Midpeninsula Regional Open Space District

R-24-56
Meeting 24-12
May 8, 2024

AGENDA ITEM 3

AGENDA ITEM

Resolution approving the Preliminary Official Statement for the Issuance of the Measure AA Series 2024 General Obligation Bonds (Green Bonds).

GENERAL MANAGER AND CONTROLLER'S RECOMMENDATION

Adopt a Resolution approving the Preliminary Official Statement for the Issuance of the Measure AA Series 2024 General Obligation Bonds (Green Bonds)

SUMMARY

The purpose of the 2024 Series General Obligation Bonds (Green Bonds) is to provide the next tranche of funding under Measure AA for capital projects and land acquisitions. The issuance of the Bonds was authorized at the April 24, 2024 Board meeting. The Preliminary Official Statement ("POS") Resolution provides Board approval of the disclosure documents to be used in the marketing of the Bonds.

DISCUSSION

The POS is the disclosure document necessary for the marketing of the bonds, the proceeds of which will be used to fund ongoing and future capital projects and acquisitions under Measure AA.

Measure AA 2024 Series General Obligation Bonds (Green Bonds)

The first tranche of bonds authorized under Measure AA was issued in 2015 ($40 million tax-exempt Series A and $5 million taxable Series B) and the second tranche was issued in 2018 ($50 million tax-exempt). The proceeds from the tax-exempt bonds have been expended and need to be replenished by the proposed bond issue in order to continue progress on Measure AA capital projects, as well as potential land acquisitions under Measure AA.

Principal Amount	Not to exceed $40 million
True Interest Cost	Not to exceed 5.00%
Interest Rate	Not to exceed 6.00% per annum
Final Maturity	No later than March 1, 2054

DISCLOSURE OBLIGATIONS

The attached POS has been reviewed and approved for transmittal to the Board of Directors by staff and the District's financing team. The distribution of the POS by the District is subject to federal securities laws, including the Securities Act of 1933 and the Securities Exchange Act of 1934. These laws require the POS to include all facts that would be material to an investor in making a decision to purchase the 2024 General Obligation Bonds.

The Securities and Exchange Commission (the "SEC"), the agency with regulatory authority over the District's compliance with the federal securities laws, has issued guidance as to the duties of the Board of Directors with respect to its approval of the POS. In its "Report of Investigation in the Matter of County of Orange, California as it Relates to the Conduct of the Members of the Board of Supervisors" (Release No. 36761 / January 24, 1996) (the "Release"), the SEC stated that, if a member of the Board has knowledge of any facts or circumstances that an investor would want to know about prior to investing in the issuer's bonds being marketed with the POS, whether relating to their repayment, tax-exempt status, undisclosed conflicts of interest with interested parties, or otherwise, he or she should endeavor to discover whether such facts are adequately disclosed in the POS. In the Release, the SEC stated that the steps that a member of the Board could take include becoming familiar with the POS and questioning staff and consultants about the disclosure of such facts.

FISCAL IMPACT

The Measure AA 2024 Series General Obligation Bonds are currently estimated to have a $2.3-$2.6 million annual debt service for 30 years, payable via the separate Measure AA property tax levy.

The proposed bond issuance is consistent with the District's long-term financial model.

PRIOR BOARD OR COMMITTEE REVIEW

April 24, 2024: Board approved a Resolution Authorizing the Issuance of the 2024 Series General Obligation Bonds (R-24-52)

PUBLIC NOTICE

Notice was provided pursuant to the Brown Act. No additional notice is necessary.

CEQA COMPLIANCE

No compliance is required as this action is not a project under CEQA.

NEXT STEPS

If approved by the Board, staff will proceed with finalization of the Official Statement and sell the 2024 General Obligation Bonds. Within a month of closing of the transaction, a post-sale evaluation report will be brought to the Board.

Attachments:
1. Resolution approving the Preliminary Official Statement for the Issuance of the Measure AA 2024 General Obligation Bonds
2. Preliminary Official Statement for the Issuance of the Measure AA 2024 General Obligation Bonds

Responsible Manager:
Stefan Jaskulak, Chief Financial Officer

Prepared by and Contact:
Stefan Jaskulak, Chief Financial Officer

RESOLUTION NO. 24-____

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE ISSUANCE OF THE GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2024

WHEREAS, pursuant to resolution adopted on April 24, 2024 (the "Authorizing Resolution"), this Board of Directors (the "Board") of the Midpeninsula Regional Open Space District (the "District"), authorized the issuance and sale of its "Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2024" (the "Bonds");

WHEREAS, there has been submitted, and is on file with the District Clerk, a proposed form of Official Statement (the "Official Statement"), in preliminary form, and the Board hereby desires to authorize the completion, execution and distribution of such document in connection with the sale of the Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Midpeninsula Regional Open Space District, as follows:

Section 1. Recitals. The District hereby specifically finds and declares that the actions authorized hereby constitute and are with respect to public affairs of the District and that the statements, findings and determinations of the District set forth above are true and correct.

Section 2. Official Statement. The Official Statement relating to the Bonds, in substantially the form on file with the District Clerk, is hereby approved with such changes, additions and corrections as any of General Manager or his written designee, the Controller, or the Chief Financial Officer / Director of Administrative Services (each an "Authorized Officer") may hereafter approve, and the underwriter of the Bonds is hereby authorized to distribute copies of such Official Statement in its preliminary form to persons who may be interested in purchasing the Bonds. Any Authorized Officer is hereby authorized to certify to the underwriters, on behalf of the District, that the preliminary form of the Official Statement is deemed final as of its date within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (the "Rule") (except for the omission of certain final pricing, rating and related information as permitted by said Rule). Any Authorized Officer is hereby authorized and directed to sign said Official Statement in its final form, including the final pricing information, and such execution and delivery shall constitute conclusive evidence of the approval by the District of any changes or revisions to the Official Statement from the form submitted herewith. The underwriter is hereby authorized and directed to deliver copies of such Official Statement in final form to the purchasers of the Bonds.

Section 3. Approval of Further Actions. Any Authorized Officer is hereby authorized and directed, jointly and severally, to execute and deliver any and all certificates and representations concerning the contents of the Official Statement, which any of them deem necessary or desirable.

Section 4. Effective Date: This Resolution shall take effect from and after its date of adoption.

* * * * * * * * * * * * * * * * * * * *

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on May 8, 2024, at a regular meeting thereof, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

____
Curt Riffle, Secretary
Board of Directors

APPROVED:

____
Margaret MacNiven, President
Board of Directors

APPROVED AS TO FORM:

____
Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

____
Maria Soria, District Clerk

CLERK'S CERTIFICATE

I, Maria Soria, District Clerk of the Board of the Midpeninsula Regional Open Space District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of said District duly and regularly held at the regular meeting place thereof on the 8th day of May 2024, of which meeting all of the members of said Board had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 5050 El Camino Real, Los Altos, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand and the seal of the Midpeninsula Regional Open Space District this __ day of May 2024.

____
District Clerk

AFS Draft #5
5/2/24

PRELIMINARY OFFICIAL STATEMENT DATED __________, 2024

Red Herring to be inserted printer.

NEW ISSUE — BOOK-ENTRY ONLY **RATINGS:** Fitch: "___"
S&P: "___"
(See "RATINGS")

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2024 Green Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the 2024 Green Bonds is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel observes that interest on the 2024 Green Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2024 Green Bonds. See "TAX MATTERS."

[District Logo]

$__,000,000*
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(Counties of Santa Clara, San Mateo and Santa Cruz, California)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2024

Dated: Date of Delivery **Due: March 1, see inside cover**

Authorization; Purpose. The Midpeninsula Regional Open Space District (the "District") is issuing $___,000,000* principal amount of its General Obligation Bonds (Green Bonds), Series 2024 (the "2024 Green Bonds"). The 2024 Green Bonds were approved by more than two-thirds of the qualified voters of the District at a special bond election duly and regularly held on June 3, 2014, which authorized the issuance of up to $300,000,000 principal amount of general obligation bonds to finance 25 key projects authorized by the voters ("Measure AA").

The 2024 Green Bonds are issued pursuant to: (i) Resolution No. ______ adopted by a majority of the Board of Directors on May 8, 2024; (ii) the Constitution and laws of the State of California (the "State"), including the provisions of Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5 (commencing with Section 53506) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (collectively, the "Act"); and (iii) a Fiscal Agent Agreement, dated as of June 1, 2024, (the "Fiscal Agent Agreement"), between the District and Zions Bancorporation, National Association, as fiscal agent (the "Fiscal Agent").

The 2024 Green Bonds are being issued by the District to: (i) further finance the 25 key projects specified in Measure AA; (ii) pay capitalized interest on the 2024 Green Bonds through _______ 1, 20__; and (iii) pay certain costs associated with the issuance of the 2024 Green Bonds. See "THE 2024 GREEN BONDS–Authority for Issuance; Purpose."

Security and Source of Payment. The 2024 Green Bonds are payable solely from *ad valorem* property taxes levied in the District and collected in the County of Santa Clara and the County of San Mateo (together, the "Counties"), and the portion of the County of Santa Cruz within the District upon all property subject to taxation within the boundaries of each County and the County of Santa Cruz and allocated to the District. The Board of Supervisors within each County and the County of Santa Cruz is empowered and obligated to annually levy *ad valorem* taxes for the payment of interest on, and principal of, the 2024 Green Bonds upon all property subject to taxation by the District, without limitation of rate or amount (except certain personal property which is taxable at limited rates). The District has $37,680,000 aggregate principal amount of General Obligation Bonds, Series 2015A (Green Bonds) (the "2015A Bonds") and $43,020,000 aggregate principal amount of General Obligation Bonds, Series 2018 (the "2018 Bonds" and together with the 2015A Bonds, the "GO Bonds") outstanding under Measure AA. The GO Bonds, and all future series of general obligation bonds issued under Measure AA are payable from *ad valorem* taxes levied on parcels in the District. See "SECURITY AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS–*Ad Valorem* Property Taxation Within the District."

No Reserve Fund will be established for the 2024 Green Bonds.

Book-Entry Only. The 2024 Green Bonds will be issued in book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Individual purchases of the 2024 Green Bonds will be made in principal amounts of $5,000 and integral multiples thereof under the book-entry only system maintained by DTC. Purchasers of the 2024 Green Bonds will not receive physical certificates representing their interests in the 2024 Green Bonds. So long as DTC, or its nominee for disbursement to DTC Participants, is the registered owner of the 2024 Green Bonds, payments of principal of and interest on the 2024 Green Bonds will be made by the Fiscal Agent directly to DTC or its nominee, which will in turn remit such payments to the DTC participants for disbursement to the beneficial owners of the 2024 Green Bonds. See APPENDIX G–"DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Payments. Interest on the 2024 Green Bonds is payable on March 1 and September 1, of each year, commencing September 1, 2024. Principal on the 2024 Green Bonds is payable on March 1 in the amounts and in the years set forth on the inside cover. Payments of principal and interest on the 2024 Green Bonds will be paid by the Fiscal Agent to DTC for subsequent disbursement to DTC Participants, which will remit such payments to the Beneficial Owners of the 2024 Green Bonds. See "THE 2024 GREEN BONDS–Payment of Principal and Interest" and APPENDIX G–"DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Redemption. The 2024 Green Bonds are subject to redemption prior to their stated maturities. See "THE 2024 GREEN BONDS–Redemption of 2024 Green Bonds."

Maturity Schedule. See inside cover.

Investor Considerations. **This cover page contains information for general reference only. It is *not* a summary of the security or terms of this issue. Investors must read the entire Official Statement for a discussion of special factors which should be considered, in addition to the other matters set forth in this Official Statement, in considering the investment quality of the 2024 Green Bonds.**

Legal Matters. *The 2024 Green Bonds are offered when, as and if sold and issued, and accepted by the Underwriter, subject to the approval as to their validity by Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District.*

Certain legal matters will be passed upon for the District by its General Counsel and by ArentFox Schiff LLP, San Francisco, California, Disclosure Counsel to the District.

Hawkins Delafield & Wood LLP, San Francisco, California is serving as counsel to the Underwriter.

Delivery. *It is anticipated that the 2024 Green Bonds in book-entry form, will be available for delivery through the facilities of DTC in New York, New York, on or about _______, 2024.*

Morgan Stanley

Dated: _______, 2024.

____

* Preliminary, subject to change.

MATURITY SCHEDULE
(Base CUSIP[†]: 598022)

$___,000,000*
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(Counties of Santa Clara, San Mateo and Santa Cruz, California)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2024

Maturity Date (March 1)	Principal Amount	Interest Rate	Yield	Price	CUSIP Suffix[†]

* Preliminary, subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein are provided by CUSIP Global Services, managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. CUSIP numbers have been assigned by an independent company not affiliated with the District and are included solely for the convenience of the holders of the 2024 Green Bonds. None of the District, its Municipal Advisor, the Underwriter, or their agents or counsel is responsible for the selection or use of these CUSIP numbers and no representation is made as to their correctness on the 2024 Green Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the 2024 Green Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the 2024 Green Bonds.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

No Offering May Be Made Except by this Official Statement. No broker, dealer, salesperson or other person has been authorized to give any information or to make any representations with respect to the 2024 Green Bonds other than as contained in this Official Statement, and if given or made, such other information or representation must not be relied upon as having been authorized. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the 2024 Green Bonds will, under any circumstances, create any implication that there has been no change in the affairs of the District or any other parties described in this Official Statement.

Use of this Official Statement. This Official Statement is submitted in connection with the sale of the 2024 Green Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract with the purchasers of the 2024 Green Bonds.

Preparation of this Official Statement. The information contained in this Official Statement has been obtained from sources that are believed to be reliable, but this information is not guaranteed as to accuracy or completeness.

Document References and Summaries. All references to and summaries of the Fiscal Agent Agreement or other documents contained in this Official Statement are subject to the provisions of those documents and do not purport to be complete statements of those documents.

Bonds are Exempt from Securities Laws Registration. The issuance and sale of the 2024 Green Bonds have not been registered under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, in reliance upon exemptions for the issuance and sale of municipal securities provided under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934.

Stabilization of Prices. In connection with this offering, the Underwriter may overallot or effect transactions which stabilize or maintain the market price of the 2024 Green Bonds at a level above that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriter may offer and sell the 2024 Green Bonds to certain dealers and others at prices lower than the public offering prices set forth on the cover page hereof and said public offering prices may be changed from time to time by the Underwriter.

Forward-Looking Statements. Certain statements contained in this Official Statement reflect not historical facts but forecasts and “forward-looking statements.” In this respect, the words “estimate,” “project,” “anticipate,” “expect,” “intend,” “believe,” “plan,” “budget,” and similar expressions are intended to identify forward-looking statements. Projections, forecasts, assumptions, expressions of opinions, estimates and other forward statements are not to be construed as representations of fact and are qualified in their entirety by the cautionary statements set forth in this Official Statement.

The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when events, conditions or circumstances on which such statements are based occur or do not occur.

Websites and Social Media. The District maintains a website and social media accounts. References to website addresses presented in this Official Statement are for information purposes only and are solely for the convenience of the reader. The information presented on any website and social media accounts is not a part of this Official Statement, are not incorporated into, and are not a part of, this Official Statement, and should not be relied upon in making an investment decision with respect to the 2024 Green Bonds.

Regional Map

[To be Updated]

History

The District was founded in 1972 to preserve the regional greenbelt in northwestern Santa Clara County. The voters expanded the District in 1976 to include southern San Mateo County and again in 1992, to add a small portion of Santa Cruz County. In 2004, through the Coastside Protection Program, the District's boundary was extended to the Pacific Ocean in San Mateo County.

Mission

To acquire and preserve a regional greenbelt of open space land in perpetuity, protect and restore the natural environment, and provide opportunities for ecologically sensitive public enjoyment and education.

Midpeninsula Regional Open Space District's Long-Term Vision

Midpen set out in 2012 to chart a course for the next 40 years and beyond with Imagine the Future of Open Space, an 18-month public visioning process designed to help Midpen focus, inspire, and coordinate open space conservation and management on the San Francisco Peninsula, San Mateo Coast, and South Bay regions.

Vision Plan Goals

Outdoor Recreation and Healthy Living: Provide accessible open space lands for recreation and outdoor exercise in nature.

Cultural and Scenic Landscape Preservation: Conserve the area's scenery and rich history; provide places for escape and quiet enjoyment.

Healthy Nature: Take care of the land, air, water and soil so that plants and animals thrive and people can receive nature's benefits.

Connecting with Nature and Each Other: Provide opportunities for people to learn about and appreciate the natural environment and to connect with nature and each other.

Viable Working Lands: Provide viable working lands that reflect our agricultural heritage and provide food and jobs.

Sharing the Trails

Each week, thousands of visitors, including hikers, runners, bicyclists, equestrians, people with disabilities, and people walking their dogs, use District trails. Our website, www. openspace.org, includes maps, directions, suggested activities, trail conditions, safety tips, and more.

Volunteer Programs

Over 500 volunteers assist the District each year in one-day projects, ongoing natural history education, trail patrol, and maintenance and restoration programs.

