



City of San Marcos

1 Civic Center Drive
San Marcos, CA 92069

Minutes

City Council

Regular City Council Meeting
Special San Marcos Successor Agency to the San Marcos
Redevelopment Agency Meeting
Special San Marcos Successor Housing Agency to the San
Marcos Redevelopment Agency Meeting
Regular Fire Protection District Meeting
Special San Marcos Public Financing Authority Meeting
Regular San Marcos Public Facilities Authority Meeting

Tuesday, May 13, 2025

6:00 PM

City Council Chambers
6 PM

Cell Phones: As a courtesy to others, please silence your cell phone or pager during the meeting and engage in conversations outside the Council Chambers.

Americans with Disabilities Act: If you need special assistance to participate in this meeting, please contact the City Clerk at (760) 744 1050, ext. 3145. Notification 48 hours in advance will enable the City to make reasonable arrangements to ensure accessibility to this meeting. Assisted listening devices are available for the hearing impaired. Please see the City Clerk if you wish to use this device.

Public Comment: If you wish to address the City Council, please complete a "Request to Speak" form. Forms are located at the rear of the Council Chambers. Be sure to indicate which item number you wish to address. Comments are limited to THREE minutes, unless you meet the requirements of a formal or informal organization and have registered your organization with the City Clerk in advance. Speakers are asked to fill out a "Request to Speak" form and hand it to staff, although provision of a name, address, or other identifying information is optional.

The Oral Communication segment of the agenda is for the purpose of allowing the public to address the City Council on any matter NOT listed on the agenda. Speakers are limited to one opportunity to address the Council under Oral Communications. The Oral Communication segment is split on the agenda and begins with a 15 minute timed segment during which the Council will hear as many speakers as possible. Upon the conclusion of the 15 minute timed segment, any remaining speakers will automatically be called during the continuation of the Oral Communication segment at the end of the agenda. Subject to very limited exceptions, the City Council is prohibited by state law from discussing or taking action on items NOT listed on the Agenda. However, they may refer the matter to staff for a future report and recommendation. If you wish to speak under "Oral Communications," please complete a "Request to Speak" form as noted above in advance of the start of that portion of the meeting.

Meeting Schedule and Broadcast Information: Regular City Council meetings are held on the second and fourth Tuesday of each month at 6:00 pm in the Council Chambers. City meetings are broadcast LIVE on San Marcos Community Television (SMTV) on Cox Channel 19, Time Warner Channel 24 and AT&T Channel 99. Meetings are also streamed live and archived online at www.sanmarcos.net.

Agenda related writings or documents provided to a majority of the City Council after distribution of the agenda packet will be available for public inspection at the time of distribution in the City Clerk Department located on the second floor of City Hall, 1 Civic Center Drive, San Marcos, CA during normal business hours. The same materials are also posted online at www.sanmarcos.net as time permits.

CALL TO ORDER**PLEDGE OF ALLEGIANCE****INVOCATION -****ROLL CALL****PROCLAMATIONS AND PRESENTATIONS**

A. SMILE Award - Councilmember LeBlang

B. Twin Oaks Valley Equestrian Association 20th Anniversary

C. Bike to Work Week

D. National Public Works Week

E. Economic Development Week

CONSENT CALENDAR

1. WAIVER OF TEXT. This item is to waive the reading of the text of all ordinances and resolutions introduced and adopted at this meeting. Ordinances and resolutions shall be introduced or adopted by title.
WAIVE
2. APPROVAL OF MINUTES
APPROVE the minutes of City Council regular and special meetings on April 22, 2025
3. APPROVAL OF WARRANTS
APPROVE City Council, Successor Agency, and Fire Protection District warrants dated April 2025.
4. RESOLUTION NO. 2025-9430 - LEGISLATIVE REPORT
ADOPT a resolution taking a position on pending legislation in the California State Legislature and projects of local impacts.
5. RESOLUTION NO. 2025-9431 - AUTHORIZING AMENDMENTS TO THE ON-CALL BUILDING AND CODE ENFORCEMENT SERVICES AGREEMENT WITH 4LEAF, INC. TO EXTEND SERVICES

Staff recommends that the City Council adopt the attached resolution approving Amendment No. 2 to Agreement No. 6947 with 4LEAF, Inc. to increase the not-to-exceed contract amount by \$2,000,000, resulting in a revised total contract value of \$4,500,000 for continued on-call building and code enforcement services.

