



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Cano

SUBJECT: SEE BELOW

DATE: February 8, 2021

Approved

Date

2/11/2021

**SUBJECT: ANNUAL REPORT ON MEASURE T DISASTER PREPAREDNESS,
PUBLIC SAFETY AND INFRASTRUCTURE GENERAL OBLIGATION
BOND PROGRAM PROCEEDS AND ALLOCATIONS**

RECOMMENDATION

Accept the Measure T Community Oversight Committee's (COC) annual report on the Measure T – The Disaster Preparedness, Public Safety and Infrastructure General Obligation Bond Program proceeds and allocations for Fiscal Year (FY) 2019-20.

OUTCOME

Acceptance of this report would conclude the Measure T COC's review of the expenditure of proceeds of Measure T Bonds and the status of projects funded by the Bond program in FY 2019-20.

BACKGROUND

On November 6, 2018, the voters of San José passed ballot Measure T - The Disaster Preparedness, Public Safety and Infrastructure Bond with over 70 percent of the electorate voting yes. The measure authorizes the City to issue up to \$650 million in general obligation bonds for infrastructure projects.

As part of the Measure T Bond Program, City Council was required to appoint a committee comprised of residents of San Jose to provide community oversight over the expenditure of the Measure T Bonds, and requires that the size, composition, and specific responsibilities of the committee be determined by a City Council action prior to the issuance of any of the Measure T Bonds. On June 18, 2019, the City Council approved the resolution establishing the size, composition, and specific responsibilities of the committee. The responsibilities of the Measure T COC include the following:

1. Review the expenditure of the proceeds of Measure T Bonds to ascertain consistency with the voter approved purposes for the funds;
2. In connection with the review of expenditures of Measure T Bonds, review and forward to the City Council an audit of the Measure T Bonds Financial Statements as well as the Director of Finance's annual report on the amount of Measure T Bonds issued and the amount of ad valorem tax collected for each prior fiscal year ending June 30th; and
3. Review the status of projects funded with the proceeds of Measure T Bonds and forward a status report on the pending Measure T projects to the City Council.

On December 3, 2020, the COC conducted a public hearing to review the expenditures and the audited Financial Statements for FY 2019-20. The City Auditor and a representative from Macias Gini & O'Connell, the City's outside financial auditor, attended the public hearing to answer questions from the COC. City staff also presented the bond expenditures and the progress of projects.

On January 6, 2021, the COC conducted a public hearing to review the COC's annual report on the bond program proceeds and allocations and address the committee members comments.

ANALYSIS

The attached annual report represents the COC's report to Council on the bond program for Council's submission and acceptance.

EVALUATION AND FOLLOW-UP

The bond program proceeds and allocations and the status reports on the project expenditures and performance of the Measure T Program are reported on an annual basis to the COCs and City Council.

CLIMATE SMART SAN JOSE

The recommendation in this memo aligns with one or more Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

The public hearing for the review of the audited Financial Statements, held on December 3, 2020 and January 6, 2021, was posted on the City's Brown Act Board. This memorandum will be posted to the City's website for the February 23, 2021, City Council agenda.

HONORABLE MAYOR AND CITY COUNCIL

February 8, 2021

Subject: Annual Report on The November 2018 Ballot Measure T – The Disaster Preparedness, Public Safety and Infrastructure General Obligation Bond Program

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COORDINATION

This memorandum and the COC's annual report on the Measure T Bond program proceeds and allocations have been coordinated with the City Attorney's Office, Finance Department, and the City's Auditor's Office.

COMMISSION RECOMMENDATION/INPUT

The Measure T COC approved the audited Financial Statements as identified in their corresponding memo and annual report.

FISCAL/POLICY ALIGNMENT

The Measure T COC met the legal commitment and requirement of implementing the review of the expenditures of the Bond Programs and provide the public with opportunities to understand, review and address any significant issues related to program expenditures.

CEQA

Not a Project, File No. PP17 009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/
MATT CANO
Director of Public Works

For questions, please contact Katherine Brown, Deputy Director, Public Works Department at katherine.brown@sanjoseca.gov

Attachments:

Attachment 1 – San José Community Oversight Committee (COC) 2018 Measure T Disaster Preparedness, Public Safety, and Infrastructure Bond Program Annual Report FOR FISCAL YEAR 2019-2020

Attachment 2 – San Jose Measure T Fund Financial Statements and Auditor's Report