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

DISTRICT BOARD OF DIRECTORS

Craig Gleason, *Ward 1, Board Treasurer*
Yoriko Kishimoto, *Ward 2, Board Member*
Jed Cyr, *Ward 3, Board Vice President*
Curt Riffle, *Ward 4, Board Secretary*
Karen Holman, *Ward 5, Board Member*
Margaret MacNiven, *Ward 6, Board President*
Zoe Kersteen-Tucker, *Ward 7, Board Member*

DISTRICT STAFF

Ana Ruiz, *General Manager*
Michael L. Foster, *Controller*
Hilary W. Stevenson, Esq., *General Counsel*
Stefan Jaskulak, *Chief Financial Officer/Director of Administrative Services*
Susanna Chan, *Assistant General Manager/Project Planning and Delivery*
Brian Malone, *Assistant General Manager/Visitor and Field Services*

PROFESSIONAL SERVICES

Orrick, Herrington & Sutcliffe LLP
San Francisco, California
Bond Counsel

ArentFox Schiff LLP
San Francisco, California
Disclosure Counsel

Backstrom McCarley Berry & Co., LLC
San Francisco, California
Municipal Advisor

Zions Bancorporation, National Association
Los Angeles, California
Fiscal Agent

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$___,000,000*
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(Counties of Santa Clara, San Mateo and Santa Cruz, California)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2024

INTRODUCTION

This introduction contains only a brief summary of certain of the terms of the 2024 Green Bonds being offered, and a brief description of the Official Statement. All statements contained in this introduction are qualified in their entirety by reference to the entire Official Statement. Capitalized terms used in this Official Statement and not otherwise defined shall have the meanings given to such terms as set forth in the Fiscal Agent Agreement. See APPENDIX D–"DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT–*Definitions.*"

General

The purpose of this Official Statement (which includes the cover page, inside cover page and the Appendices) is to provide information concerning the issuance of the $___,000,000* principal amount of Midpeninsula Regional Open Space District General Obligation Bonds (Green Bonds), Series 2024 (the "2024 Green Bonds").

The District

General. The Midpeninsula Regional Open Space District (the "District") was formed in 1972 to acquire and preserve public open space land in northern and western portions of the County of Santa Clara. In June 1976, the southern and eastern portions of the County of San Mateo were annexed to the District, and the District annexed three parcels located in the northern tip of Santa Cruz County in 1992. Since then additional singular parcels in Santa Cruz County have been annexed to the District. In September 2004, the District completed the Coastside Protection Program, which extended the District boundaries to the Pacific Ocean in the County of San Mateo County, from the southern borders of Pacifica to the San Mateo/Santa Cruz County line.

The jurisdictional boundary of the District encompasses over 550 square miles of land located within the County of Santa Clara (approximately 200 square miles, representing approximately 45% of the total acreage within this county), the County of San Mateo (approximately 350 square miles, representing approximately 78% of the total acreage within this county) and a portion of the County of Santa Cruz within the District (approximately 2.6 square miles). See also, "PAYMENT AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS–Largest Secured Property Taxpayers in the District." The Counties of Santa Clara, and San Mateo are referred to together as the "Counties." As January 1, 2023 (the most recent data available), the California Department of Finance estimates that approximately 2.6 million people lived within the boundaries of the District. The combined fiscal year 2023-24 assessed value of the Counties is approximately $406.3 billion (excluding the assessed value for the approximately 2.6 square miles of County of Santa Cruz which is less than $1 million).

Governing Board and Management. A seven-member Board of Directors, elected by ward (the "Board of Directors"), establishes policies for the District. Specifically, the Board sets general operating objectives for the District, monitors financial and long-range planning, establishes policies governing conditions of employment, and sets policies to protect and enhance the natural and open space resources of the District. Members of the Board of Directors are elected for staggered four-year terms.

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* Preliminary, subject to change.

For additional information about the operations and finances of the District, see APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES."

Authority for Issuance; Purpose

The general obligation bond authorization, pursuant to which the 2024 Green Bonds are issued, were approved by more than two-thirds of the qualified voters of the District at a special bond election duly and regularly held on June 3, 2014, which authorized the issuance of up to $300,000,000 principal amount of general obligation bonds, at an estimated tax rate not to exceed $3.18 per $100,000 of assessed value owned, to finance 25 key projects authorized by the voters ("Measure AA").

The 2024 Green Bonds are issued pursuant to: (i) Resolution No. _____ adopted by a majority of the Board of Directors on May 8, 2024 (the "Resolution"); (ii) the Constitution and laws of the State of California (the "State"), including the provisions of Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5 (commencing with Section 53506) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State (collectively, the "Act"); and (iii) a Fiscal Agent Agreement, dated as of June 1, 2024 (the "Fiscal Agent Agreement"), between the District and Zions Bancorporation, National Association, as fiscal agent (the "Fiscal Agent").

The 2024 Green Bonds are being issued by the District to: (i) further finance the 25 key projects specified in Measure AA; (ii) pay capitalized interest on the 2024 Green Bonds through _______ 1, 20__; and (iii) pay certain costs associated with the issuance of the 2024 Green Bonds. See "THE 2024 GREEN BONDS–Authority for Issuance; Purpose."

The 2024 Green Bonds

General. The 2024 Green Bonds will be dated the date of their delivery. The 2024 Green Bonds will be issued in the aggregate principal amount, will mature in the principal amounts on the dates and in the years, and will bear interest at the respective per annum rates of interest, all as set forth on the inside cover page of this Official Statement. The 2024 Green Bonds will be issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof. Interest on the 2024 Green Bonds is payable on March 1 and September 1 of each year, commencing September 1, 2024. See "The 2024 Green Bonds–Payment of Principal and Interest."

Payments of principal and interest on the 2024 Green Bonds will be paid by the Fiscal Agent to DTC for subsequent disbursement to DTC Participants, which will remit such payments to the Beneficial Owners of the 2024 Green Bonds and APPENDIX G–"DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Book-Entry Only. The 2024 Green Bonds will be issued in book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Individual purchases of the 2024 Green Bonds will be made in principal amounts of $5,000 and integral multiples thereof under the book-entry only system maintained by DTC. Purchasers of the 2024 Green Bonds will not receive physical certificates representing their interests in the 2024 Green Bonds. So long as DTC, or its nominee for disbursement to DTC Participants, is the registered owner of the 2024 Green Bonds, payments of principal of and interest on the 2024 Green Bonds will be made by the Fiscal Agent directly to DTC or its nominee, which will in turn remit such payments to the DTC participants for disbursement to the beneficial owners of the 2024 Green Bonds. See APPENDIX G–"DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Security for the 2024 Green Bonds

General. The 2024 Green Bonds are payable from separate *ad valorem* property taxes assessed within the District pursuant to Measure AA. The Boards of Supervisors of the Counties and the County of Santa Cruz are empowered and are obligated to levy *ad valorem* taxes upon all property subject to taxation within the boundaries of such County in each year that the 2024 Green Bonds or other general obligation debt are outstanding, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates), in order to receive amounts sufficient to pay debt service on the 2024 Green Bonds and other general obligation bonds of the District. Such taxes are in addition to other taxes levied upon property within the District. For a description of Measure AA, see APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES–DISTRICT FINANCIAL INFORMATION–General."

Outstanding Parity Obligations. The 2024 Green Bonds are the third series of general obligation bonds to be issued under Measure AA and are payable on a parity with the District's $37,680,000 outstanding principal amount of General Obligation Bonds, Series 2015A and $43,020,000 outstanding principal amount of General Obligation Bonds (Green Bonds), Series 2018 (together, the "GO Bonds"). See "SECURITY AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS–*Ad Valorem* Property Taxation Within the District" and "–Direct and Overlapping Debt Obligations." Following issuance of the 2024 Green Bonds, the District will have $167,600,000* in borrowing authority remaining under Measure AA.

No Reserve Fund. No reserve fund will be established as security for the 2024 Green Bonds. See "SECURITY AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS."

Redemption

The 2024 Green Bonds are subject to optional redemption prior to their stated maturities. See "THE 2024 GREEN BONDS–Redemption of 2024 Green Bonds."

Continuing Disclosure

The District has covenanted for the benefit of Owners and Beneficial Owners of the 2024 Green Bonds to provide certain financial information and operating data relating to the District not later than 210 days after the end of the fiscal year (ending June 30) of the District, commencing with report due January 26, 2025 (the "Annual Report"), and to provide notices of the occurrence of certain significant events. The Annual Report and the notices of significant events will be filed with the Municipal Securities Rulemaking Board (the "MSRB") through its Electronic Municipal Market Access site. The specific nature of the information to be contained in the Annual Report and the notices of significant events is set forth in APPENDIX E–"FORM OF CONTINUING DISCLOSURE CERTIFICATE." These covenants have been made in order to assist the Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Summaries Not Definitive

The summaries and references of documents, statutes, reports and other instruments referred to in this Official Statement do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each document, statute, report, or instrument.

Copies of the documents described in this Official Statement will be available at the General Manager's office, Midpeninsula Regional Open Space District, 5050 El Camino Real, Los Altos, California 94022-1530, telephone: 650-691-1200. The District may impose a charge for copying and mailing.

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* Preliminary, subject to change.

THE DISTRICT

The District, a special district created by the Act and voter approval, is located in the San Francisco Bay Area and has boundaries that encompass over 550 square miles of land in the Counties. The District operates 27 open space preserves, which comprise more than 70,000 acres, providing a regional greenbelt preserve system of diverse and natural beauty in one of the largest metropolitan areas in the country. The preserves, ranging from 55 to over 19,000 acres, are open to the public, all year, free of charge.

The mission of the District is to acquire and preserve open space land in perpetuity for scenic beauty and enjoyment, for the protection of natural vegetation, wildlife, rural character and agriculture, to establish boundaries for urban growth, and enhance quality of life, for recreation in nature, and for environmental educational opportunities through the creation of a regional greenbelt. For additional information on the District see APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES."

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds received from the sale of the 2024 Green Bonds are set forth below:

Table 1
Estimated Sources and Uses of Funds

	2024 Green Bonds
SOURCES OF FUNDS:	
Principal Amount of Bonds	$___,000,000.00*
[Net] Original Issue Premium	
TOTAL SOURCES	
USES OF FUNDS:	
Deposit into Project Account	
Deposit to Capitalized Interest Account of the Bond Service Fund (1)	
Costs of Issuance(2)	
TOTAL USES	

* Preliminary, subject to change.
(1) Interest on the 2024 Green Bonds is capitalized through _______1, 20__.
(2) Includes legal fees, financial advisory fees, Fiscal Agent's fees, the Underwriter's discount, printing expenses, rating agency fees, and other costs associated with the issuance of the 2024 Green Bonds. For information regarding the Underwriter's discount, see "UNDERWRITING."

THE 2024 GREEN BONDS

Authority for Issuance; Purpose

The 2024 Green Bonds are issued pursuant to the Constitution and laws of the State, including the Act, and the Fiscal Agent Agreement. The 2024 Green Bonds are authorized to be issued pursuant to Measure AA. For additional information about the provisions of the Fiscal Agent Agreement, see APPENDIX D–"DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT."

The District will use the proceeds of 2024 Green Bonds to further finance the 25 key projects authorized by the voters under Measure AA. The projects expected to be financed from proceeds of the 2024 Green Bonds include acquisitions of property to protect and preserve natural open space lands, construction of public access improvements such as new trails and parking/staging areas for public access and recreation, and capital enhancements to open space lands to restore disturbed natural areas back to their original condition and function, including forests, streams, watersheds and coastal grassland areas.

Designation of 2024 Green Bonds as Green Bonds

The mission of the District is to acquire and preserve a regional greenbelt of open space land in perpetuity; protect and restore the natural environment; and provide opportunities for ecologically sensitive public enjoyment and education. On the coastside, the mission of the District is expanded to also acquire and preserve agricultural land of regional significance, preserve rural character, and encourage viable agricultural use of land resources.

The District is issuing the 2024 Green Bonds as "Green Bonds" to allow investors to invest directly in bonds which finance such environmentally beneficial projects. The owners of the 2024 Green Bonds do not assume any specific project risk or economic benefit related to the projects as a result of the Green Bonds designation.

Use of Proceeds. The proceeds from the 2024 Green Bonds will be used to finance certain improvements authorized by the voters under Measure AA. See "–Authority for Issuance; Purpose." The District acquires and preserves open space land in perpetuity for scenic beauty and enjoyment, to protect natural vegetation, wildlife, rural character and agriculture, to establish boundaries for urban growth, enhance quality of life, and to provide opportunities for environmental education and recreation in nature through the creation of a regional greenbelt.

Project Evaluation and Selection. Expansion of open space preserves by the District is based on location and the opportunity to acquire properties to support the creation of a regional greenbelt. The District prioritizes acquisitions based on an evaluation of opportunities to link preserves with federal, State, county, and city parklands, to establish potential public trail uses, and to protect wildlife, watersheds, and other natural resources.

Management of Proceeds and Reporting. The District currently prepares reports providing information on the expenditures and status of the Measure AA projects. Commencing with the report due for fiscal year 2023-24, and annually thereafter, the District will also include in the report expenditures of the proceeds from the 2024 Green Bonds. Information on the Measure AA projects is available on the District website (http://www.openspace.org/). See also APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES–DISTRICT FINANCIAL INFORMATION–General" for a description of the Citizen Oversight Committee established to verify expenditures of Measure AA revenues.

Payment of Principal and Interest

The 2024 Green Bonds will mature on March 1 in the principal amounts and in the years indicated on the inside cover page hereof and will bear interest at the rates set forth on the inside cover page hereof payable on March 1 and September 1 of each year, commencing on September 1, 2024 (each, an "Interest Payment Date"), computed using a year of 360 days comprising twelve 30-day months.

Payment of Interest. Payment of interest on any 2024 Green Bond on each Interest Payment Date (or on the following business day, if the Interest Payment Date does not fall on a business day) will be made to the person appearing on the registration books of the Fiscal Agent as the registered owner thereof (the

"Owner") on each Record Date, such interest to be paid by check or draft mailed to such Owner at such Owner's address as it appears on such registration books or at such other address as the Owner may have filed with the Fiscal Agent for that purpose on or before the Record Date. The Owner of an aggregate principal amount of $1,000,000 or more of 2024 Green Bonds, or the Owner of all of the 2024 Green Bonds at the time outstanding, may request in writing to the Fiscal Agent that such Owner be paid interest by wire transfer to the bank and account number on file with the Fiscal Agent as of the applicable Record Date. So long as the 2024 Green Bonds are held by Cede & Co., as nominee of DTC, payment will be made by wire transfer to DTC in accordance with its procedures. See APPENDIX G–"DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Payment of Principal. Principal will be payable at maturity, or upon redemption prior to maturity, upon surrender of 2024 Green Bonds by the registered owner thereof at the principal office of the Fiscal Agent. The interest, principal and premiums, if any, on the 2024 Green Bonds will be payable in lawful money of the United States of America from moneys deposited by the District with the Fiscal Agent under the Fiscal Agent Agreement. So long as all outstanding 2024 Green Bonds are held in book-entry form and registered in the name of a securities depository or its nominee, all payments of principal of, premium, if any, and interest on the 2024 Green Bonds and all notices with respect to such 2024 Green Bonds will be made and given, respectively, to such securities depository or its nominee and not to Beneficial Owners. See APPENDIX G–"DTC AND THE BOOK-ENTRY ONLY SYSTEM."

Redemption of 2024 Green Bonds*

Optional Redemption. The 2024 Green Bonds maturing on or before March 1, 20__ are not subject to optional redemption prior to their respective maturity dates.

The 2024 Green Bonds maturing on or after March 1, 20__ are subject to redemption prior to their respective maturity dates as a whole, or in part, on any date, from any moneys provided at the option of the District on or after March 1, 20__ at a redemption price equal to the principal amount of 2024 Green Bonds to be redeemed, plus accrued but unpaid interest to the redemption date, without premium.

Mandatory Sinking Fund Redemption. The 2024 Green Bonds maturing on March 1, 20__, and March 1, 20__, (the "Term Bonds") are subject to redemption prior to their stated maturity dates, without a redemption premium, in part by lot, from mandatory sinking fund payments on each March 1, on and after March 1, 20__, and on and after March 1, 20__, respectively, in the principal amounts as set forth below, provided in the event that a Term Bond is redeemed in part, the total amount of all future sinking fund payments shall be reduced by the aggregate principal amount of such Term Bonds so redeemed, to be allocated among the sinking fund payments in integral multiples of $5,000 as determined by the District (notice of which determination is required to be given by the District to the Fiscal Agent) or, absent such direction from the District, pro rata among the sinking fund payments in integral multiples of $5,000.

Term Bond Due March 1, 20__

Payment Date (March 1)	Payment Amount

† Maturity.

* Preliminary, subject to change.

Term Bond Due March 1, 20__

Payment Date (March 1)	Payment Amount

† Maturity.

Redemption Procedures

Selection of Bonds for Redemption. The District is required to provide notice to the Fiscal Agent of any optional redemption of the 2024 Green Bonds at least 45 days prior to the date set for redemption (or such lesser number of days acceptable to the Fiscal Agent, in the sole discretion of the Fiscal Agent) and, in the case of partial redemption of 2024 Green Bonds, a District Officer is required to designate in writing to the Fiscal Agent those maturities to be redeemed in whole or in part (including as a maturity, for such purposes, principal due on 2024 Green Bonds on a particular September 1 as a result of a scheduled mandatory sinking fund redemption). In the event a District Officer does not designate the maturities of 2024 Green Bonds to be redeemed, the Fiscal Agent shall select Bonds for redemption on a proportionate basis among maturities. In the event a particular maturity of Bonds is to be redeemed in part only, the Fiscal Agent is required to select 2024 Green Bonds of such maturity to be redeemed by lot. All Bonds redeemed pursuant to the Fiscal Agent Agreement shall be canceled and a certificate of cancellation shall be submitted by the Fiscal Agent to the District. Upon surrender of 2024 Green Bonds redeemed in part only, the District shall execute and the Fiscal Agent shall authenticate and deliver to the Owner thereof, at the expense of the District, a new 2024 Green Bond or 2024 Green Bonds of the same maturity, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the 2024 Green Bond to be redeemed.