6. RESOLUTION NO. 2025-9432 - AWARDING A CONTRACT FOR CREEKSIDE MARKETPLACE RE-PAVING WORK AND DELEGATING AUTHORITY TO THE CITY MANAGER TO NEGOTIATE, FINALIZE, AND EXECUTE THE CONTRACT WITH CITY SERVICE CONTRACTING, INC.

ADOPT a resolution awarding a contract for the re-paving at 553-595 Creekside Drive and delegating authority to the City Manager to negotiate, finalize, and execute the contract with City Service Contracting, Inc.

7. RESOLUTION NO. 2025-9433 - APPROPRIATION OF FY 2024-25 GENERAL FUND ONE-TIME REVENUES PURSUANT TO THE FISCAL MANAGEMENT POLICY

ADOPT a resolution to approve appropriation of FY 2024-25 General Fund one-time revenues related to the proceeds of a developer settlement towards the construction of the future Fire Station 5 as recommended pursuant to the Fiscal Management Policy.

ORAL COMMUNICATIONS

NEW BUSINESS

8. RESOLUTION NO. SA 2025-036 - AMENDING THE ISSUANCE OF TAX ALLOCATION REFUNDING BONDS PURSUANT TO A SECOND SUPPLEMENTAL INDENTURE, APPROVING PRELIMINARY AND FINAL OFFICIAL STATEMENTS, AND PROVIDING FOR OTHER MATTERS RELATING THERETO

ADOPT proposed Resolution of the Successor Agency to the San Marcos Redevelopment Agency Amending the Issuance of Tax Allocation Refunding Bonds Pursuant to a Second Supplemental Indenture, Approving Preliminary and Final Official Statements, and Providing For Other Matters Relating Thereto.

..Body

Board or Commission Action

The Countywide Redevelopment Successor Agency Oversight Board of the County of San Diego considered the proposed refunding of the Successor Agency's Prior Bonds on April 17, 2025, and voted to approve the issuance of the Refunding Bonds.

Relevant Council Strategic Theme

Planning for the Future

Good Governance

Relevant Department Goal

Not applicable

Introduction:

The Successor Agency to the San Marcos Redevelopment Agency ("Successor Agency") previously issued its \$84,710,000 Tax Allocation Refunding Bonds, Series 2015A (the "Prior Bonds") for the purpose of refinancing certain outstanding bonds of the former San Marcos Redevelopment Agency ("Former Agency"). The Successor Agency proposes to issue its Tax Allocation Refunding Bonds, Series 2025A (the "Refunding Bonds") to refund the Prior Bonds.

California Health and Safety Code ("HSC") Section 34177.5(a)(1) provides the authority for successor agencies to refund outstanding bonds. The issuance of refunding bonds under HSC section 34177.5, which was added to the Redevelopment Agency Dissolution Act ("RDA Dissolution Act") by AB 1484, authorizes the Successor Agency to issue bonds for the purpose of refunding outstanding tax allocation bonds of the Former Agency or the Successor Agency to provide debt service savings provided that (1) the total interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds does not exceed the total remaining interest cost to maturity on the bonds to be refunded plus the remaining principal of the bonds to be refunded, and (2) the principal amount of the refunding bonds does not exceed the amount required to defease the refunded bonds, to establish customary debt service reserves, and to pay related costs of issuance.

On March 11, 2025, the Successor Agency approved Resolution No. SA 2025-035, approving the issuance of the Refunding Bonds and the forms of the Second Supplemental Indenture, Bond Purchase Agreement, and other related documents. Resolution No. SA 2025-035 also requested approval of the issuance of the Refunding Bonds by the County Oversight Board. On April 17, 2025, the County Oversight Board approved the issuance of the Refunding Bonds.

The Resolution before the City Council approves the Preliminary and Final Official Statements for the Refunding Bonds (as described below). Due to current market conditions, the Resolution also amends Resolution No. SA 2025-035 to increase the not-to-exceed principal amount of the Refunding Bonds to \$48,000,000, and to revise that the net present value savings to the Successor Agency as a result of the refunding shall not be less than three percent (3.00%).

