



Midpeninsula Regional
Open Space District

R-15-141
Meeting 15-24
September 23, 2015

AGENDA ITEM 9

AGENDA ITEM

City of San Carlos Ballot Measure V for Purpose of the Acquisition and Improvement of the Black Mountain Properties as a Public Park

GENERAL MANAGER'S RECOMMENDATION

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1. Discuss and potentially take action on alternatives for response to a request from the San Carlos Measure V Campaign to endorse Measure V;
2. Refer to the Legislative, Funding and Public Affairs Committee a work item for later in the fiscal year to develop a policy concerning Endorsements of Ballot Measures and Legislative Advocacy.

SUMMARY

In July 2015 the City of San Carlos City Council voted to place a \$45 million bond measure on the November 3, 2015, ballot, for purchase of the 25 acre Black Mountain property for purposes of creating a public park with walking trails, recreation, and restrooms/facilities. If the measure, called Measure V, were successful, the park would be master-planned through a public process following purchase of the property. On August 30, 2015, the District's Board of Directors received an endorsement request from the Measure V campaign. Although the District does not have a Board policy providing guidance on if or when a ballot measure endorsement request should be considered by the Board, Measure V relates to the District's core mission regarding preservation of open space. However, instead of a specific recommended action regarding this endorsement request, the General Manager is presenting a brief summary of Measure V and alternatives the Board may wish to discuss and consider. Board consideration of this action is time sensitive. It is being brought before the Board at this time because the election is vote by mail, which will commence on October 5, 2015. Also, in order to provide future guidance regarding other ballot measure endorsement requests, the General Manager is recommending a referral to the Legislative, Funding and Public Affairs Committee to develop a Board policy concerning Endorsements of Ballot Measures and Legislative Advocacy.

BACKGROUND

The Black Mountain Properties (BMP) is comprised of 12 parcels, totaling approximately 25 acres. Named after the spring that is still actively flowing today, the properties are located within the City of San Carlos (City), roughly bounded by Alameda De Alas Pulgas, Madera Ave. and Melendy Dr (Attachment 1). Several private residences remain on site. Other existing structures include a green house and sheds.

Some of the properties became available for purchase in 2014. In addition to the City's interest, the San Carlos School District had once expressed interest. However, it appears that the school district is no longer actively pursuing the purchase.

To gauge community interest in the City purchasing the property, the City conducted an outreach process in early 2015. The outreach process included community preview events, booths at various public events, presentations to community groups, online information, and a voter survey. Based on the results of the outreach process, the City Council adopted Ordinance No. 1493, "Ordering the Submission of a Proposition of Incurring Bonded Debt to the Qualified Voters of the City of San Carlos at the General Municipal Election to be Held on November 3, 2015, for the Purpose of the Acquisition and Improvement of the Black Mountain Properties as a Public Park" during its regular meeting on July 25, 2015.

The ordinance calls for the following:

- A bond election to be held on November 3, 2015 and specifies the form of the 75-word measure that will appear on the ballot. The Election Ordinance expressly states that the bond proceeds may only be spent to acquire, create and enhance Black Mountain Park.
- A maximum bond amount of \$45 million to be paid out in 30 years from the levy of additional ad valorem property taxes.
- The appointment of a citizen's oversight committee to review and report on the expenditure of the bond proceeds.
- Public input regarding the scope and design of the improvements for Black Mountain Park.

The ballot language states:

"To permanently protect and preserve rare San Carlos open space from development, protect a local water source, prevent increased traffic congestion, and improve access to tranquil natural areas and parks, including walking trails, recreation, and restrooms/facilities, shall City of San Carlos issue \$45 million in bonds to acquire, create and enhance Black Mountain Park, located along Alameda de las Pulgas between Madera Avenue and Melendy Drive, with citizen oversight and funds restricted to these specific purposes only?"