So long as 2024 Green Bonds are registered in book-entry-only form and so long as DTC or a successor securities depository is the sole registered Owner of 2024 Green Bonds, partial redemptions will be done in accordance with DTC procedures. It is the District's intent that redemption allocations made by DTC be made in accordance with the provisions described herein. However, neither the District nor the Fiscal Agent has a duty to assure, and can provide no assurance, that DTC will allocate redemptions among Beneficial Owners on such a proportional basis, and neither the District nor the Fiscal Agent shall have any liability whatsoever to Beneficial Owners in the event redemptions are not done on a proportionate basis for any reason. The portion of any registered 2024 Green Bonds of a denomination of more than $5,000 to be redeemed will be in the principal amount of $5,000 or any integral multiple thereof. See APPENDIX G– "DTC AND THE BOOK ENTRY ONLY SYSTEM."

Notice of Redemption. Regardless of whether the District has deposited funds sufficient for any redemption with the Fiscal Agent, the Fiscal Agent shall cause notice of any redemption at least 30 days but not more than 60 days prior to the redemption date, to the respective Owners of any 2024 Green Bonds designated for redemption at their addresses appearing on the registration books maintained by the Fiscal Agent, and to the Municipal Securities Rulemaking Board as provided in the Continuing Disclosure Certificate; but such mailing is not a condition precedent to such redemption and failure to mail or to receive any such notice will not affect the validity of the proceedings for the redemption of such 2024 Green Bonds. Each notice relating to an optional redemption is further required to state that such optional redemption may be rescinded by the District on or prior to the date set for redemption. The Fiscal Agent is required to send any notice of cancellation of an optional redemption in the same manner as it sent the related notice of redemption.

Such notice is also required to state the redemption date, the redemption price and the CUSIP numbers of 2024 Green Bonds to be redeemed, and, if less than all of the then Outstanding 2024 Green Bonds are to be called for redemption, is required to designate the serial numbers of the 2024 Green Bonds to be redeemed by giving the individual number of each 2024 Green Bond or by stating that all 2024 Green Bonds between two stated numbers, both inclusive, or by stating that all of the 2024 Green Bonds of one or more maturities have been called for redemption, and require that such 2024 Green Bonds be then surrendered at the Principal Office of the Fiscal Agent for redemption at the said redemption price, giving notice also that further interest on such 2024 Green Bonds will not accrue from and after the redemption date. Any notice of optional redemption is also required to state that it is subject to cancellation on or prior to the date set for redemption.

Effect of Redemption. From and after the date fixed for redemption, if notice of such redemption is duly given and funds available for the payment of the principal of and interest (and premium, if any) on the 2024 Green Bonds so called for redemption has been duly provided, such 2024 Green Bonds so called will cease to be entitled to any benefit under the Fiscal Agent Agreement other than the right to receive payment of the redemption price, and no interest shall accrue thereon on or after the redemption date specified in such notice.

Defeasance

All or a portion of 2024 Green Bonds may be paid by the District in any of the following ways, provided that the District also pays or causes to be paid any other sums payable under the Fiscal Agent Agreement by the District by: (i) paying or causing to be paid the principal of and interest on 2024 Green Bonds Outstanding, as and when the same become due and payable; (ii) depositing, at or before maturity, money or securities in the necessary amount to pay 2024 Green Bonds Outstanding; or (iii) delivering to the Fiscal Agent, for cancellation by it, 2024 Green Bonds Outstanding.

If the District pays all 2024 Green Bonds Outstanding and also pays or causes to be paid all other sums payable by the District pursuant to the Fiscal Agent Agreement, then and in that case, at the election of the District, and notwithstanding that any 2024 Green Bonds shall not have been surrendered for payment, the Fiscal Agent Agreement will cease, terminate, become void and be completely discharged and satisfied.

See APPENDIX D–"DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT."

Investment of Bond Proceeds

Moneys in the Project Account, the Bond Service Fund, the Capitalized Interest Account, the Costs of Issuance Account and the Rebate Fund (as such are established by and defined in the Fiscal Agent Agreement) will be invested by the Fiscal Agent, at the written direction of the Controller or Chief Financial Officer/Director of Administrative Services of the District, in Permitted Investments (as defined in the Fiscal Agent Agreement) maturing prior to the date on which such moneys are required to be paid out under the Fiscal Agent Agreement. Moneys in the Debt Service Fund will be invested by the County of Santa Clara in Permitted Investments that by their terms mature prior to the date on which such moneys are required to be paid out hereunder. Obligations purchased as an investment of moneys in any of such funds and accounts will at all times be deemed to be part of each such respective fund and account so invested, and all interest, gain or loss on the investment of moneys in such respective fund and accounts will be credited or charged thereto.

DEBT SERVICE SCHEDULES

Table 2A shows the debt service schedule with respect to the 2024 Green Bonds (assuming no optional redemptions).

Table 2B shows the aggregate debt service schedule for all Bonds of the District payable directly from *ad valorem* property taxes. For a summary of outstanding long-term debt of the District see Table A-3–"District Outstanding Debt" in APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES."

Table 2A
2024 Green Bonds
Debt Service Schedule

Period Ending (March 1)	Principal	Interest	Total Debt Service
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
TOTAL	$__________	$__________	$__________

* Preliminary, subject to change.

Table 2B
Aggregate General Obligation Bonds Debt Service Schedule

Period Ending (March 1)	2015A Bonds†	2018 Green Bonds†	2024 Green Bonds	Total
2025	$2,573,162.50	$2,721,350.00		
2026	2,567,912.50	2,720,600.00		
2027	2,569,912.50	2,717,350.00		
2028	2,568,912.50	2,716,475.00		
2029	2,571,462.50	2,717,725.00		
2030	2,576,375.00	2,715,975.00		
2031	2,572,812.50	2,716,100.00		
2032	2,570,762.50	2,712,975.00		
2033	2,569,981.25	2,726,125.00		
2034	2,567,137.50	2,726,500.00		
2035	2,567,137.50	2,725,525.00		
2036	2,564,887.50	2,722,200.00		
2037	2,563,100.00	2,714,200.00		
2038	2,561,500.00	2,711,900.00		
2039	2,562,000.00	2,711,900.00		
2040	2,559,500.00	2,709,100.00		
2041	2,558,900.00	2,708,400.00		
2042	2,555,100.00	2,704,700.00		
2043	2,553,000.00	2,707,800.00		
2044	2,552,400.00	2,702,600.00		
2045	2,553,100.00	2,704,000.00		
2046	2,550,000.00	2,701,800.00		
2047	–	2,696,000.00		
2048	–	2,696,400.00		
2049	–	2,692,800.00		
2050	–	–		
2051	–	–		
2052	–	–		
2053	–	–		
2054	–	–		
TOTAL	$56,409,056.25	$67,800,500.00		

† For a summary description of these bonds, see APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES–District Financial Information-Long-Term Debt of the District-General Obligation and Revenue Bonds."

SECURITY AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS

General

Pursuant to Measure AA, in order to provide sufficient funds for repayment of principal and interest when due on the 2024 Green Bonds, the GO Bonds, and any other general obligation bonds of the District issued in the future, the Boards of Supervisors of the Counties of Santa Clara, San Mateo, and Santa Cruz are empowered and are obligated to levy *ad valorem* property taxes upon all property subject to taxation by the District in each year that the 2024 Green Bonds, the GO Bonds, or other general obligation debt are outstanding, without limitation as to rate or amount (except as to certain personal property which is taxable at limited rates). Such taxes are in addition to other taxes levied upon property within the District. All of the proceeds of such Measure AA taxes are deposited in a debt service fund (the "Debt Service Fund") established and held by the County of Santa Clara on behalf of the District for general obligation bonds authorized under Measure AA, or as set forth in the applicable governing agreements for other general obligation bond debt, which taxes are to be used solely for the payment of the 2024 Green Bonds, the GO Bonds, and such other general obligation bond debt issued pursuant to Measure AA (collectively, the "Bonds").

Pledge of Tax Revenues

Pursuant to the Resolution, the District pledges all revenues from the *ad valorem* property taxes collected from the levy by the Counties and the County of Santa Cruz for the payment of the Bonds and amounts on deposit in the interest and sinking fund of the District collected for the Bonds to the payment of the principal or redemption price of and interest on the Bonds. The Resolution states that this pledge shall be valid and binding from the date of the Resolution for the benefit of the owners of the Bonds and successors thereto and the *ad valorem* property taxes and amounts held in the Debt Service Fund are immediately subject to the pledge, and the pledge constitutes a lien and security interest which immediately attaches to the property taxes and amounts held in the Debt Service Fund (defined herein) to secure the payment of the Bonds and is effective, binding, and enforceable against the District, its successors, creditors and all others irrespective of whether those parties have notice of the pledge and without the need of any physical delivery, recordation, filing, or further act.

Debt Service Fund and Bond Service Fund

Debt Service Fund. The proceeds of the *ad valorem* property tax levied pursuant to Measure AA will be deposited in the Debt Service Fund at the times and in the amounts sufficient to pay debt service on the 2024 Green Bonds.

The Debt Service Fund will be held by the County of Santa Clara on behalf of the District separate and apart from all other funds of the County of Santa Clara and the District. *Ad valorem* property tax revenues collected by the Counties and the County of Santa Cruz for payment of the 2024 Green Bonds and other bonds issued pursuant to Measure AA and any refunding bonds thereof and interest earnings thereon are required to be deposited with and held by the County of Santa Clara in the Debt Service Fund.

All moneys in the Debt Service Fund are required to be used and withdrawn by the County of Santa Clara at the direction of the Chief Financial Officer/Director of Administrative Services solely for the purpose of paying the principal of and interest on the 2024 Green Bonds as the same shall become due and payable.

Bond Service Fund. Pursuant to the Fiscal Agent Agreement, on the last day of February and August in each year commencing August 31, 2024, the Chief Financial Officer/ Director of Administrative Services is required to direct the County of Santa Clara to transfer to the Fiscal Agent for deposit in the

Bond Service Fund moneys on deposit in the Debt Service Fund for application by the Fiscal Agent on the next succeeding Interest Payment Date to the payment of principal of and interest on the 2024 Green Bonds.

The Bond Service Fund is a separate fund held by the Fiscal Agent into which all moneys received by the Fiscal Agent from the District will be deposited and which Bond Service Fund is required to be used solely to pay principal and interest on the 2024 Green Bonds when due.

Within the Bond Service Fund there is established a Capitalized Interest Account which is required to pay a portion of the interest on the 2024 Green Bonds through ________, 20__, as directed by the District.

In the event that the amount in the Bond Service Fund is not sufficient for the Fiscal Agent to pay the full aggregate amount of principal of and interest due and payable on all bonds issued pursuant to Measure AA on the next succeeding Interest Payment Date, the Fiscal Agent is required to apply such amount to all bonds issued pursuant to Measure AA on a *pro rata* basis based on the principal amount of the outstanding bonds of each such series.

No Reserve Fund

The 2024 Green Bonds are secured by and payable from *ad valorem* property taxes levied on all taxable property in the District. Therefore, the Fiscal Agent Agreement does not require the District to establish a reserve fund for the 2024 Green Bonds.

***Ad Valorem* Property Taxation Within the District**

Taxes are levied by each County for each fiscal year (ending June 30) on taxable real and personal property within each County which is situated in the District as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the County Assessors of such County, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year (ending June 30). If unpaid, such taxes become delinquent on December 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid by 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The taxing authority has four ways of collecting delinquent unsecured personal property taxes: (i) bringing a civil action against the taxpayer; (ii) filing a certificate in the office of the County Clerk of a County specifying certain facts in order to obtain a lien on certain property of the taxpayer; (iii) filing a certificate of delinquency for record in the County Clerk and County Recorder's office of the applicable County in order to obtain a lien on certain property of the taxpayer; and (iv) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the assessee.

Allocation of Property Taxes

The allocation of *ad valorem* property taxes to local governments and, accordingly to the District, is subject to certain State statutes, which may change from time to time. However, the District believes that any such change will not adversely affect its ability to pay debt service on the 2024 Green Bonds. See also "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON DISTRICT TAX REVENUES AND APPROPRIATIONS–Proposition 1A; Proposition 22."

Dissolution of Redevelopment Agencies

The California Legislature adopted a bill, "ABX1 26," during the fiscal year (ending June 30) 2011-12 State budget process that amended the California Community Redevelopment Law to dissolve redevelopment agencies on a State-wide basis. On December 29, 2011, the California Supreme Court upheld ABX1 26 in the face of an expedited legal challenge. As a result, all California redevelopment agencies, including redevelopment agencies of cities located within the District, were dissolved as of February 1, 2012, and such redevelopment agencies were to cease operations and dismantle, and to transfer assets and responsibilities to a successor entity as of the same date.

According to additional "trailer bill" legislation (AB 1484) effective on July 1, 2012, which further amended the Community Redevelopment Law, each County Auditor-Controller, the State Department of Finance and the State Controller may require the return of funds improperly spent or transferred to a public entity in conflict with the provisions of ABx1 26 and AB 1484 (together, the "Dissolution Law") and, if funds are not returned within 60 days, the funds may be recovered through an offset of sales and use tax or property tax allocations to the local agency.

As a consequence of the operation of the Dissolution Law, the District, as well as counties, school districts and other special districts, may receive higher amounts of *ad valorem* property tax allocations, due to future receipt of property tax increment amounts that had previously funded redevelopment agencies. However, such tax increment amounts in some cases are currently pledged to secure redevelopment agency bonds or otherwise contractually encumbered, resulting in the District experiencing modest increases in tax revenues as a consequence of the Dissolution Law.

Assessed Valuations

The assessed valuation of property in the District is established by the respective County Assessor of each County, except for public utility property, which is assessed by the State Board of Equalization ("SBE"). Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIII A of the California Constitution. The full value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the area, or to reflect declines in property value caused by substantial damage, destruction or other factors, including assessment appeals filed by property owners. For a discussion of how properties currently are assessed, see "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON DISTRICT TAX REVENUES AND APPROPRIATIONS."

Certain classes of property such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions.

The combined fiscal year 2023-24 assessed valuation for the taxable property within the District is approximately $406.3 billion (excluding the assessed value for the County of Santa Cruz which is less than $1 million). The fiscal year ending June 30, 2024 assessed valuation of taxable property within the District located in the County of Santa Clara increased approximately 7.0% compared to the assessed valuation for fiscal year 2022-23. The fiscal year 2023-24 assessed valuation of taxable property within the District located in the County of San Mateo increased approximately 5.9% compared to the assessed valuation for fiscal year 2023-24.

Table 3
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Summary of Assessed Valuation Within the District
Fiscal Years 2019-20 Through 2023-24
(In Thousands)

County of Santa Clara Portion Only

Fiscal Year (June 30)	Local Secured	Utility	Unsecured	Total Before Redevelopment Increment	Total After Redevelopment Increment
2019-20	$201,019,887	$8,646	$9,814,574	$210,843,107	$203,359,598
2020-21	215,781,759	8,646	11,330,441	227,120,846	218,943,920
2021-22	227,077,982	8,646	10,356,600	238,443,228	229,079,367
2022-23	246,772,685	8,646	9,626,603	256,407,934	246,589,192
2023-24	263,412,206	8,897	10,957,085	274,378,188	263,327,121

County of San Mateo Portion Only

Fiscal Year (June 30)	Local Secured	Utility	Unsecured	Total Before Redevelopment Increment	Total After Redevelopment Increment
2019-20	$99,187,975	$3,219	$2,894,481	$102,085,675	$92,428,172
2020-21	106,601,125	3,117	2,841,197	109,445,439	98,825,038
2021-22	112,134,905	3,117	2,887,059	115,025,081	103,840,320
2022-23	121,491,885	3,116	3,087,846	124,582,847	112,202,838
2023-24	128,464,464	3,116	3,411,054	131,878,634	118,724,019

Total District†

Fiscal Year (June 30)	Local Secured	Utility	Unsecured	Total Before Redevelopment Increment	Total After Redevelopment Increment
2019-20	$300,207,862	$11,865	$12,709,055	$312,928,782	$295,787,770
2020-21	322,382,884	11,763	14,171,638	336,566,285	317,768,958
2021-22	339,212,887	11,763	13,243,659	353,468,309	332,919,687
2022-23	368,264,570	11,763	12,714,449	381,115,447	358,792,030
2023-24	391,876,670	12,013	14,368,139	406,256,821	382,051,140

† Excludes the assessed value for approximately 2.6 square miles of County of Santa Cruz within the District which is less than $1 million.
Source: California Municipal Statistics, Inc.