In order to sell the Refunding Bonds, the Successor Agency must approve a preliminary and final Official Statement in connection with the Refunding Bonds. The Preliminary Official Statement serves as the document that potential and actual investors will review when making a decision whether or not to purchase the Refunding Bonds. It contains preliminary information on the terms and conditions of the bond sale including the purpose and security features, and discloses economic, financial and legal information applicable to the issue. The Preliminary Official Statement describes the Former Agency, the Successor Agency, the project areas, the terms of the Refunding Bonds and describes the security for payment of the Refunding Bonds. The Preliminary Official Statement is governed by federal securities laws including the Securities Act of 1933 and the Securities and Exchange Act of 1934. Such laws require that the Preliminary Official Statement include all facts an investor may deem material in the purchase of the bonds and not contain any material misstatements or omission.

Once the terms of the Refunding Bonds are set (i.e., price, interest rate and maturity, etc.), that information is included in a Final Official Statement which is used by the underwriter to provide to the investing public.

The Continuing Disclosure Certificate, which is appended to the Official Statement, must be executed and delivered by the Successor Agency for the benefit of the holders and beneficial owners of the Refunding Bonds and to assist the underwriter in complying with Securities and Exchange Commission ("S.E.C.") Rule 15c2-12(b)(5).

Discussion:

To determine compliance with the savings parameters for purposes of the issuance by the Refunding Bonds, the Successor Agency has caused its municipal advisor, Fieldman, Rolapp & Associates, Inc. (the "Municipal Advisor"), to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the Refunding Bonds to repay all or a portion of the Prior Bonds and, thereby, to refund all or a portion of the Prior Bonds (the "Debt Service Savings Analysis").

The Debt Service Savings Analysis has determined that the proposed refunding of the Prior Bonds through the issuance of the Refunding Bonds satisfies the applicable HSC sections.

(A) The total interest cost to maturity on the proposed Refunding Bonds plus the principal amount of the Refunding Bonds does not exceed the total remaining interest cost to maturity on the Prior Bonds to be refunded plus the remaining principal of the Prior Bonds to be refunded.

(B) The \$44,875,000 in estimated principal amount of the Refunding Bonds does not exceed the amount required to defease the Prior Bonds, to establish customary debt service reserves, and to pay related costs of issuance. Additionally, in accordance with Section 5852.1(a)(1) of the California Government Code, the Municipal Advisor provided certain good faith estimates regarding the Refunding Bonds which were disclosed at the March 11, 2025 meeting in connection with the approval of Resolution No. SA 2025-035. Due to recent market volatility and the resolution to be considered, the Municipal Advisor has prepared the following revised good faith estimates, as of April 11, 2025, assuming the principal amount of the Refunding Bonds is \$44,875,000.

1. True Interest Cost of the Refunding Bonds. Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the true interest cost of the Refunding Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Refunding Bonds, is 3.68%.

2. Finance Charge of the Refunding Bonds. Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the finance charge of the Refunding Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Refunding Bonds), is \$695,129.

3. Amount of Proceeds to be Received. Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the amount of proceeds expected to be received by the Authority for sale of the Refunding Bonds less the finance charge of the Refunding Bonds described above and any reserves or capitalized interest paid or funded with proceeds of the Refunding Bonds, is \$47,033,179.

4. Total Payment Amount. Based on market interest rates prevailing at the time of preparation of this information, a good faith estimate of the total payment

amount, which means the sum total of all payments the Authority will make to pay debt service on the Refunding Bonds plus the finance charge of the Refunding Bonds described above not paid with the proceeds of the Refunding Bonds, calculated to the final maturity of the Refunding Bonds, is \$56,140,594. Attention is directed to the fact that the foregoing information constitutes good faith estimates only. The actual interest cost, finance charges, amount of proceeds and total payment amount may vary from the estimates above due to variations from these estimates in the timing of the sale of the Refunding Bonds, the amount of Refunding Bonds sold, the amortization of the Refunding Bonds sold, and market interest rates at the time of the sale. The date of sale and the amount of Refunding Bonds sold will be determined by the Successor Agency based on multiple factors. The actual interest rates at which the Refunding Bonds will be sold will depend on the bond market at the time of the sale. The actual amortization of the Refunding Bonds will also depend, in part, on market interest rates at the time of the sale. Market interest rates are affected by economic and other factors beyond the Successor Agency's control.