The ordinance also authorized the City to execute a tax rate statement that will be printed on the ballot measure. This statement estimates the total principal and interest to be paid over the life of the bonds to be \$86.7 million. This estimate translates to an average of approximately \$20 per \$100,000 of assessed value per year per resident in San Carlos for the 30 year life of the bonds. The City anticipates purchasing the land at a fair price based on assessed value and not necessarily the listed asking price.

To further comply with the ordinance, the City will determine the procedure for appointing the oversight committee at a later date. In order to meet all required timelines, development of a master plan for the property is deferred until after the November election.

DISCUSSION

At the August 12, 2015, Board meeting, Director Harris requested the Board consider endorsing Measure V. On August 30, 2015, an endorsement request letter was submitted to the Board from

Measure V Campaign Coordinator Mike Aydelott (Attachment 2). The District does not currently have an established policy or process for evaluating ballot measure endorsement requests. In this case, because Measure V relates to the District's core mission in that it would result in the preservation of some amount of open space, the General Manager directed staff to prepare a brief review of the measure and alternative actions the Board could consider.

As stated above, if Measure V is approved by the voters, the City plans to then develop a master plan for the property. The Election Ordinance requires "the City Council seek public input regarding the scope and design of the improvements for Black Mountain Park." Measure V campaign information states "a volunteer citizens' committee will participate in an open, public process to design the new Black Mountain Park." However, at this time, it is not known how much of the property will be passive open space and trails, other recreational facilities, or other facilities or infrastructure. Nor is it clear at this point what the final disposition of existing buildings would be, or the amount of restoration or remediation that may be required. Nonetheless, it is clear that Measure V would allow the City to purchase and protect the property as a public park with some mix of City park/open space uses. By placing Measure V on the ballot, the City is suggesting that it cannot otherwise currently afford to purchase the property, and thus the property would remain available for sale and some other purchaser's private development plan, which could be residential development.

Measure V aligns with the District's mission in that it would result in some amount of protected passive open space and public access. However, it differs from the District's mission in that the property is likely to also include some amount of active recreation facilities, which are a popular service provided by cities. The request for the District to endorse Measure V raises the policy question of whether or not, or when, the District should take an advocacy position on potentially controversial development and tax/financial issues affecting cities within the District.

Absent policy guidance on whether or not, or when, the District should consider ballot measure endorsements, the General Manager is not making a recommendation on the Measure V endorsement request, but instead has developed several alternatives the Board may wish to consider:

1. Support Measure V by Board majority vote, finding that a public park with a mixture of open space and recreation is more aligned with the District's mission than is the possibility of the property being privately developed. Send a letter stating the District's endorsement, and encouraging a significant percentage of passive open space and trails in the final plan for the park;
2. Take a neutral position on Measure V by Board majority vote, and send a letter stating the District's neutral position, but encouraging a significant percentage of passive open space and trails in the final plan for the park;
3. Take no action on Measure V;
4. Suggest that individual Board members may support or oppose Measure V. (This individual Board member action could be taken in addition to Alternatives 1, 2, or 3 above).

The General Manager does recommend that the Board make a referral to LFPAC for consideration of developing a Board Policy regarding ballot measure endorsements and

legislative advocacy. Such a policy would provide criteria that could be consistently applied to the General Manager's evaluation of whether or not it would be appropriate for the Board to consider a position on local ballot measures, when requested, or even state propositions or state or federal legislation.

FISCAL IMPACT

There is no fiscal impact to the District associated with a Board decision in response to the Measure V endorsement request.

BOARD COMMITTEE REVIEW

This item was not previously reviewed by a Board Committee.

PUBLIC NOTICE

Public notice of this Agenda Item was provided as required by the Brown Act. No additional notice is required.

CEQA COMPLIANCE

No compliance is required as this action is not a project under the California Environmental Quality Act (CEQA).

NEXT STEPS

If the Board decides to submit a letter stating the Board's position on Measure V, the letter will be finalized following Board action and signed and sent by the Board President on behalf of the full Board of Directors.