Taxation of State-Assessed Utility Property

Less than 1% of property tax revenue of the District is derived from utility property subject to assessment by the SBE. Property valued by the SBE as an operating unit in a primary function of the utility taxpayer is known as "unitary property," a concept designed to permit assessment of the utility as a going concern rather than assessment of each individual element of real and personal property owned by the utility taxpayer. State-assessed unitary and “operating nonunitary” property (which excludes nonunitary property of regulated railways) is allocated to the counties based on the situs of the various components of the unitary property. Except for unitary property of regulated railways and certain other excepted property, all unitary and operating nonunitary property is taxed at special county-wide rates and tax proceeds are distributed to taxing jurisdictions according to statutory formulae generally based on the distribution of taxes in the prior year.

Assessed Valuation by Land Use

The following table presents a distribution of taxable real property located within the District (excluding the assessed valuation of the approximately 2.6 miles within the County of Santa Cruz which has an aggregate assessed value of less than $1 million) by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

Table 4
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
2023-24 Assessed Valuation and Parcels by Land Use

	2023-24 Assessed Valuation†	% of Total	No. of Parcels	% of Total
Non-Residential:				
Agricultural/Rural	$1,792,793,092	0.46%	1,713	0.78%
Commercial/Office	70,003,750,443	17.86	7,442	3.40
Industrial	25,644,791,803	6.54	2,246	1.03
Recreational	685,774,730	0.17	289	0.13
Government/Social/Institutional	1,034,035,924	0.26	1,160	0.53
Miscellaneous	1,176,155,255	0.30	2,227	1.02
SUBTOTAL NON-RESIDENTIAL	$100,337,301,247	25.60%	15,077	6.89%
Residential:				
Single Family Residence	$228,610,567,007	58.34%	147,936	67.59%
Condominium/Townhouse	28,646,049,540	7.31	33,644	15.37
Mobile Home	407,465,522	0.10	4,510	2.06
2-4 Residential Units	6,031,608,240	1.54	6,171	2.82
5+ Residential Units/Apartments	23,556,929,581	6.01	2,975	1.36
SUBTOTAL RESIDENTIAL	$287,252,619,890	73.30%	195,236	89.20%
Vacant Parcels	$4,286,748,498	1.09%	8,569	3.91%
TOTAL	$391,876,669,635	100.00%	218,882	100.00%

† Local Secured Assessed Valuation; excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

Secured and Unsecured Tax Receipts

The following table summarizes the secured and unsecured tax receipts received by the District for property located within the District.

Table 5
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Secured and Unsecured Tax Receipts
Fiscal Year 2018-19 through Fiscal Year 2022-23

DISTRICT'S SECURED AND UNSECURED TAX RECEIPTS[(a)(b)]

	Secured Tax Receipts		
Fiscal Year[(c)]	Santa Clara County	San Mateo County	Total District
2018-19	$32,923,628	$15,418,966	$48,342,594
2019-20	34,877,770	16,522,547	51,400,317
2020-21	37,362,045	17,490,447	54,852,492
2021-22	39,375,536	18,590,616	57,966,152
2022-23	42,160,161	19,942,778	62,102,939

	Unsecured Tax Receipts			
Fiscal Year[(c)]	Santa Clara County	San Mateo County	Total District	District Total Secured and Unsecured Receipts
2018-19	$2,207,291	$652,143	$2,859,434	$51,202,028
2019-20	2,243,272	693,801	2,937,073	54,337,390
2020-21	2,362,957	650,981	3,013,938	57,866,430
2021-22	2,166,675	599,095	2,765,770	60,731,922
2022-23	2,353,808	645,742	2,999,550	65,102,489

† Local Secured Assessed Valuation; excluding tax-exempt property.
(a) The District also receives a share of supplemental taxes and State subvention payments from Santa Clara County and San Mateo County. This revenue totaled $1,965,068 for fiscal year 2021-22 and $2,764,284 for fiscal year 2022-23.
(b) During fiscal years 2020-21, 2021-22, and 2022-23, the District received $1,582,727, $1,688,231, and $2,189,618, respectively, related to the dissolution of redevelopment agencies within the Counties.
(c) Santa Clara County and San Mateo County each provide property tax receipts based on their fiscal years ending June 30. The District does not receive any general fund taxes levied in the County of Santa Cruz.
Source: District Controller.

Assessed Valuation of Single-Family Residential Properties

The following table focuses on single-family residential properties only, which comprise approximately 58.3% of the assessed value of taxable property within the District. The table provides a distribution of single-family residences within the District by assessed value.

Table 6
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Per Parcel 2023-24 Assessed Valuation of Single Family Homes(1)
(Ending June 30)

	No. of Parcels	2023-24 Assessed Valuation	Average Assessed Valuation	Median Assessed Valuation
Single Family Residential(2)	147,936	$228,610,567,007	$1,545,334	$1,087,863

2023-24 Assessed Valuation	No. of Parcels†	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
$0 - $199,999	16,724	11.305%	11.305%	$2,068,147,992	0.905%	0.905%
$200,000 - $399,999	14,025	9.480	20.785	4,178,715,497	1.828	2.733
$400,000 - $599,999	12,939	8.746	29.532	6,487,419,852	2.838	5.570
$600,000 - $799,999	12,790	8.646	38.177	8,930,578,372	3.906	9.477
$800,000 - $999,999	12,130	8.199	46.377	10,917,927,475	4.776	14.253
$1,000,000 - $1,199,999	11,393	7.701	54.078	12,486,828,495	5.462	19.715
$1,200,000 - $1,399,999	9,155	6.188	60.267	11,851,347,560	5.184	24.899
$1,400,000 - $1,599,999	7,456	5.040	65.307	11,168,426,626	4.885	29.784
$1,600,000 - $1,799,999	7,042	4.760	70.067	11,954,485,245	5.229	35.013
$1,800,000 - $1,999,999	6,486	4.384	74.451	12,301,230,081	5.381	40.394
$2,000,000 - $2,199,999	5,568	3.764	78.215	11,677,975,515	5.108	45.502
$2,200,000 - $2,399,999	4,576	3.093	81.308	10,507,635,990	4.596	50.099
$2,400,000 - $2,599,999	3,920	2.650	83.958	9,786,844,819	4.281	54.380
$2,600,000 - $2,799,999	3,519	2.379	86.337	9,485,467,610	4.149	58.529
$2,800,000 - $2,999,999	2,829	1.912	88.249	8,187,239,902	3.581	62.110
$3,000,000 - $3,199,999	2,440	1.649	89.898	7,546,190,731	3.301	65.411
$3,200,000 - $3,399,999	1,960	1.325	91.223	6,457,327,259	2.825	68.236
$3,400,000 - $3,599,999	1,675	1.132	92.355	5,856,059,660	2.562	70.797
$3,600,000 - $3,799,999	1,461	0.988	93.343	5,401,344,023	2.363	73.160
$3,800,000 - $3,999,999	1,249	0.844	94.187	4,863,692,617	2.128	75.287
$4,000,000 and greater	8,599	5.813	100.000	56,495,681,686	24.713	100.000
TOTAL	147,936	100.000%		$228,610,567,007	100.000%	

(1) Excludes the assessed valuation of the approximately 2.6 miles within the County of Santa Cruz which has an aggregate assessed value of less than $1 million.
(2) Improved single family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Largest Secured Property Taxpayers in District

The 20 taxpayers in the District with the greatest combined secured assessed valuation of taxable property on the 2023-24 tax roll, and the assessed valuations thereof, are shown in the table below.

Table 7
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Largest Local Secured Taxpayers Within the District(1)
Fiscal Year 2023-24
(Ending June 30)

	Property Owner	Primary Land Use	2023-24 Assessed Valuation(2)	% of Total
1.	Google Inc.	Office Building	$10,464,019,050	2.67%
2.	Board of Trustees, Leland Stanford Jr. University	Various Property Uses	8,874,389,569†	2.26
3.	Campus Holdings Inc.	Office Building	4,488,997,730	1.15
4.	Apple Computer Inc.	Office Building	2,634,991,324	0.67
5.	Hibiscus Properties LLC	Manufacturing	2,202,288,614	0.56
6.	Planetary Ventures LLC	Industrial/Hanger	1,610,300,310	0.41
7.	Facebook Inc.	Office Building	1,261,690,910	0.32
8.	Sobrato Interests	Office Building	1,185,901,149	0.30
9.	Lockheed Missiles and Space Co. Inc.	Manufacturing	1,055,424,346	0.27
10.	Intuitive Surgical Inc.	Office Building	1,044,106,269	0.27
11.	LinkedIn Corporation	Office Building	991,319,279	0.25
12.	Applied Materials Inc.	Research and Development	911,069,052	0.23
13.	Pathline Park I LLC	Industrial	828,905,932	0.21
14.	CW SPE LLC	Office Building	811,085,909	0.21
15.	Richard T. Spieker, Trustee	Apartments	768,399,044	0.20
16.	Baccarat Shoreline LLC	Office Building	694,943,481	0.18
17.	Menlo & Juniper Networks LLC	Office Building	663,515,749	0.17
18.	Orion V Sac Village Office Property LLC	Office Building	655,972,199	0.17
19.	ARE-San Francisco No. 63 LLC	Office Building	626,586,057	0.16
20.	MT2 B3-4 LLC	Office Building	550,869,850	0.14
	SUBTOTAL		$42,324,775,823	10.80%
	All Others	Various	349,551,893,812	89.19
	TOTAL		$391,876,669,635	100.00%

(1) Excludes the assessed valuation of the approximately 2.6 miles within the County of Santa Cruz which has an aggregate assessed value of less than $1 million.
(2) Net taxable value.
Source: California Municipal Statistics, Inc.

Tax Rate Areas

Contained within the District's boundaries are numerous overlapping local agencies. The following tables show *ad valorem* property tax rates for the last five tax years in the largest Tax Rate Area of the District in the County of Santa Clara and the County of San Mateo.

Table 8
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Typical Total Tax Rates per $100 of Assessed Valuation[(1)]

County of Santa Clara (Tax Rate Area 6-001)[(2)]

	2019-20	2020-21	2021-22	2022-23	2023-24
General	1.00000	1.00000	1.00000	1.00000	1.00000
County Retirement Levy	.03880	.03880	.03880	.03880	.03880
County Hospital Bond	.00690	.00690	.00610	.00630	.00550
County Housing Bond	.01000	–	.01266	.01080	.00950
City of Palo Alto	.01062	.00956	.00926	.00816	.00807
Palo Alto Unified School District	.09490	.08030	.08390	.09160	.08540
Foothill-De Anza Community College District	.02080	.03640	.03310	.02910	.02780
Midpeninsula Regional Open Space District	.00160	.00150	.00150	.00130	.00120
TOTAL ALL PROPERTY	1.18362	1.17346	1.18532	1.18606	1.17627
Santa Clara Valley Water District – State Water Project	.00410	.00370	.00510	.00440	.00410
TOTAL LAND AND IMPROVEMENT	.00410	.00370	.00510	.00440	.00410

County of Santa Mateo (Tax Rate Area 9-001)[(4)]

	2019-20	2020-21	2021-22	2022-23	2023-24
General	1.0000	1.0000	1.0000	1.0000	1.0000
Redwood City School District	.0396	.0299	.0346	.0278	.0491
Sequoia Union High School District	.0340	.0315	.0290	.0286	.0391
San Mateo Community College District	.0266	.0213	.0227	.0193	.0190
Midpeninsula Regional Open Space District	.0016	.0015	.0015	.0013	.0012
TOTAL	1.1018	1.0842	1.0878	1.0770	1.1084

(1) Due to the District's size and that it is located in two counties (County of Santa Cruz excluded), there is no tax rate area that represents the typical total tax rate for the District. The above tax rate areas are the largest in terms of assessed valuation for each County's portion of the District.
(2) The 2023-24 assessed valuation of TRA 6-000 is $40,500,153,184 which is 9.97% of the District's total assessed valuation.
(3) For a description of Measure AA, see APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES–DISTRICT FINANCIAL INFORMATION-General."
(4) The 2023-24 assessed valuation of TRA 9-001 is $13,758,239,788 which is 3.39% of the District's total assessed valuation.
Source: California Municipal Statistics, Inc.

Appeals of Assessed Value

General. There are two types of appeals of assessed values that could adversely impact property tax revenues within the District.

Appeals may be based on Proposition 8, a constitutional amendment approved by voters in November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIII A of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON DISTRICT TAX REVENUES AND APPROPRIATIONS."

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the applicable County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the applicable County Assessor.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIII A. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON DISTRICT TAX REVENUES AND APPROPRIATIONS."

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

Factors that Can Affect Assessed Value

A number of natural and human-caused factors may adversely affect the citizens, property, environment, and economies within the Counties. These hazards include, but are not limited to, climate change, drought, earthquakes, floods, landslides, severe weather, tsunamis, pandemics, wildfires, and changes in the economy. The occurrence of any of these factors, some of which are summarized below, can affect the assessed value of taxable property within the District. The following description of factors that can affect assessed value is not exhaustive and the order in which the information below is presented does not necessarily reflect the relative importance of the various factors or the probability of their occurrence.

Climate Change. Numerous scientific studies on global climate change show that, among other effects on the global ecosystem, sea levels will rise, extreme temperatures will become more common, wildfires will become more common and intense (see "–Wildfires" below), and extreme weather events will become more frequent as a result of increasing global temperatures attributable to atmospheric pollution. For example, the Fourth National Climate Assessment, published by the U.S. Global Change Research Program, in November 2018 (NCA4) finds that more frequent and intense extreme weather and climate-related events, as well as changes in average climate conditions, are expected to continue to damage infrastructure, ecosystems and social systems over the next 25 to 100 years. The District is unable to predict the impact climate change will have on its finances, operations or taxable property within the District; however, the effects could be material.

Sea Level Rise and Flooding. Climate models predict more intense rainfall events, more frequent or extensive runoff, and more frequent and severe flood events. Localized flood events may increase in periods of heavy rain. Although climate change is likely to lead to a drier climate overall, risks from regular, more intense rainfall events can generate more frequent and/or more severe flooding that upsets the managed balance between storage and protection. Ultimately, the District cannot accurately project the effect of sea level rise on revenues, operations, or taxable property within the Counties, however, its impact on vulnerable areas could be material. Following a series of storms in February 2017, there was a flooding event on the Coyote Creek in San Jose, California, and a separate flooding event along U.S. Highway 101 in Morgan Hill, California. The flooding events caused millions in damage to property located within the flooding zones, and the Assessor of the County of Santa Clara offered property tax payment deferrals and temporary property tax deductions to certain properties affected by the flood, including homes, commercial and industrial buildings, and mobile homes. In connection with these flooding events, the Assessor of the County of Santa Clara granted 22 parcels that had applied for disaster claim relief as a result of the flooding events a reduction in assessed value totaling $1.8 million.

Seismic Risks. The District is located in a seismically active region. Active earthquake faults that underlie the Counties and the surrounding Bay Area, include the San Andreas Fault and the Hayward Fault. Past experiences including the 1989 Loma Prieta earthquake, that was centered approximately 60 miles south of San Francisco, California, have resulted in damage to the infrastructure and property within the District.

It is possible that property within the District could sustain damage if a major seismic event greater than those experienced in the past should occur. Such damage would likely occur from ground motion and possible liquefaction of underlying soils. Damage could include slope failures along shorelines and hillsides, pavement displacement, distortions of pavement grades, breaks in utility, drainage and sewage lines, displacement or collapse of buildings and other facilities, failure of bulkhead walls and rupture of gas and fuel lines. In addition to the potential damage to buildings and facilities located within the District, a major earthquake may cause significant temporary and possibly long-term harm to economy, tax receipts and residential and business real property values.

Wildfires. The State has experienced significant wildfires during fire season and this trend is likely to continue, resulting in significant economic and public safety challenges for the State, the Bay Area and the Counties. According to the California Department of Forestry and Fire Protection ("CalFire") Fire Hazard Severity Zone maps, the Counties are located in moderate, high and very high fire severity hazard zones, with significant land area in the very high severity zone. In August 2020, the CZU Lightening Complex Fires consumed acres of property and destroyed structures in San Mateo and Santa Cruz counties. As the effects of climate change increase, wildfire season is expected to be longer and more severe.

Wildfire events within the Counties could have significant long-term impacts on assessed values of property within the Counties.

Economic Factors. Economic and market forces, such as a downturn in the regional economy generally, can also affect assessed values, particularly as these forces might reverberate in the residential housing and commercial property markets. In addition, total assessed value can be reduced through the reclassification of taxable property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

Reductions in the market values of taxable property may cause property owners to appeal assessed values and may be associated with an increase in delinquency rates for taxes.

Pandemics and Other Health-Related Factors. The human and financial consequences of the COVID-19 pandemic demonstrated that future pandemics could have a material and adverse effect on the operations and financial condition of property owners within the District. There can be no assurances that future pandemics or health emergencies will not affect the economy more adversely than the COVID-19 pandemic, or that the frequency and duration of pandemics will not increase.

There is the potential for these health-related factors to affect the investment value of the 2024 Green Bonds, but the District is unable to determine the exact impact.

Property Tax Collections

The District's total secured tax collections and delinquencies are apportioned within each County on a County-wide basis, according to the District's designated tax rate amount. Therefore, the total secured tax levies, as well as collections and delinquencies reported, do not represent the actual secured tax levies, collections and delinquencies of taxpayers within the tax areas of the District. In addition, the District's total secured tax levy does not include special assessments, supplemental taxes or other charges that have been assessed on property within the District or other tax rate areas of the Counties.

