



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
County Counsel



**Date:** July 25, 2016  
**Board Meeting Date:** August 9, 2016  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors

**From:** John C. Beiers, County Counsel

**Subject:** Issuance and Sale by the Redwood City Elementary School District of its General Obligation Bonds (Election of 2015), Series 2016

**RECOMMENDATION:**

Adopt a resolution authorizing: the Redwood City Elementary School District to issue its General Obligation Bonds (Election of 2015) Series 2016 in an aggregate principal amount not to exceed \$60,000,000 without further action of the County.

**BACKGROUND:**

The voters in the Redwood City Elementary School District ("District") approved by more than fifty-five percent of the voters a school bond measure on November 3, 2015, authorizing the issuance of general obligation bonds in the maximum aggregate principal amount of \$193,000,000 (the "Bond Measure"). To date, the District has not yet issued any bonds pursuant to the Bond Measure.

On August 10, 2016, the District's Board of Trustees will consider authorization of the issuance and sale of its "Redwood City Elementary School District General Obligation Bonds (Election of 2015), Series 2016" in an aggregate principal amount not to exceed \$60,000,000 (the "Series 2016 Bonds"). The District desires to issue and sell the Series 2016 Bonds on its own behalf, and District staff has requested that the County Board of Supervisors authorize the District to do so.

As a matter of custom, districts do not typically request that the Board of Supervisors adopt a resolution authorizing a district to sell bonds on its own behalf prior to the district itself adopting its resolution. With respect to the Series 2016 Bonds, however, the timing of the District's meeting schedule and target bond pricing date limited the number of available Board of Supervisor's meetings, and District staff has requested that the Board of Supervisors consider the issue at its August 9 meeting. There is no legal requirement that the District approve the issuance prior to the adoption of the

County resolution, and the County resolution has been made expressly contingent on the District approving its resolution at its August 10, 2016 meeting.

**DISCUSSION:**

State law generally provides that the County may issue and sell general obligation bonds on behalf of a school district, but California Government Code §§ 53506 et. seq. and Education Code § 15140(b) also allow the Board of Supervisors to authorize the District to sell and issue bonds directly on its own behalf without further action of the Board of Supervisors or officers of the County.

The District is being assisted by Dannis Woliver Kelley as bond counsel, and KNN Public Finance as financial advisor.

Authorizing the District to issue and sell its own bonds will contribute to the Shared Vision 2025 outcome of Collaborative Community by supporting fiscal accountability.

**FISCAL IMPACT:**

These bonds are general obligations of the District, and do not constitute an obligation of the County. No County funds are pledged or obligated to the payment of the bonds.