Attachments:

1. Map & Aerial Photo of Black Mountain Properties
2. Measure V Campaign Endorsement Request Letter

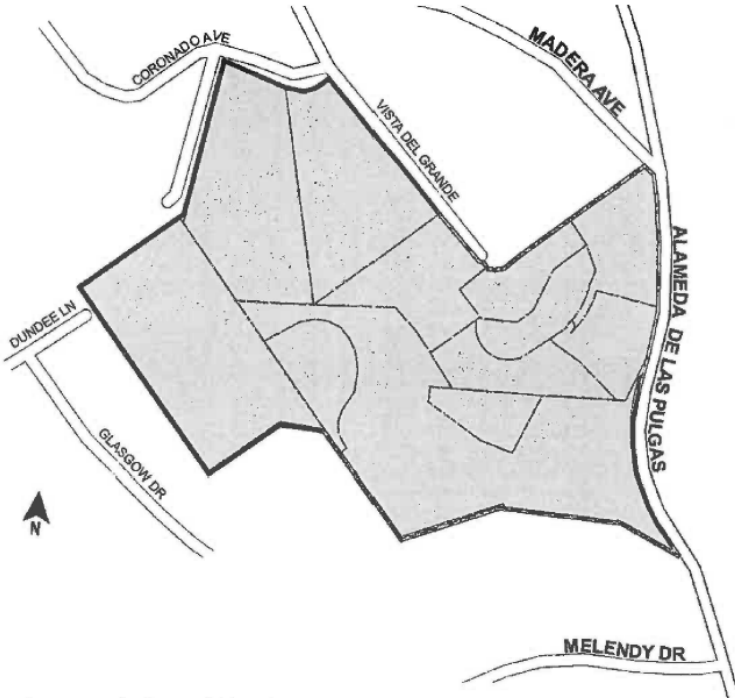
Responsible Manager:

Steve Abbors, General Manager

Prepared by:

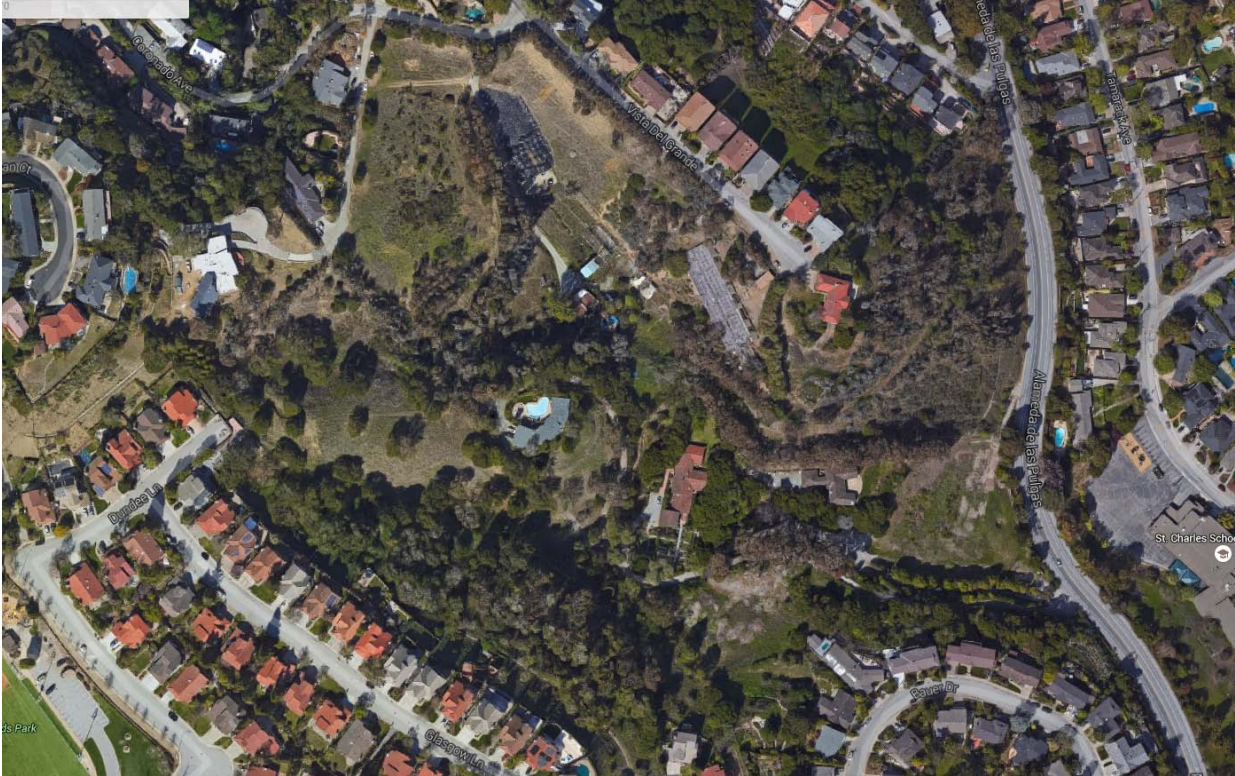
Kevin Woodhouse, Assistant General Manager