Each of the County of Santa Clara and the County of San Mateo has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan") as provided for in Sections 4701 through 4717 of the State Revenue and Taxation Code. The Teeter Plan requires that a county pay 100% of *ad valorem* secured property taxes due to local agencies in the fiscal year such taxes are due regardless of the actual payments and delinquencies. Under these provisions, each county operating under the Teeter Plan establishes a delinquency reserve and assumes responsibility for all secured delinquencies, assuming that certain conditions are met.

The District is a participant in the Teeter Plan of each County. Because of this method of tax collection, districts located in counties operating under the Teeter Plan and participating in the Teeter Plan are assured of 100% collection of their secured tax levies if the conditions established under the applicable county's Teeter Plan are met. However, such districts are no longer entitled to share in any penalties due on delinquent payments or in the interest that accrues on delinquent payments.

The Teeter Plan, as applicable to the District, remains in effect unless the Board of Supervisors of either County orders its discontinuance or unless, prior to the commencement of any fiscal year (which commences on July 1), the Board of Supervisors of such County has received a petition for its discontinuance joined in by resolutions adopted by two thirds of the participating revenue districts in such County, in which event the Board of Supervisors is required to order discontinuance of the Teeter Plan effective at the commencement of the subsequent fiscal year.

The Board of Supervisors of either County may, by resolution adopted not later than July 15 of the fiscal year for which it is to apply after holding a public hearing on the matter, discontinue the procedures under the Teeter Plan with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured rolls for that agency. In the event that the Teeter Plan is terminated, the amount of the levy of *ad valorem* taxes in the District would depend upon the collections of the *ad valorem* property taxes and delinquency rates experienced with respect to the parcels within the District.

So long as the Teeter Plan remains in effect with respect to each County, the receipt of revenues by the District with respect to the levy of *ad valorem* property taxes in the Counties will not be dependent upon actual collections of the *ad valorem* property taxes by the Counties.

See APPENDIX A–"DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SAN MATEO AND SANTA CLARA COUNTIES–DISTRICT FINANCIAL INFORMATION–Long-Term Obligations" for a description of long-term debt payable from the District's General Fund.

Direct and Overlapping Debt Obligations

Set forth in Table 9 is a direct and overlapping debt as of May 1, 2024. The Debt Report is included for general information purposes only. The District has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District in whole or in part. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by the specified public agency are payable only from the general fund or other revenues of such public agency.

The contents of the Debt Report are as follows: (i) the first column indicates the public agencies which have outstanding debt as of the date of the Debt Report and whose territory overlaps the District; (ii) the second column shows the percentage of the assessed valuation of the overlapping public agency identified in column one which is represented by property located within the District; and (iii) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in the District, as determined by multiplying the total outstanding debt of each agency by the percentage of the District's assessed valuation represented in column two.

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Table 9
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
Statement of Direct and Overlapping Bonded Debt
(May 1, 2024)

2023-24 Assessed Valuation: $406,256,821,381

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	**% Applicable**	**Debt 5/1/24**	
Santa Clara County	41.567%	$ 397,700,586	
Foothill-De Anza Community College District	94.029	522,029,681	
San Mateo Community College District	42.849	292,331,825	
West Valley-Mission Community College District	28.616	189,735,526	
Palo Alto Unified School District	100.	415,553,859	
Fremont Union High School District	86.679	642,122,442	
Sequoia Union High School District	91.788	448,220,997	
Other High School Districts	Various	382,991,275	
Belmont-Redwood Shores School District and School Facilities Improvement Districts Nos. 1 and 2	11.184 - 92.132	51,989,542	
Cupertino Union School District	75.366	177,775,810	
Las Lomitas School District	100.	113,960,000	
Los Altos School District	100.	132,000,000	
Menlo Park City School District	100.	112,067,593	
Mountain View-Whisman School District	100.	350,765,000	
Ravenswood School District	100.	133,740,000	
Redwood City School District	99.995	255,862,206	
Sunnyvale School District	100.	251,455,820	
Other Unified and Elementary School Districts	Various	610,594,937	
Cities	0.090 - 100.	81,533,941	
El Camino Hospital District	98.153	100,299,544	
Saratoga Fire Protection District	100.	1,665,669	
Midpeninsula Regional Open Space District	**100.**	**80,700,000**	(1)
Community Facilities Districts	100.	21,577,454	
Santa Clara Valley Water District Benefit Assessment District	41.567	12,152,112	
1915 Act Bonds (Estimate)	100.	19,265,498	
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		$5,798,091,317	
Santa Clara County General Fund Obligations	41.567%	$ 447,478,914	
Santa Clara County Pension Obligation Bonds	41.567	134,566,338	
San Mateo County General Fund Obligations	42.849	245,971,104	
San Mateo County Board of Education Certificates of Participation	42.849	2,622,359	
West Valley-Mission Community College District General Fund Obligations	28.616	2,335,066	
Union High School District General Fund Obligations	Various	3,471,012	
Other Unified and Elementary School District General Fund Obligations	Various	7,462,766	
City of Cupertino General Fund Obligations	93.101	14,956,676	
City of Los Altos General Fund Obligations	100.	9,149,040	
City of Palo Alto General Fund Obligations	100.	141,720,000	
City of Redwood City General Fund Obligations	100.	56,885,000	
City of Sunnyvale General Fund Obligations	99.996	128,739,850	
Other City General Fund Obligations	Various	3,031,265	
Fire Protection Districts Certificates of Participation	96.752 - 100.	38,033,818	
Montara Water and Sanitary District Certificates of Participation	100.	4,302,407	
San Mateo County Mosquito and Vector Control District General Fund Obligations	42.849	1,458,860	
Santa Clara County Vector Control District Certificates of Participation	41.567	511,274	
Midpeninsula Regional Open Space District General Fund Obligations	**100.**	**79,795,600**	
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		$1,322,491,349	
Less: Santa Clara County supported obligations		1,105,682	
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		$1,321,385,667	
OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):	100. %	$144,932,556	
GROSS COMBINED TOTAL DEBT		$7,265,515,222	(2)
NET COMBINED TOTAL DEBT		$7,264,409,540	

(1) Excludes issue to be sold.
(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation:

Direct Debt ($80,700,000)	**0.02%**
Total Direct and Overlapping Tax and Assessment Debt	1.43%
Total Direct Debt ($160,495,600)	**0.04%**
Gross Combined Total Debt	1.79%
Net Combined Total Debt	1.79%

Ratios to Redevelopment Successor Agency Incremental Valuation ($24,205,680,922):

Total Overlapping Tax Increment Debt	0.60%

Source: California Municipal Statistics, Inc.

Limitation on Remedies

The opinion of Bond Counsel notes that the rights and obligations under the 2024 Green Bonds and their enforceability are subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against public agencies like the District. The District cannot be forced into bankruptcy by an involuntary bankruptcy petition being filed against the District but, because it is a municipal governmental entity, the District may be eligible to file a bankruptcy petition under Chapter 9 ("Chapter 9") of the United States Bankruptcy Code under certain circumstances. Chapter 9 specifies that it does not limit or impair the power of the applicable state to control its municipalities in the exercise of the political or governmental powers of such municipality, including expenditures for such exercise. California state law provides that the *ad valorem* taxes levied for the general obligation bonds of the District must be used for no other purpose than the payment of principal of and interest on the 2024 Green Bonds. The District believes that this law would be respected in any bankruptcy proceeding so that the tax revenues could not be used by the District for any purpose other than to make payments on the 2024 Green Bonds, but there are very few court decisions as to the precise meaning of this provision of Chapter 9, and no assurance can be given that a bankruptcy court would not conclude otherwise.

Possible adverse effects of a bankruptcy of the District include delays or reductions in payments on the 2024 Green Bonds or other losses to the holders of the 2024 Green Bonds. Regardless of any specific adverse determinations in a bankruptcy proceeding, the fact of a bankruptcy of the District could have an adverse effect on the liquidity and value of the 2024 Green Bonds.

Neither the Resolution nor the Fiscal Agent Agreement provide for a remedy of acceleration of payment of the 2024 Green Bonds in the event of a default or under any other circumstances.

Statutory Lien. Pursuant to Senate Bill 222 (2015) ("SB 222") that became effective on January 1, 2016, all general obligation bonds issued by local agencies in California, including the 2024 Green Bonds, will be secured by a statutory lien on all revenues received pursuant to the levy and collection of the tax. SB 222 provides that the lien will automatically arise, without the need for any action or authorization by the local agency or its governing board, and will be valid and binding from the time the bonds are executed and delivered. Although a statutory lien would not be automatically terminated by the filing of a Chapter 9 bankruptcy petition by the District, the automatic stay provisions of the Bankruptcy Code would apply and payments that become due and owing on the 2024 Green Bonds during the pendency of the Chapter 9 proceeding could be delayed unless the 2024 Green Bonds are determined to be secured by a pledge of "special revenues" within the meaning of the Bankruptcy Code and the pledged *ad valorem* taxes are applied to pay the 2024 Green Bonds in a manner consistent with the Bankruptcy Code.

Special Revenues. If the *ad valorem* tax revenues that are pledged to the payment of the 2024 Green Bonds are determined to be "special revenues" within the meaning of the Bankruptcy Code, then the application in a manner consistent with the Bankruptcy Code of the pledged *ad valorem* revenues that are collected after the date of the bankruptcy filing should not be subject to the automatic stay. "Special revenues" are defined to include, among others, taxes specifically levied to finance one or more projects or systems of the debtor, but excluding receipts from general property, sales, or income taxes levied to finance the general purposes of the debtor. The District has specifically pledged the *ad valorem* taxes for payment of the 2024 Green Bonds. Additionally, the *ad valorem* taxes levied for payment of the 2024 Green Bonds are permitted under the State Constitution only if the applicable bond proposition is approved by two-thirds of voters and such bonds must be issued for the acquisition or improvement of real property. Because State law prohibits the use of the tax proceeds for any purpose other than payment of the bonds and the bond proceeds can only be used to fund the acquisition or improvement of real property and other capital expenditures included in the proposition, such tax revenues appear to fit the definition of special revenues. However, there is no binding judicial precedent dealing with the treatment in bankruptcy proceedings of *ad valorem* tax revenues collected for the payments of general obligation bonds in California, so no assurance can be given that a bankruptcy court would not hold otherwise.

In addition, even if the *ad valorem* tax revenues are determined to be “special revenues,” the Bankruptcy Code provides that special revenues can be applied to necessary operating expenses of the project or system, before they are applied to other obligations. This rule applies regardless of the provisions of the transaction documents. Thus, a bankruptcy court could determine that the District is entitled to use the *ad valorem* tax revenues to pay necessary operating expenses of the District, before the remaining revenues are paid to the owners of the 2024 Green Bonds.

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON DISTRICT TAX REVENUES AND APPROPRIATIONS

Article XIII A of the State Constitution

Article XIII A of the State Constitution, known as Proposition 13, was approved by the voters in June 1978 and has been amended on occasions, including on November 7, 2000 to reduce the voting percentage required for the passage of school bonds. Section l(a) of Article XIII A limits the maximum *ad valorem* tax on real property to 1% of “full cash value,” and provides that such tax shall be collected by the counties and apportioned according to State statutes. Section l(b) of Article XIII A provides that the 1% limitation does not apply to *ad valorem* taxes levied to pay interest or redemption charges on any (1) indebtedness approved by the voters prior to July 1, 1978, (2) bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition and (3) bonded indebtedness incurred by a school district, community college district or county office of education for the construction, reconstruction, rehabilitation or replacement of school facilities, including the furnishing and equipping of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters voting on the proposition.

Under current law, local agencies are no longer permitted to levy directly any ad valorem property tax (except to pay voter-approved indebtedness).

Section 2 of Article XIII A defines “full cash value” to mean the county assessor’s valuation of real property as shown on the 1975-76 fiscal year (June 30) tax bill, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. See “SECURITY AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS–Assessed Valuations.” The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or to reflect a reduction in the consumer price index or comparable data for the taxing jurisdiction, or may be reduced in the event of declining property value caused by substantial damage, destruction or other factors. Legislation implementing Article XIII A provides that, notwithstanding any other law, local agencies may not levy any *ad valorem* property tax except to pay debt service on indebtedness approved by the voters as described above. Such legislation further provides that each county will levy the maximum tax permitted by Article XIII A, which is $1.00 per $100 of assessed market value.

Since its adoption, Article XIII A has been amended a number of times. These amendments have created a number of exceptions to the requirement that property be reassessed when it is purchased, newly constructed or undergoes a change in ownership. These exceptions include certain transfers of real property between family members, certain purchases of replacement dwellings for persons over age 55 and by property owners whose original property has been destroyed in a declared disaster, and certain improvements to accommodate disabled persons and for seismic upgrades to property. These amendments have resulted in marginal reductions in the property tax revenues attributable to the District.

Both the State Supreme Court and the United States Supreme Court have upheld the validity of Article XIII A.

Article XIII B of the State Constitution

In addition to the limits Article XIII A imposes on property taxes that may be collected by local governments, certain other revenues of the State and most local governments are subject to an annual "appropriations limit" imposed by Article XIII B which effectively limits the amount of such revenues those entities are permitted to spend. Article XIII B, approved by the voters in July 1979, was modified substantially by Proposition 111 in 1990. The appropriations limit of each government entity applies to "proceeds of taxes," which consist of tax revenues, State subventions and certain other funds, including proceeds from regulatory licenses, user charges or other fees to the extent that such proceeds exceed "the cost reasonably borne by such entity in providing the regulation, product or service." "Proceeds of taxes" excludes tax refunds and some benefit payments such as unemployment insurance. No limit is imposed on the appropriation of funds which are not "proceeds of taxes," such as reasonable user charges or fees, and certain other non-tax funds. Article XIII B also does not limit appropriation of local revenues to pay debt service on bonds existing or authorized by January 1, 1979, or subsequently authorized by the voters, appropriations required to comply with mandates of courts or the federal government, appropriations for qualified capital outlay projects, and appropriation by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. The appropriations limit may also be exceeded in case of emergency; however, the appropriations limit for the next three years following such emergency appropriation must be reduced to the extent by which it was exceeded, unless the emergency arises from civil disturbance or natural disaster declared by the Governor, and the expenditure is approved by two-thirds of the legislative body of the local government.

Article XIII C and XIII D of the State Constitution

General. On November 5, 1996, the voters of the State approved Proposition 218, known as the "Right to Vote on Taxes Act." Proposition 218 added Articles XIII C and XIII D to the California Constitution and contained a number of interrelated provisions affecting the ability of the District and California local governments in general to levy and collect both existing and future taxes, assessments, fees and charges.

Taxes. Article XIII C requires that all new local taxes imposed by a local government be submitted to the electorate before they become effective. Taxes for general governmental purposes of the local government ("general taxes") require a majority vote; taxes for specific purposes ("special taxes"), even if deposited in the general fund of the local government, require a two-thirds vote. The voter approval requirements of Proposition 218 reduce the flexibility of the District to raise revenues for the General Fund, and no assurance can be given that the District will be able to impose, extend or increase such taxes in the future to meet increased expenditure needs.

Property-Related Fees, Charges and Assessments. Article XIII D added several provisions making it generally more difficult for local governments to levy and maintain property-related fees, charges, and assessments for municipal services and programs. These provisions include, among other things, (i) a prohibition against assessments which exceed the reasonable cost of the proportional special benefit conferred on a parcel, (ii) a requirement that assessments must confer a "special benefit," as defined in Article XIII D, over and above any general benefits conferred, (iii) a majority protest procedure for assessments which involves the mailing of notice and a ballot to the record owner of each affected parcel, a public hearing and the tabulation of ballots weighted according to the proportional financial obligation of the affected party, and (iv) a prohibition against fees and charges which are used for general governmental services, including police, fire or library services, where the service is available to the public at large in substantially the same manner as it is to property owners.

Reduction or Repeal of Taxes, Fees and Charges. Article XIII C also removed limitations on the initiative power in matters of reducing or repealing local taxes, assessments, fees or charges. No assurance can be given that the voters of the District will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges. If such repeal or reduction occurs, the District's ability to pay debt service on certain of its Long-Term Obligations could be adversely affected.

Burden of Proof. Article XIII C provides that a local government "bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity." Similarly, Article XIII D provides that in "any legal action contesting the validity of a fee or charge, the burden shall be on the agency to demonstrate compliance" with Article XIII D.

Proposition 26. On November 2, 2010, California voters approved Proposition 26, entitled the "Supermajority Vote to Pass New Taxes and Fees Act." Section 1 of Proposition 26 declares that Proposition 26 is intended to limit the ability of the State Legislature and local government to circumvent existing restrictions on increasing taxes by defining the new or expanded taxes as "fees." Proposition 26 amended Articles XIII A and XIII C of the State Constitution. The amendments to Article XIII A limit the ability of the State Legislature to impose higher taxes (as defined in Proposition 26) without a two-thirds vote of the Legislature. The amendments to Article XIII C define "taxes" that are subject to voter approval as "any levy, charge, or exaction of any kind imposed by a local government," with certain exceptions.

Judicial Interpretation. The interpretation and application of Articles XIII C and XIII D will ultimately be determined by the courts with respect to a number of the matters discussed below, and it is not possible at this time to predict with certainty the outcome of such determination.