The approval of the attached resolution will confirm the issuance of the Refunding Bonds and approve the form of and authorize execution of the Preliminary and Final Official Statements and the Continuing Disclosure Certificate.

Fiscal Impact:

The fiscal impact of the issuance of refunding bonds will result in the average annual reduction in bond payments of approximately \$298,833. This same reduction in annual bond payments frees up additional property tax revenues for distribution to affected taxing entities. This will result in an average annual increase of \$41,521 in property tax revenues to the City and San Marcos Fire Protection District combined starting in 2026 and continuing through the final maturity in 2034, as a result of the refunding. These are estimated savings based on market conditions as of April 11, 2025 and are subject to change.

Attachment(s)

Resolution Amending Issuance and Approving Preliminary Official Statement Preliminary Official Statement (Continuing Disclosure Certificate is an appendix thereto)

Prepared by: Jeffrey Jorgenson, Accounting and Treasury Manager

Reviewed by: Donna Apar, Finance Director

Approved by: Michelle Bender, City Manager

PUBLIC HEARINGS

9. RESOLUTION NOS. 2025-9434 & 2025-9435 - APPROVAL OF THE COMMUNITY DEVELOPMENT BLOCK GRANT 2025-2029 CONSOLIDATED PLAN AND 2025-2026 ANNUAL ACTION PLAN
1. OPEN, CONDUCT and CLOSE a public hearing regarding the proposed use of federal Community Development Block Grant funds for the 2025-2029 Consolidated Plan and 2025-2026 Annual Action Plan.
 2. ADOPT City Council Resolution No. 2025- , approving the City's 2025-2029 Consolidated Plan and 2025-2026 Annual Action Plan, authorizing the submittal of

the plans to the U.S. Department of Housing and Urban Development and authorize the City Manager to approve and execute all related implementation documents.

3. ADOPT City Council Resolution No. 2025- , approving the substantial amendments to the 2018-2019, 2019-2020, 2020-2021, 2021-2022, and 2022-2023 Annual Action Plans, authorizing submittal of the Plans to the U.S. Department of Housing and Urban Development and authorizing the City Manager to improve and execute all related implementation documents.

ORDINANCES

10. ORDINANCE NO. 2025-1559 - ADOPTION OF LOCAL RESPONSIBILITY AREA FIRE HAZARD SEVERITY ZONE MAP
- INTRODUCE (First Reading) Ordinance approving the local responsibility area fire hazard severity zone maps.

ORAL COMMUNICATIONS - CONTINUED

REPORTS (Including AB 1234 Reporting Requirements - GC 53232.3(d))

11. SAN DIEGO ASSOCIATION OF GOVERNMENTS REPORT (MAYOR JONES)
- Note and File
12. LEAGUE OF CALIFORNIA CITIES REPORT (COUNCILMEMBER MUSGROVE)
- Note and File
13. NORTH COUNTY TRANSIT DISTRICT REPORT (DEPUTY MAYOR SANNELLA)
- Note and File.
14. NORTH COUNTY DISPATCH JOINT POWERS AUTHORITY REPORT (COUNCILMEMBER LEBLANG)
- Note and File
15. CLEAN ENERGY ALLIANCE REPORT (COUNCILMEMBER NUÑEZ)
- Note and File
16. CITY COUNCIL BUSINESS VISITS
- Note and File

COUNCIL COMMENTARY

ADJOURNMENT

STATE OF CALIFORNIA)
COUNTY OF SAN DIEGO) ss.
CITY OF SAN MARCOS)

I, Phillip Scollick, City Clerk of the City of San Marcos, hereby certify that I caused the posting of this agenda in the glass display case at the north entrance of City Hall and on the City's website on May 8, 2025, 5:30 p.m.

Date: May 8, 2025

Phillip Scollick, City Clerk