Map of Black Mountain Properties



Assessor's Parcel Numbers:

049360040	050220020	050220170	050621030
049360060	050220140	050621010	050621040
049372010	050220160	050621020	050621050



August 30, 2015

Board of Directors
Midpeninsula Regional Open Space District

Dear MidPen Directors,

On behalf of the campaign committee for San Carlos Measure V, I'm writing to ask for your support and endorsement of a \$45 million bond issue for the acquisition and upgrade of the Black Mountain properties - 25 acres of undeveloped land in the heart of San Carlos, along Alameda just north of Melendy. We see this as a chance to preserve and protect it forever as a park and open space for the entire community to enjoy.

The Black Mountain Park Ballot Measure will:

- Permanently protect some of the last remaining undeveloped residential areas and open space in San Carlos – otherwise a developer could build up to 100 new homes there.
- Protect San Carlos taxpayers – all funds will stay in San Carlos and can only be spent on Black Mountain; none of the money can be used for City administrator salaries.
- Provide tranquil walking paths, trails and recreation in a public park.
- Protect a local water source.
- Ensure local control of Black Mountain forever – an important legacy we can leave for future generations.
- Establish a volunteer citizens committee that will be appointed to hold an open, public process to finalize plans for the new Black Mountain Park. There will also be independent citizens oversight of spending to ensure funds are spent as promised.
- Protect a beautiful old home – with spectacular views and gardens – that could be repurposed as a community center.

If measure V is not approved, there is a good chance that this hidden gem will be turned into another housing development of perhaps as many as 100 homes. The resulting congestion and traffic will made a difficult situation even worse.

Our polling suggests that community support for Measure V is strong. However, with a 2/3 majority required for approval, the bar is very high and the campaign will be intense and costly. Your support will strengthen our case and enhance our effectiveness.

We respectfully request your endorsement for this important and significant opportunity and thank you for your consideration. We have enclosed a copy of our latest Frequently Asked Questions document for your reference and invite you to visit our website for more information.

Sincerely,

Mike Aydelott
Campaign Coordinator

Save Black Mountain Measure V FAQ

What is Black Mountain?

Located along Alameda de las Pulgas between Madera Avenue and Melendy Drive, Black Mountain is one of the last remaining undeveloped residential areas in San Carlos. The nearly 25-acre site is centrally located in San Carlos and is home to an array of wildlife, trees and beautiful views of our area. It also offers the potential for tranquil walking paths, trails, and recreation in a park, all easily accessible to residents.

What is the history of Black Mountain?

Black Mountain Spring Water Company was named after the underground spring still actively flowing on San Carlos' own Black Mountain. George Washington Faulstich founded the Black Mountain Spring Water Company in 1937 and, until it was purchased in 1999, it was the largest independently owned bottled water company in the United States.

The San Carlos that Faulstich lived in was very different from what it is today—a sparsely populated, hardscrabble place of small farms owned by recent German and Irish immigrants. One Faulstich neighbor remembers being able to see from his house to San Francisco, with only farms and orchards stretching to the city.

