate fire station buildings as needed; and
- Perform site-work related to fire station construction, reconstruction, and relocation.

B. PROJECTS TO SUPPORT FIRE DISTRICT OPERATIONS

- Construct, reconstruct, relocate, and/or improve administrative support services facilities, including fire staff offices, training rooms, governance facilities, and/or fire fleet services facility;
- Acquire land and building, if needed, for administrative support services facilities.

For any project involving modernization or renovation of a building or the major portion of a building, the District shall be authorized to proceed with new replacement construction if the Board of Directors determines that replacement and new construction is economically more practical considering the building's age, condition and other relevant factors.

The listed projects will be completed as needed. Each project is assumed to include its share of furniture, equipment, architectural, engineering, and similar planning costs, program management, staff training expenses and a customary contingency, and escalation for unforeseen design and construction costs.

The budget for each project is an estimate and may be affected by factors beyond the District's control. The final cost of each project will be determined as plans are finalized, construction bids are awarded, and projects are completed. Based on the final costs of each project, certain of the projects described above may be delayed or may not be completed. Demolition of existing facilities and reconstruction of facilities scheduled for repair and upgrade may occur, if the Board determines that such an approach would be more cost-effective in creating enhanced and operationally efficient facilities. Necessary site preparation/restoration and landscaping, may occur in connection with new construction, renovation or remodeling, including ingress and egress, removing, replacing, or installing irrigation, utility lines, trees and landscaping, redirecting fire access, and acquiring any necessary easements, licenses, or rights of way to the property.

Bond proceeds shall be expended only for the specific purposes identified herein. Proceeds of the bonds may be used to pay or reimburse the District for the cost of District staff when performing work on or necessary and incidental to the bond projects, but not for other administrator salaries.