Proposition 1A; Proposition 22

Proposition 1A of 2004. Proposition 1A of 2004, proposed by the Legislature in connection with the State's fiscal year (ending June 30) 2004-05 Budget Act, and approved by the voters in November 2004, was generally effective in fiscal year (ending June 30) 2006-07. Proposition 1A of 2004 provides that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain exceptions. Proposition 1A generally prohibits the State from shifting to schools or community colleges any share of property tax revenues allocated to local governments for any fiscal year, as set forth under the laws in effect as of November 3, 2004. Any change in the allocation of property tax revenues among local governments within a county must be approved by two-thirds of both houses of the Legislature.

Proposition 1A of 2004 provided, however, that beginning in fiscal year (ending June 30) 2008-09, the State may shift to schools and community colleges up to 8% of local government property tax revenues, which amount must be repaid, with interest, within three years, if the Governor proclaimed that the shift is needed due to a severe state financial hardship, the shift was approved by two-thirds of both houses and certain other conditions were met. Such a shift may not occur more than twice in any 10-year period. The State could also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county.

Proposition 22. On November 2, 2010, voters in the State approved Proposition 22 known as the "Local Taxpayer, Public Safety, and Transportation Protection Act." Proposition 22 eliminates or reduces the State's authority to (i) temporarily shift property taxes from cities, counties and special districts to schools, (ii) use vehicle license fee revenues to reimburse local governments for State-mandated costs (the State will have to use other revenues to reimburse local governments), (iii) redirect property tax increment from redevelopment agencies to any other local government, (iv) use State fuel tax revenues to pay debt service on State transportation bonds, or (v) borrow or change the distribution of State fuel tax revenues.

Unitary Property

AB 454 (Chapter 921, Statutes of 1986) provides that revenues derived from most utility property assessed by the State Board of Equalization ("Unitary Property"), commencing with the 1988-89 fiscal year (ending June 30), are allocated as follows: (i) each jurisdiction will receive up to 102% of its prior year State-assessed revenue; and (ii) if county-wide revenues generated from Unitary Property are less than the previous year's revenues or greater than 102% of the previous year's revenues, each jurisdiction will share the burden of the shortfall or benefit of the excess revenues by a specified formula. This provision applies to all Unitary Property except railroads, whose valuation will continue to be allocated to individual tax rate areas.

The provisions of AB 454 do not constitute an elimination of the assessment of any State-assessed properties nor a revision of the methods of assessing utilities by the State Board of Equalization. Generally, AB 454 allows valuation growth or decline of Unitary Property to be shared by all jurisdictions in a county.

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, and Propositions 1A of 2004, 22, 26 and 62 were each adopted as measures that qualified for the ballot through California's initiative process. From time to time other initiative measures could be adopted, further affecting the District's revenues.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel to the District ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the 2024 Green Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the "Code") and is exempt from State of California personal income taxes. Bond Counsel is of the further opinion that interest on the 2024 Green Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Bond Counsel observes that interest on the 2024 Green Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the 2024 Green Bonds. A complete copy of the proposed form of opinion of Bond Counsel is set forth in Appendix F hereto.

To the extent the issue price of any maturity of the 2024 Green Bonds is less than the amount to be paid at maturity of such 2024 Green Bonds (excluding amounts stated to be interest and payable at least annually over the term of such 2024 Green Bonds), the difference constitutes "original issue discount," the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the 2024 Green Bonds which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular maturity of the 2024 Green Bonds is the first price at which a substantial amount of such maturity of the 2024 Green Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the 2024 Green Bonds accrues daily over the term to maturity of such 2024 Green Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such 2024 Green Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such 2024 Green Bonds. Beneficial Owners of the 2024 Green Bonds should consult their own tax advisors with respect to the tax consequences of ownership of 2024 Green Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such 2024 Green Bonds in the original offering to the public at the first price at which a substantial amount of such 2024 Green Bonds is sold to the public.

2024 Green Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) ("Premium Bonds") will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of bonds, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner's basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2024 Green Bonds. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the 2024 Green Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the 2024 Green Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the 2024 Green Bonds. The opinion of Bond Counsel assumes the accuracy of these representations and compliance with these covenants. Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Bond Counsel's attention after the date of issuance of the 2024 Green Bonds may adversely affect the value of, or the tax status of interest on, the 2024 Green Bonds. Accordingly, the opinion of Bond Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Bond Counsel is of the opinion that interest on the 2024 Green Bonds is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the 2024 Green Bonds may otherwise affect a Beneficial Owner's federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the 2024 Green Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the 2024 Green Bonds. Prospective purchasers of the 2024 Green Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

The opinion of Bond Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Bond Counsel's judgment as to the proper treatment of the 2024 Green Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service ("IRS") or the courts. Furthermore, Bond Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Bond Counsel's engagement with respect to the 2024 Green Bonds ends with the issuance of the 2024 Green Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the 2024 Green Bonds in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the 2024 Green Bonds for audit, or the course or result of such audit, or an audit of bonds presenting similar tax issues may affect the market price for, or the marketability of, the 2024 Green Bonds, and may cause the District or the Beneficial Owners to incur significant expense.

Payments on the 2024 Green Bonds generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of 2024 Green Bonds may be subject to backup withholding with respect to "reportable payments," which include interest paid on the 2024 Green Bonds and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the 2024 Green Bonds. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

CONTINUING DISCLOSURE

The District has covenanted for the benefit of the owners and beneficial owners of the 2024 Green Bonds to provide certain financial information and operating data relating to the District by no later than 210 days after the end of the District's fiscal year (ending June 30) being the current fiscal year-end) (the "Annual Report"), commencing with the report due January 26, 2025 for fiscal year ending June 30, 2024, and to provide notice of the occurrence of significant events either deemed to be material under federal regulations or deemed by the District to be material under the facts and circumstances. The Annual Report and the notices of significant events will be filed by the District or by a dissemination agent on behalf of the District with the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access (EMMA) website. The specific nature of the information to be contained in the Annual Report or the notices of significant events is set forth in the form of Continuing Disclosure Certificate presented in APPENDIX E.

Any failure by the District to comply with the provisions or the Continuing Disclosure Certificate is not an "Event of Default" as defined in the Fiscal Agent Agreement. The sole remedy upon any failure by the District to comply with the Disclosure Certificate will be an action to compel performance. See APPENDIX E–"FORM OF CONTINUING DISCLOSURE CERTIFICATE." ***[Under Review]***

UNDERWRITING

The 2024 Green Bonds are being purchased by Morgan Stanley & Co. LLC (the "Underwriter") pursuant to the terms and conditions of a bond purchase agreement between the District and the Underwriter, which provides that the Underwriter will purchase all of the 2024 Green Bonds if any are purchased, the obligation to make such purchase being subject to certain terms and conditions set forth in said agreement, the approval of certain legal matters by counsel and certain other conditions.

The Underwriter has agreed to purchase the 2024 Green Bonds at a price equal to $__________, which equals the principal amount of the 2024 Green Bonds ($___,000,000.00), plus [net] original issue premium of $__________, less an Underwriter's discount of $_________.

The Underwriter intends to offer the 2024 Green Bonds to the public initially at the prices set forth on the inside cover page of this Official Statement, which prices may subsequently change without any prior notice.

The Underwriter reserves the right to join with dealers and other underwriters in offering the 2024 Green Bonds to the public. The Underwriter may offer and sell 2024 Green Bonds to certain dealers (including dealers depositing 2024 Green Bonds into investment trusts) at prices lower than the public offering prices, and such dealers may re-allow any such discounts on sales to other dealers. In reoffering the 2024 Green Bonds to the public, the Underwriter may over-allocate or effect transactions that stabilize or maintain the market prices for the 2024 Green Bonds at levels above those that might otherwise prevail. Such stabilization, if commenced, may be discontinued at any time.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage services. The Underwriter and its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for the District for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriter and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities, which may include credit default swaps) and financial instruments (including bank loans) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve securities and instruments of the District. The Underwriter and its affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments; provided, however, that potential investors are advised that the offering of the Bonds is made only by means of the Official Statement. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representation other than as contained in the Official Statement.

Morgan Stanley & Co. LLC, the Underwriter, has entered into a retail distribution arrangement with its affiliate Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may distribute municipal securities to retail investors through the financial advisor network of Morgan Stanley Smith Barney LLC. As part of this arrangement, Morgan Stanley & Co. LLC may compensate Morgan Stanley Smith Barney LLC for its selling efforts with respect to the 2024 Green Bonds.

LEGAL MATTERS

Orrick, Herrington & Sutcliffe LLP, San Francisco, California, Bond Counsel to the District, will render the opinion substantially in the form of APPENDIX F hereto with respect to the validity of the 2024 Green Bonds. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by its General Counsel and by ArentFox Schiff LLP, San Francisco, California, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by Hawkins Delafield & Wood LLP, San Francisco, California.

Fees payable to Bond Counsel, Disclosure Counsel, and Underwriter's Counsel are contingent upon issuance of the 2024 Green Bonds.

MUNICIPAL ADVISOR

The District has retained Backstrom McCarley Berry & Co., LLC, as Municipal Advisor (the "Municipal Advisor") for the sale of the "2024 Green Bonds." The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification, or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

NO MATERIAL LITIGATION

The District is not aware of any pending or threatened litigation concerning the validity of the 2024 Green Bonds, or the District's ability to receive *ad valorem* taxes and to collect other revenues, or contesting the District's ability to issue the 2024 Green Bonds. Furthermore, the District is not aware of any pending or threatened litigation to restrain, enjoin, question or otherwise affect the political existence of the District or the validity of the Resolution, or in any way contesting or affecting the validity or enforceability of any of the foregoing or any proceedings of the District taken with respect to any of the foregoing.

The District is routinely subject to lawsuits and claims. In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.

RATINGS

Fitch Ratings ("Fitch") has assigned its municipal bond rating of "___" to the 2024 Green Bonds. S&P Global Ratings ("S&P") has assigned its municipal bond rating of "___" to the 2024 Green Bonds.

These ratings reflect only the views of the rating agencies, and explanations of the significance of these ratings, and any outlooks assigned to or associated with these ratings, should be obtained from the respective rating agencies.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. The District has provided certain additional information and materials to the rating agencies (some of which does not appear in this Official Statement).

There is no assurance that these ratings will continue for any given period of time or that these ratings will not be revised downward or withdrawn entirely by the rating agencies, if in the judgment of the rating agencies, circumstances so warrant. Any such downward revision or withdrawal of any rating on the 2024 Green Bonds may have an adverse effect on the market price or marketability of the 2024 Green Bonds.

FINANCIAL REPORTS

Chavan and Associates, LLP, Certified Public Accountants (the "Auditor"), audited the financial report of the District for the 12 months ended June 30, 2023. The Auditor's examination was made in accordance with generally accepted auditing standards and Governmental Auditing Standards, issued by the Comptroller General of the United States. See APPENDIX B–"ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2023." The District has not requested, and the auditor has not performed, any update or review of such statements in connection with their presentation in this Official Statement.

The Auditor has not performed any post-audit review of the financial condition or operations of the District.

MISCELLANEOUS

All of the descriptions of applicable law, the Fiscal Agent Agreement, the District, and the agreements and other documents contained herein are made subject to the provisions of such documents respectively and do not purport to be complete statements of any or all of such provisions. Reference is hereby made to such documents on file with the District for further information in connection therewith.

This Official Statement does not constitute a contract with the purchasers of the 2024 Green Bonds. Any statements made in this Official Statement involving matters of opinion or estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

The execution and delivery of this Official Statement has been duly authorized by the Board of Directors of the District.

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

By: ___________________________________
Ana Ruiz
General Manager

APPENDIX A

DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES

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APPENDIX A

DISTRICT GENERAL, FINANCIAL, AND OPERATING INFORMATION; AND ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES

The 2024 Green Bonds are payable solely from Measure AA ad valorem property tax levied on property within the District by the County of Santa Clara, the County of San Mateo and the portion of the County of Santa Cruz within the District and allocated to the District. See "SECURITY AND SOURCE OF PAYMENT FOR THE 2024 SERIES BONDS–Ad Valorem Property Taxation Within the District" in the Official Statement.

DISTRICT GENERAL INFORMATION

The Midpeninsula Regional Park District (the "District") was established in 1972, by voters of northwestern Santa Clara County. In 1976, voters approved expansion of the District to include southeastern San Mateo County. Later, the District became the "Midpeninsula Regional Open Space District." With the final approval of the Coastside Protection Program in 2004, the District's boundary was extended to the Pacific Ocean in San Mateo County, from the southern borders of Pacifica to the San Mateo County/Santa Cruz County border.

The boundaries of the District include approximately 200 square miles within Santa Clara County (representing approximately 45% of the total acreage within this county) and 350 square miles in San Mateo County (representing approximately 78% of the total acreage in this county). See also, "PAYMENT AND SOURCE OF PAYMENT FOR THE 2024 GREEN BONDS–Largest Secured Property Taxpayers in the District" in the forepart of this Official Statement. Since 1992, the District has added 2.6 square miles in Santa Cruz County. The amount of *ad valorem* property tax levied in the County of Santa Cruz for the payment of the 2018 Green Bonds is expected to be minimal (*i.e*. less than $1 million) and is not presented in the tables in the Official Statement. The District includes 17 cities: Atherton, Cupertino, East Palo Alto, Half Moon Bay, Los Altos, Los Altos Hills, Los Gatos, Menlo Park, Monte Sereno, Mountain View, Palo Alto, Portola Valley, Redwood City, San Carlos, Saratoga, Sunnyvale, and Woodside; and 13 unincorporated areas: (El Granada, Emerald Lake Hills, La Honda, Ladera, Lexington Hills, Loma Mar, Loyola, Montara, Moss Beach, North Fair Oaks, Pescadero, Stanford, and West Menlo Park). For a map of the District see page ii.

Administration

The Board of Directors originates, guides, and enforces District policies. As of fiscal year 2023-24, 209.65 budgeted full-time equivalent permanent staff administers the policies, headed by the General Manager, who is appointed by the Board of Directors. The current General Manager is Ana Ruiz.

Set forth below are the names and expirations of the current terms for the members of the Board of Directors.

Name	Office	Year First Elected	Expiration of Current Term
Craig Gleason, *Ward 1*	Board Treasurer	2023	December 2026
Yoriko Kishimoto, *Ward 2*	Board Member	2010	December 2026
Jed Cyr, Ward 3	Board Vice President	1996	December 2024
Curt Riffle, Ward 4	Board Secretary	2008	December 2024
Karen Holman, Ward 5	Board Member	2023	December 2026
Margaret MacNiven, Ward 6	Board President	2023	December 2026
Zoe Kersteen-Tucker, Ward 7	Board Member	2021	December 2024

The executive management staff consists of three positions appointed by the Board of Directors: the General Manager, Controller, and General Counsel. Three executive management staff positions report directly to the General Manager; the Chief Financial Officer and two Assistant General Managers.

Summary resumes for the District executive management staff are set forth below.

Ana Ruiz, General Manager. Ms. Ruiz became the General Manager of the District on June 13, 2018. Ms. Ruiz first joined the District in June 1998 as a Planning Technician in the Planning Department and over a 10 year period progressed through the Planning ranks to Department Manager in charge of a 13-person team across five programs: Advanced Planning, Staff Facilities, Capital Improvements, Geographic & Information Systems, and Resource Planning. In 2013 she was promoted to Assistant General Manager to oversee the Planning and Project Delivery business line and lead the Real Property, Planning, and Engineering and Construction Departments. In 2017, Ms. Ruiz transitioned her role to oversee the Visitor and Field Services, Land and Facilities, and Natural Resources Departments. Ms. Ruiz has over 25 years of project and program delivery, and executive management experience in open space, recreation, and environmental restoration. She earned her bachelor's degree in Geological and Environmental Sciences from Stanford University, a Masters in Urban and Regional Planning from San Jose State University, and is a 2017 graduate of the Stanford University Local Governance Summer Institute. She is a Certified Planner by the American Institute of Certified Planners (AICP), the professional institute of the American Planning Association.

Michael L. Foster, District Controller. Mr. Foster has served as District Controller since 1978. The position of District Controller has always been a part-time board-appointed executive position and Mr. Foster continues to be employed in the private sector. Mr. Foster served as a financial officer at four Silicon Valley companies for over 30 years and then co-founded an investment firm, SDL Ventures, in 2003. He remains an active partner at this firm and serves on the board of directors of four private companies. Mr. Foster received an undergraduate degree in economics and a Master of Business Administration degree from Stanford University.

Hilary W. Stevenson, Esq., General Counsel. Ms. Stevenson was appointed General Counsel of the District on July 11, 2018. Prior to that she was the District's Assistant General Counsel beginning in 2013. She has more than 17 years of experience practicing municipal law in the public sector, having served as Assistant City Attorney in the City of East Palo Alto, Deputy City Attorney in Redwood City, and Deputy County Counsel in Santa Clara County. Before beginning her legal career, Ms. Stevenson worked as a consultant to the U.S. Environmental Protection Agency overseeing Superfund site cleanups. She received her J.D. from Santa Clara University and her B.S. and M.S. in Biological Sciences at Stanford University.

Summary resumes for the District management staff are set forth below:

Stefan Jaskulak, Chief Financial Officer/Director of Administrative Services. Mr. Jaskulak joined the District in January 2016 as the District's first Chief Financial Officer/Director of Administrative Services, overseeing Budget & Finance, Human Resources, Procurement, Information Technology, Geospatial Information Systems and Grants Management. Mr. Jaskulak has over 25 years of in-depth financial management experience in both the private and municipal sectors, including financial operations, treasury systems and operations, risk, accounting, financial systems, overseeing budgetary functions and operations, and structured finance including utilizing short and long term debt instruments as part of a comprehensive finance program. He served as a member of the Government Finance Officers Association's (GFOA) Treasury & Investment Management Committee since 2012. Mr. Jaskulak earned his bachelor's degree in Business Administration from Loyola Marymount University and his Master in Business Administration from Newport University.