Today, with so much development and traffic congestion on the Peninsula, it is vital to preserve this beautiful open space and maintain a balance we could lose.

Why do we need Measure V?

On July 27, the San Carlos City Council voted unanimously to place Measure V, the Black Mountain Park Ballot Measure, on the ballot in the November 3, 2015 election.

If Measure V passes, it will enable the City of San Carlos to acquire Black Mountain and create a park there. This will prevent it from being developed, make it accessible to the public and preserve the open space permanently. With so much development and traffic congestion on the Peninsula, we need to create a balance by preserving open space. If Measure V doesn't pass, a developer could build up to 100 homes on this currently unprotected land.

Is Measure V the only way to save Black Mountain?

Without Measure V, the City has no other way to acquire Black Mountain, and up to 100 homes could be built there by a private developer. Funding from Measure V will allow our community to seize this rare opportunity to permanently protect a natural setting in the center of our city as an important legacy for future generations. The longer we wait, the more expensive the land will get, and the likelier it is that some or all of the open properties will be developed with new homes.

What will Measure V do?

Measure V will:

- Permanently protect some of the last remaining undeveloped land and open space in San Carlos – a park, not 100 homes
- Provide tranquil walking paths, trails and recreation for all ages to enjoy
- Protect a local water source
- Ensure local control of Black Mountain forever – an important legacy for future generations

What will go in the park on Black Mountain?

No plans have been made yet. After Measure V is approved, a volunteer citizens' committee will participate in an open, public process to create plans for the new Black Mountain Park.

How much will Measure V cost?

Measure V will cost approximately \$20 per \$100,000 in assessed, not market, property value. Since the passage of Prop. 13, the assessed value is nearly always much closer to the original purchase price of the property than to the current market price, which substantially helps seniors or those on fixed incomes who have lived in their homes a long time.

Will Measure V protect San Carlos taxpayers?

Yes, Measure V protects San Carlos taxpayers:

- All funds must be spent in San Carlos and only to create a park on Black Mountain – no funds can be spent for any other purpose
- None of the money will be used for City administrator salaries
- A volunteer citizens' committee will participate in an open, public process to design the new Black Mountain park
- An independent citizens' oversight committee will ensure funds are spent as promised

Could 100 homes really be built on Black Mountain?

According to San Carlos Municipal Code, the land included within Measure V is zoned as a single-family residential area with up to six units per acre. Even with challenging topography, up to 100 homes could absolutely be built there—especially as the economy in our area continues to heat up. Ultimately, the heart of the question this November is whether Black Mountain stays private and is eventually developed, or becomes a park and remains green and open.

Will Measure V provide for both acquiring the site and preparing it for use as a park?

Yes, it will. In addition to acquiring Black Mountain, there are some considerations to take into account in preparing it for use as a park, such as clean-up, parking, trails and other needed facilities. Measure V will make all of this possible.

Why a \$45 million bond measure?

Black Mountain is currently on the market, and if Measure V is not approved this November, there are no future guarantees regarding the use of the land. The City is negotiating with the property owners to determine a fair price for the land that would protect San Carlos taxpayers.

In addition to the cost of purchasing the land there would be additional costs related to parking, restrooms, paths and trails, and other considerations that must be included in any plan for making Black Mountain publicly accessible to all residents, including those with disabilities. Measure V would raise \$45 million to acquire the area and get it ready for the public to enjoy as a park.

How can I vote for Measure V?

Measure V will appear on the November 3, 2015 all-mail ballot. All registered voters in San Carlos will receive a ballot by mail in early October. To be sure your vote counts, please mail your ballot as soon as possible after you receive it. In order to pass, Measure V must be supported by 66.7% of those who vote on it.

For more information about voting, contact the San Mateo County Registrar of Voters at (650) 312-5222 or visit www.shapethefuture.org.

How can I help pass Measure V?

For more information, please email Laura Teutschel (Campaign Chair) and Mike Aydelott (Campaign Coordinator) at blkmtnvols@gmail.com.