Susanna Chan, Assistant General Manager of Project Planning and Delivery. Ms. Chan joined the District in December 2018 as the District's Assistant General Manager of Project Planning and Delivery, overseeing Real Property, Planning, Engineering and Construction. Ms. Chan has 30 years of project delivery experience in private and public sectors, including 18 years of overseeing large scale capital improvement programs for several local governmental agencies. Ms. Chan graduated from the University of California, Berkeley with a bachelor's degree in Civil Engineering and a master's degree in Environmental Engineering. Ms. Chan is a Registered Professional Civil Engineer in California.

Brian Malone, Assistant General Manager/Visitor and Field Services. Mr. Malone joined the District in 1990 as a Seasonal Open Space Technician. Over the last 34 years he has held field positions with the District as Open Space Technician, Ranger, Supervising Ranger, Area Superintendent, and Land and Facilities Services Manager. Mr. Malone was appointed as Assistant General Manager for the Visitor and Field Services Business line in October of 2018, which includes the Land and Facilities, Natural Resources, and the Visitor Services Departments. Mr. Malone earned his bachelor's degree in Biology and Environmental Studies from the University of California at Santa Cruz.

The organizational chart for the District is presented on page A-4.

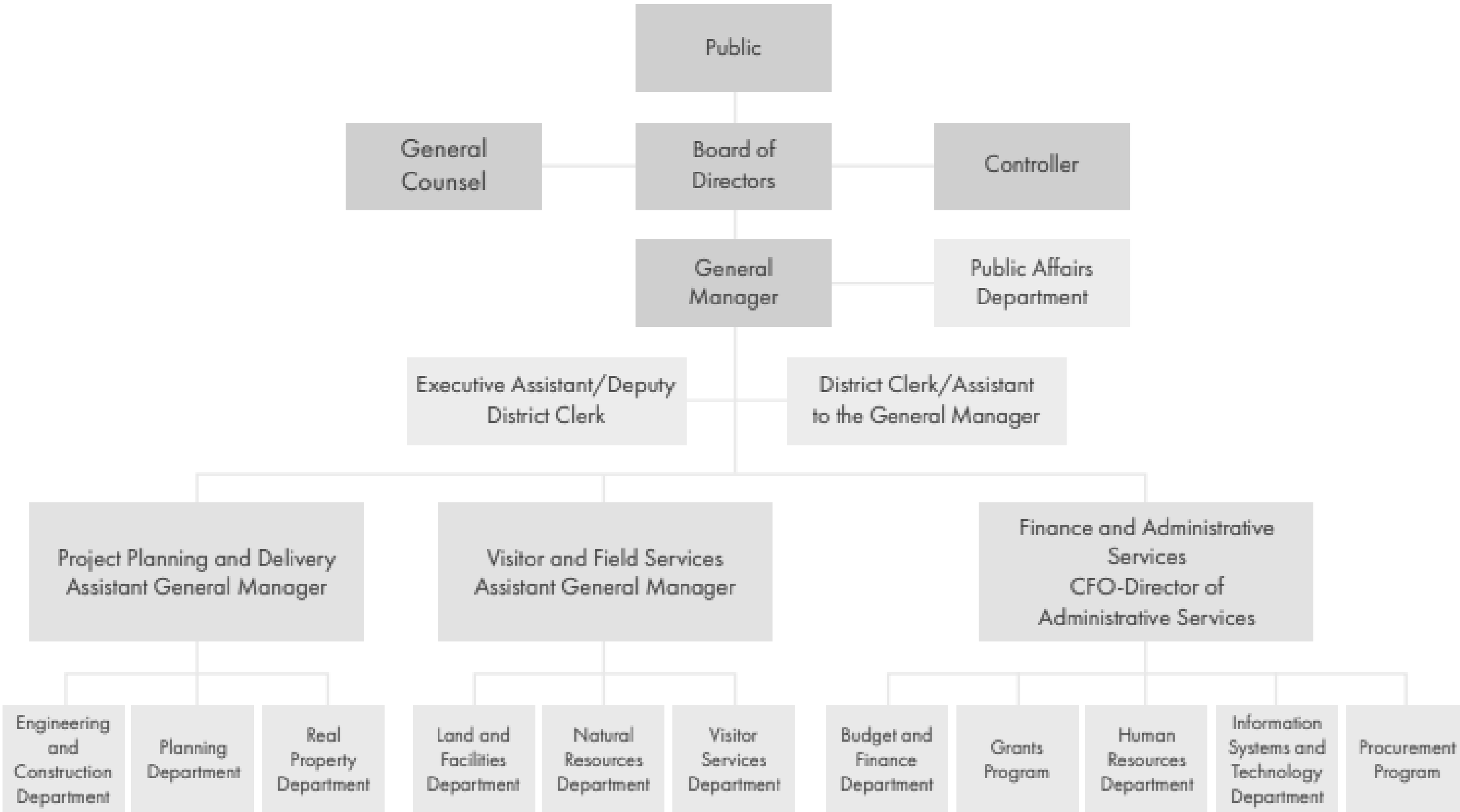
Operations and Planning

The District's chief method for preserving open space is to buy land, using District revenues and debt financing as well as State and federal grants, receive gifts of open space land and undertake joint projects with other governmental agencies and private nonprofit corporations. The District also has the power of eminent domain except within the 220 square mile Coastside Protection Area in San Mateo County. The District cannot adopt zoning or other land use restrictions; this power lies mainly with the local jurisdictions within the District's territory.

The District's 2014 Vision Plan, a 40-year plan that identified 54 projects located across the District's jurisdiction, aims to expand public access to new areas, improve recreational facilities, protect important open space, support viable working and agricultural lands, and restore sensitive natural habitats. Of the projects identified in the 2014 Vision Plan, 25 highest priority projects were identified to be financed with proceeds of general obligation bonds issued by the District.

Subsequently, the District embarked on a Financial and Operational Sustainability Model (FOSM) study in 2015 to evaluate existing District workflow processes, staff capacity, and organizational structure to support the Measure AA-funded projects while continuing to carry out daily District business in a financially prudent and sustainable manner. The 2015 FOSM provided detailed staffing growth plans for the first five years, with broader projections out to 2045. Most recently, given the expansion of programmatic needs not envisioned in 2015, and a desire to refer to a new, detailed short-term growth plan, the District began a refresh of the FOSM study in late 2021. In January 2024, the FOSM Refresh concluded with 49 recommendations that enable the District to continue executing on its current workload as well as position the organization for sustainable growth during the next decade.

Organizational Chart
(January 2024)



DISTRICT FINANCIAL INFORMATION

General

The District keeps its books using the California State Controller's fund accounting principles for special districts, with a modified accrual basis of accounting in which the District generally recognizes revenues when they become both available and measurable and expenditures when it incurs the obligation (except for interest on long-term debt, which the District recognizes when it falls due).

The District's certified public accountants are currently Chavan and Associates, LLP. See APPENDIX B for the District's audited financial report for the fiscal year ending June 30, 2023.

Over the last 10 fiscal years, property taxes comprised between 90% to 97% of the District's total general fund revenue. The District's primary expenditures are for debt service, capital expenditures for land and preserve improvements, and land management and administrative expenses. Capital expenditures are made at the District's discretion and approximately 63% of such capital spending in fiscal year 2023-24 is expected to be funded from proceeds of the issuance of general obligation bonds approved by more than two-thirds of the qualified voters of the District on June 3, 2014 ("Measure AA"). Pursuant to Measure AA, the District may issue $300 million of general obligation bonds to fund 25 key project portfolios, organized by geographic area within District boundaries. The first two series of Measure AA general obligation bonds, in the combined principal amount of $45 million, were issued in August 2015. A third series in the principal amount of $50 million was issued in February 14, 2018. Over the next two decades, the District expects that the majority of capital expenditures for land acquisitions and preserve development will be funded from proceeds of future issuances of Measure AA bonds and project-related grant awards. In addition, the District expects to finance two significant general fund capital projects in the next five years to significantly upgrade one of its existing field offices and to establish a new field office in the San Mateo County coastside area.

Measure AA funds may be used to fund projects that improve access to hiking and biking opportunities, protect and preserve redwood forests, natural open spaces, the scenic beauty of the region, coastline, and critical wildlife habitat, restore creeks to protect water quality, and reduce forest fire risk, and estimates the levy of an estimated annual tax in an amount not to exceed $3.18 per $100,000 of assessed value of property owned to pay debt service on Measure AA bonds. Measure AA funds are authorized to be used only to fund the 25 key capital projects identified in the 2014 Vision Plan of the District. Expenditures of Measure AA funds are required to be verified by an independent citizen oversight committee that consists of seven at-large members who reside within the District. The Oversight Committee, which convenes at least once a year, reviews the Measure AA expenditures and the Annual Audit and Accountability report of the District, and presents its findings to the Board of Directors.

Since approval of Measure AA in 2014, the District has completed the following of the 25 key capital project portfolios, among others, as of June 30, 2023:

- Preserved 9,687 acres
- Opened 31.4 miles of trails (with an additional 10+ miles currently under construction and 19+ miles of new trails in the planning stage)
- Opened five new areas/preserves to the public: Mount Umunhum Summit of Sierra Azul Open Space Preserve, lower La Honda Creek Open Space Preserve, Bear Creek Redwoods Open Space Preserve, and the Mindego Gateway area of the Russian Ridge Open Space Preserve
- Opened three new parking areas, creating a total of 126 new parking spaces
- Expanded the conservation grazing program by entering into eight new agricultural leases at four preserves
- Invested $33.9 million in projects on the San Mateo County coast

- Completed work to close four of the 25 project portfolios

Land management and administrative expenses are budgeted and controlled pursuant to a long-established process, subject to changes in management policy. Since the voter approval of Measure AA, the District has increased staff and outside resources in order to implement the 25 Measure AA funded projects. Operating expenses in fiscal year 2023-24 represent approximately 65% of general fund revenues compared to approximately 61% of general fund revenues in fiscal year 2022-23. Further operation growth will be required to address the impacts of climate change, including a heightened fire risk that is exacerbated by extended periods of drought, the need to establish new water sources for operational and agricultural uses to provide redundancy when water levels are low, and establishing safe wildlife corridors to allow animals to move across the landscape in response to changing temperatures. Additional capacity is also needed to properly patrol and maintain the District's expanded coastside acreage. The District anticipates that meeting these operational challenges will necessitate a continuing increase in the ratio of operating expenses to general fund tax revenue to over 70% in fiscal year 2023-24, and of approximately 80% by fiscal year 2029-30.

Driven by the economy in Silicon Valley, District general fund tax revenue again increased above its long-term trend line in the 12 months ended June 30, 2023, growing by $5.5 million, or approximately 9.4% compared to the 12 months ended June 30, 2022. The District receives approximately 67% of its tax revenue from the County of Santa Clara and 33% from the County of San Mateo.

The District spent $17.6 million to acquire approximately 5,210 acres of land and associated structures in fiscal year 2022-23. Grant receipts covered $9.9 million of the cost of these acquisitions, with the balance funded from Measure AA bond proceeds. Total capital spending for 2023-24 is budgeted to be $19.8 million of which $12.5 million is expected to be funded by Measure AA bond proceeds and $7.3 million is expected to be funded from the general fund. These anticipated capital expenditures are expected to be partially funded by $6.4 million of associated grant income, $4.8 million on Measure AA projects, and $1.6 million on general fund projects.

The District manages its expenditures within the annual budget. Excluding Measure AA capital projects, total District fiscal year 2022-23 spending was $65.7 million and for fiscal year 2023-24 is budgeted to be $66.9 million.

Under California law, the District may acquire land or facilities by borrowing money or by purchasing on contract, subject to certain limits (based on tax revenues projected for the five years following the borrowing). The law limits the annual interest rate to 12%. For purchase money financings using District promissory notes, the borrowing term may not exceed 30 years. The District has never defaulted in the payment of any of its debt or other obligations.

Fiscal Management Policies

Fund Balance Policy. The Board of Directors adopted Policy 3.07 – Fund Balance Policy in accordance with GASB Statement No. 54 on November 25, 2014, and most recently amended and approved the policy on June 28, 2023 (the "Fund Balance Policy"). The 2023 revision changed the minimum Unassigned Fund Balance from 30% of "Budgeted General Fund Tax Revenue" to 30% of the "Budgeted General Fund Total Revenue." The stated purpose of the Fund Balance Policy is to: (i) provide adequate funding to meet the District's short-term and long-term plans, (ii) provide funds for unforeseen expenditures related to emergencies such as natural disasters, (iii) strengthen the financial stability of the District against present and future uncertainties such as economic downturns and revenue shortfalls, and (iv) maintain an investment-grade bond rating. The Fund Balance Policy identifies the required components of fund balance, the level of management authorized to approve or change target balances in each fund, the amounts that the District will strive to maintain in each fund, and the conditions under which fund balances may be spent, reimbursed and reviewed. The Fund Balance Policy was developed, with input from the District auditors, to meet the requirements of GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." The components of the Fund Balance Policy of the District are summarized below:

- *Non-Spendable* fund balance includes amounts that cannot be spent either because they are not in spendable form, or because of legal or contractual constraints, and is required to be equal to the sum of the District's non-spendable assets.

- *Restricted* fund balance includes amounts that are constrained for specific purposes which are externally imposed by constitutional provisions, enabling legislation, creditors, or contracts.

- *Committed* fund balance includes amounts that are constrained for specific purposes that are internally imposed by the District Board of Directors.

- *Assigned* fund balance includes amounts that are intended to be used for specific purposes that are neither restricted nor committed.

- *Unassigned* fund balance includes amounts within the general fund which have not been classified within the above categories. The minimum amount of unassigned fund balance is calculated as 30% of the Budgeted General Fund Total Revenue.

Restricted Funds are comprised of the following:

- *Retiree Healthcare Plan Fund* - Established in 2008 with an initial $1.9 million contribution to the California Employers' Retiree Benefit Trust. See also "–Employee Retirement System."

- *Hawthorns Fund* - Established in 2011 with a $2.0 million endowment from the Woods Family Trust, to provide stewardship funding for the Hawthorns property in Portola Valley.

Committed Funds are comprised of the following:

- *Infrastructure Fund* – Established in fiscal year 2015-16 to expand field and office facilities, which are necessary to expand the capacity for successfully implementing the 2011 Strategic Plan, 2014 Vision Plan, and Measure AA projects.

- *Equipment Replacement Fund* – To replace field and office equipment and vehicles, over time, in connection with the implementation of the 2011 Strategic Plan, 2014 Vision Plan, and Measure AA projects.

- *Natural Disaster Fund* – To permit the District to undertake emergency expenditures required to respond quickly to a major fire, earthquake or flood. Funding for such expenditures is *not* available from general obligation bonds under Measure AA.

- *Capital Maintenance Fund* – Implementation of the 2011 Strategic Plan, 2014 Vision Plan, and Measure AA projects will require District assets to be in good working order; annual maintenance costs for existing District assets are anticipated.

- *Future Acquisitions and Capital Projects Fund* – With the passage of Measure AA, the District has a greater focus on capital projects, as well as its ongoing land acquisition program. This fund will provide the District with sufficient reserves to quickly react to opportunistic land acquisitions and to future capital projects that may arise during the course of a given fiscal year.

Any spending from the unassigned fund requires approval of the Board of Directors and reimbursement from the general fund within two years. The Fund Balance Policy may be changed by the District at any time.

Investment Policy. In accordance with Policy 3.08 – Investment Policy, the Board of Directors annually adopts an investment policy (the "Investment Policy") governing the investment of District funds. The primary goals of the Investment Policy are: *Capital Preservation* – safeguard the principal of invested funds; *Liquidity* – managing the fund so that normal operating cash needs and scheduled extraordinary cash needs of the District can be met on a same day basis; and *Income* – funds shall earn the highest rate of return that is consistent with capital preservation and liquidity goals and the California Government Code.

Pursuant to the Investment Policy, investments and deposits of funds are limited to those allowed by and subject to the procedures of Government Code Section 53600 *et seq.* and 53635 et *seq.* In the event of any conflict between the terms of the Investment Policy, and the Government Code, the provisions of the Government Code prevail. The Investment Policy does not permit investments to be leveraged or investment in "derivatives" that offer opportunities for significant capital gains and losses.

The Board of Directors is required annually to designate the minimum amount of unassigned fund balance to be held in reserve in consideration of unanticipated events that could adversely affect the financial condition of the District and jeopardize the continuation of necessary public services. Any spending from the minimum general fund reserve requires the approval of the Board of Directors and is expected to be reimbursed within two years.

The current Investment Policy, adopted by the Board of Directors on August 9, 2017 and most recently amended on June 28, 2023 is attached as APPENDIX C.

Debt Management Policy. On July 12, 2017, the Board of Directors adopted Policy 3.09 – Debt Management Policy. This policy was most recently reviewed and affirmed on June 28, 2023 (the "Debt Management Policy"). The stated purpose of the Debt Management Policy is to: (i) establish the overall parameters for issuing, structuring, and administering the debt of the District in compliance with applicable federal and State securities laws. The Debt Management Policy was developed in conjunction with the procedures for Initial and Continuing Disclosure Relating to Bond Issuances summarized below.

The Board of Directors is required to annually review and affirm the Debt Management Policy.

Procedures for Initial and Continuing Disclosure Relating to Bond Issuances. On April 1, 2015, the District adopted Policy 3.06 – Initial and Continuing Disclosure Relating to Bond Issuances (the "Disclosure Procedures") to ensure that statements or releases of information to the public that are reasonably expected to reach investors and the trading markets relating to the finances of the District are complete, true, and accurate in all material respects, and in compliance with applicable federal and State securities laws.

The current Disclosure Procedures were amended from time to time in order to comport with applicable regulations, and most recently reviewed and affirmed on June 28, 2023.

Summary of Financial Reports

Table A-1 presents selected audited cash flow, balance sheet and budget information for the fiscal years ended June 30, 2019 through 2023 and the Amended Budget for June 30, 2024.

Table A-1
District General Fund, Measure AA General Fund Capital Projects and Debt Service Fund
Statement of Revenues, Expenditures and Changes in Fund Balances
Fiscal Years Ending June 30, 2019 through 2023
and the Amended Budget for June 30, 2024
($ in Thousands)

	As of June 30					
	2019	2020	2021	2022	2023	2024†
REVENUES:						
Property Taxes	$54,395	$57,251	$62,476	$64,410	$69,719	$71,946
Development Grants	1,082	3,293	2,881	3,884	12,685	3,021
Property Management	2,360	2,655	2,298	1,490	1,875	1,838
Interest	3,649	2,327	1,979	(896)	2,331	3,076
Other	641	262	978	842	401	541
TOTAL OPERATING REVENUES	62,127	65,788	70,612	69,730	87,011	80,422
EXPENDITURES						
Salaries and Benefits	21,096	23,616	25,490	25,963	29,393	32,784
Services and other	8,090	7,829	8,744	9,323	10,145	12,391
Capital Outlay	45,356	20,101	24,140	25,116	24,573	17,757
SUBTOTAL	74,542	51,546	58,374	60,402	64,111	62,932
DEBT SERVICE						
Principal Repayment	6,480	9,115	8,395	8,120	16,390	7,395
Interest	9,191	8,555	8,246	7,925	7,382	6,776
Issuance Cost	–	–	–	–	–	–
SUBTOTAL DEBT SERVICE	15,671	17,670	16,641	16,045	23,772	14,171
SUBTOTAL EXPENDITURES	90,213	69,216	75,015	76,447	87,883	77,103
OPERATING CASH FLOW	(28,086)	(3,428)	(4,403)	(6,717)	(872)	3,319
OTHER NON-OPERATING ITEMS (NET)	–	–	–	–	10,400	–
EXCESS OF REVENUES OVER EXPENDITURES	(28,086)	(3,428)	(4,403)	(6,717)	9,528	3,319
PROCEEDS FROM NOTES PAYABLE	–	–	–	–	–	–
NET EXCESS	(28,086)	(3,428)	(4,403)	(6,717)	9,528	3,319
STARTING FUND BALANCE	132,413	104,327	100,870	97,100	90,382	99,910
ENDING FUND BALANCE	104,327	100,899	96,467	90,383	99,910	103,229

† Amended Budget.
Sources: District audited financial reports and Fiscal Year 2023-24 Amended Budget.

Table A-2 presents the Statement of Net Position for the fiscal years ended June 30, 2019 through 2023 and the Amended Budget data for June 30, 2024.

Table A-2
District Statement of Net Position

	As of June 30				
	2019	2020	2021	2022	2023
ASSETS					
Current assets:	$108,106,556	$104,639,305	$103,028,263	$96,071,885	$101,934,965
Cash and investments					
Accounts receivable:					
Interest	158,943	214,097	5,872	4,448	32,377
Other	182,269	362,854	101,667	60,151	197,302
Taxes receivable	221	221	345,073	346,220	221
Other current assets	195,315	221,226	320,095	286,387	433,232
TOTAL CURRENT ASSETS	108,643,304	105,437,703	103,800,970	96,769,091	102,598,097
Noncurrent assets:					
Leases receivable	–		–	4,776,909	5,956,769
Notes receivable	94,182	74,509	71,728	68,015	64,200
Unamortized issuance costs	463,350	414,042	359,736	305,431	259,873
Net OPEB asset	–	–	–	615,298	–
Non-depreciable capital assets	453,957,019	467,412,266	480,431,581	503,418,146	525,690,221
Capital assets, net of depreciation	50,602,390	58,689,051	66,875,210	66,303,933	65,437,189
TOTAL NONCURRENT ASSETS	505,121,941	526,589,868	547,738,255	575,487,732	597,408,252
TOTAL ASSETS	$613,765,245	632,027,571	651,539,225	672,256,823	700,006,349
Deferred Outflows of Resources					
OPEB adjustments	670,768	638,539	847,395	832,763	868,564
Pension adjustments	4,760,025	4,083,643	4,086,354	3,894,005	10,701,460
Deferred loss on early retirement of long-term debt	9,385,700	8,550,577	7,705,452	6,860,335	6,264,908
TOTAL DEFERRED OUTFLOWS OF RESOURCES	14,836,493	13,272,759	12,639,201	11,587,103	17,834,932
LIABILITIES					
Current Liabilities:					
Accounts payable	2,516,839	2,616,408	5,821,678	6,100,357	1,917,150
Deposits payable	218,240	177,135	60,584	99,843	329,094
Payroll and other liabilities	1,580,921	1,744,926	1,452,142	769,126	1,179,946
Accrued interest	2,381,063	2,293,246	2,207,004	2,114,721	1,978,054
Current portion of long-term liabilities	9,998,885	9,278,885	8,584,627	10,494,627	8,862,083
TOTAL CURRENT LIABILITIES	16,695,948	16,110,600	18,126,035	19,578,674	14,266,327
Noncurrent Liabilities:					
Long-term liabilities – net of current portion	243,049,767	235,321,577	228,565,745	206,843,174	205,636,029
TOTAL LIABILITIES	259,745,715	251,432,177	246,691,780	226,421,848	219,902,356
Deferred Inflows of Resources					
Leases receivable deferrals	–	–	–	4,194,486	5,218,800
OPEB adjustments	92,510	215,779	231,079	1,580,183	691,633
Pension adjustments	1,379,355	1,570,668	1,811,064	5,132,227	2,859,573
TOTAL DEFERRED INFLOWS OF RESOURCES	1,471,865	1,786,447	2,042,143	10,906,896	8,770,006
NET POSITION					
Net investment in capital assets	351,151,768	371,186,303	382,787,610	409,656,415	435,082,792
Restricted for:					
Debt service	6,775,924	4,813,811	4,229,931	4,148,795	2,712,945
Hawthorne maintenance	1,431,717	1,464,150	1,500,736	1,428,333	1,632,036
TOTAL RESTRICTED	8,207,641	6,277,961	5,730,667	6,192,426	4,344,981
UNRESTRICTED	8,014,749	14,617,442	26,926,226	30,666,341	49,741,146
TOTAL NET POSITION	$367,374,158	$392,081,706	$415,444,503	$446,515,182	$489,168,919

Source: District audited financial reports.

See APPENDIX B for the District's audited financial report for the period ended June 30, 2023. The District has not requested, and the auditor has not performed, any update or review of such statements in connection with their presentation in this Official Statement.

Long-Term Debt of the District

Set forth below is a table presenting the long-term obligations payable by the District (each, a "Long-Term Obligation"), outstanding as of March 31, 2024.

Table A-3
District Outstanding Debt
($ in Thousands)
As of March 31, 2024

Obligation	Original Amount	Obligation Outstanding 3/31/2024	2023-24 Debt Service	Final Payment
PAYABLE FROM THE GENERAL FUND				
Senior Obligations:				
2012 Refunding Notes†	$31,265	$12,174	$ –	September 2033
2015 Refunding Notes	23,630	15,930	1,996	September 2034
2016 Refunding Bonds	57,410	32,260	5,852	September 2038
2017 Refunding Bonds	25,025	25,025	1,022	September 2037
SUBTOTAL GENERAL FUND	137,330	85,389	8,870	
PAYABLE FROM MEASURE AA				
2015A General Obligation Bonds	40,000	37,680	2,571	September 2045
2018 General Obligation Bonds	50,000	43,020	2,730	September 2048
SUBTOTAL MEASURE AA	90,000	80,700	5,301	
TOTAL	$227,330	$166,089	$14,171	

† All outstanding 2012 Refunding Notes are capital appreciation notes. Amount outstanding consists of $6,581 of principal and $5,593 of accreted interest.

Source: District Controller.

Promissory Notes

2012 Refunding Promissory Notes. On January 19, 2012, the District advance refunded $34,652,643 in 1999 Lease Revenue Bonds by issuing $31,264,707 in promissory notes comprised of current interest notes (the "2012 Current Interest Notes") and capital appreciation notes (the "2012 Capital Appreciation Notes" and together with the 2012 Current Interest Notes, the "2012 Notes"). Net proceeds of the 2012 Notes were used to purchase U.S. government securities that were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the refunded 1999 Series bonds. As a result, the refunded 1999 Series bonds are considered to be defeased and the liability for those bonds was removed from the long-term debt in the financial reports of the District. On December 28, 2017, $11,605,000 principal amount of the 2012 Current Interest Notes was defeased and $8,894,106.50 initial principal amount of the 2012 Capital Appreciation Notes, subject to redemption on September 1, 2022, was defeased and redeemed, with a portion of the proceeds of the 2017 Green Bonds (defined below). At March 31, 2024, the outstanding principal balance of the 2012 Capital Appreciation Notes was $6,580,000.

2015 Refunding Promissory Notes (2004 Project Lease). On January 22, 2015, the District issued $23,630,000 principal amount of refunding promissory notes to currently refund $31,900,009.95 principal amount of the Authority's 2004 Revenue Bonds in full on March 1, 2015. The 2015 notes bear interest rates ranging from 2.00% to 5.00%. The final maturity of the notes is September 1, 2034. At March 31, 2024, the outstanding balance of these notes was $15,930,000.

General Obligation and Revenue Bonds

2015 General Obligation Bonds. On July 29, 2015, the District, issued $40,000,000 of General Obligation Bonds, Series 2015A and $5,000,000 of General Obligation Bonds, Series 2015B (Federally Taxable) (together, the "2015 General Obligation Bonds") to finance projects authorized by the voters of the District as specified in Measure AA, and to pay certain costs of issuance. The 2015 General Obligation Bonds bear interest at 1.5% to 5.0% and are due semi-annually on March 1 and September 1. Principal payments on the 2015 General Obligation Bonds are due annually September 1. At March 31, 2024, the aggregate outstanding balance of these bonds was $37,680,000.

2016 Green Bonds. On September 8, 2016, the District, issued $54,490,000 of Green Bonds, 2016 Refunding Series A and $2,920,000 of Green Bonds, 2016 Refunding Series B (Federally Taxable) (together, the "2016 Green Bonds") to refund its obligations under certain of the 2007 Notes that secured bonds issued in 2007 by the Authority, prepay a portion of its obligations under a lease securing Authority Bonds issued in 2011, and pay certain costs of issuance. The 2016 Green Bonds bear interest at 0.73% to 5.00% and are due semi-annually on March 1 and September 1. Principal payments on the 2016 Green Bonds are due annually September 1. At March 31, 2024, the aggregate outstanding balance of these bonds was $32,260,000.

2017 Green Bonds, Refunding Series A. On December 28, 2017, the District issued $25,025,000 principal amount of Green Bonds, 2017 Refunding Series A (the "2017 Green Bonds") and $11,220,000 principal amount of Parity Bonds 2017 Series B (the "2024 Parity Bonds" and together with the 2017 Green Bonds, the "2017 Bonds"). The 2017 Green Bonds were issued to defease and redeem the outstanding 2012 Current Interest Notes, and the 2017 Parity Bonds were issued to finance costs of acquiring and improving staffing facilities for use by the District. The 2024 Bonds bear interest at 3.125% to 5.000% and interest is payable on March 1 and September 1 of each year commencing September 1, 2018. At March 31, 2024, the outstanding balance of these bonds was $24,513,900.

2018 General Obligation Bonds (Green Bonds). On February 1, 2018, the District issued $50,000,000 of 2018 General Obligation Bonds to finance projects authorized by the voters in the District as specified in Measure AA and pay certain costs of issuance. These bonds bear interest from 2% to 5% and are due semi-annually on March 1 and September 1. The 2018 General Obligation Bonds are secured by the District's share of the general 1% ad valorem property tax levied in the District. At March 31, 2024, the outstanding balance of these bonds was $43,020,000.

District Organization and Employee Relations

As of January 31, 2024, the District had 209.65 full-time equivalent employees of which 198.25 are eligible to receive benefits. Certain employees are represented through labor organizations: Midpeninsula Regional Open Space District Field Employee Association ("FEA") and Midpeninsula Rangers Peace Officers Association ("MRPOA"). Labor negotiations with MRPOA in 2023 culminated in a four-year Memorandum of Understanding ("MOU") in effect between July 1, 2023-June 30, 2027. Labor negotiations with FEA are currently underway, with a new MOU anticipated in July 2024.

Labor Organization	Represented Employees	Contract Expiration
MROSD Field Employees Association	41	June 30, 2024
Midpeninsula Rangers Peace Officers Association	35	June 30, 2027
TOTAL	76	

Employee Retirement System

Plan Description. The District provides benefits to eligible employees through cost-sharing multiple employer defined benefit pension plans (the Plan(s)) administered by the California Public Employees' Retirement System (CalPERS). Members of the Plan include all permanent employees working full-time. Benefit provisions under the Plans are established by State statute and District resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. *The information contained on the CalPERS website is not incorporated by this reference.*

Additional information with respect to the CalPERS plan is set forth in APPENDIX B–"ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2023–Note 9–CalPERS Pension Plan."

Benefits Provided. CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 55 with statutorily reduced benefits. All members are eligible for non-industrial disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost of living adjustments for the Plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

	Miscellaneous	
	Tier 1	**PEPRA**
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 Years
Benefit payments	Monthly for Life	Monthly for Life
Retirement age	55	62
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	2.00%
Required employee contribution rates	8.00%	6.75%
Required employer contribution rates	12.21%	7.47%

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

At June 30, 2023, 399 employees were covered by the Plan, consisting of 164 active, 60 transferred, 79 separated, and 96 retired members.

Contributions. Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Contributions for the plan year ending June 30, 2023 totaled $1,939,314 and are budgeted at $2.4 million for the plan year ended June 30, 2024.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions. As of June 30, 2023, the District reported net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Miscellaneous Plan	$17,384,921

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 using standard procedures. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions into the pension plan relative to the projected contributions of all participating employers, as actuarially determined. The District's proportionate share of net pension liability for the Plan as of June 30, 2022 and 2023 was as follows:

	Miscellaneous Plan
Proportion – June 30, 2022	0.18789%
Proportion – June 30, 2023	0.37153%
Change – Increase (Decrease)	0.18365%

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Actuarial Assumptions. The total pension liabilities in the June 30, 2021 actuarial evaluations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.9%
Inflation	2.3%
Payroll Growth	2.8%
Projected Salary Increase	(1)
Investment Rate of Return	6.8%(2)
Mortality	(3)

(1) Varies by age and service.
(2) Net of pension plan investment expenses, including inflation.
(3) Derived using CalPERS' membership data for all funds.
Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Discount Rate. The discount rate used to measure the total pension liability was 6.9% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.9% discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.9% will be applied to all plans in the Public

Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous
1% Decrease	5.9%
Net Pension Liability	$30,643,250
Current Discount Rate	6.9%
Net Pension Liability	$17,384,921
1% Increase	7.9%
Net Pension Liability	$6,476,606

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Pension Plan Fiduciary Net Position. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

PARS Section 115 Trust. During fiscal year 2017-18, the District established a Section 115 Trust Fund for Pension Costs with Public Agency Retirement Services (PARS). The amount in this trust is not included as part of the District's net pension liability calculation.

Other Post-Employment Retirement Benefits

Plan Description. The District joined the California Employers' Retiree Benefit Trust ("CERBT"), an agent multiple-employer plan administered by CalPERS, consisting of an aggregation of single-employer plans. The Board of Directors authorized a deposit of $1,900,000 in CERBT on June 5, 2008, to begin funding its other post-employment benefits ("OPEB") liability.

Additional information regarding the District's OPEB liability is presented APPENDIX B–"ANNUAL COMPREHENSIVE FINANCIAL REPORT, FISCAL YEAR ENDED JUNE 30, 2023–Note 10-Postemployment Benefits Other than Pension Benefits."

Benefits Provided. By Board of Directors resolution and through agreements with its labor unit, the District provides certain health care benefits for retired employees (spouse and dependents are not included) under third-party insurance plans. A summary of eligibility and retiree contribution requirements are shown below:

Eligibility:	Retire directly from the District under CalPERS (age 50 and 5 years of service) Continue participation in Public Employees Medical and Hospital Care Act (PEMHCA)
Retiree Medical Benefit:	District pays retiree premiums up to: =>$380/month effective 7/1/21 Must be at least equal to statutory PEMHCA minimum ($157 in 2024)
PEMHCA Administrative Fee:	District pays CalPERS administrative fees ([0.32]% of premiums for Fiscal Year 2022-23)
Surviving Spouse Continuation:	Retiree benefit continues to surviving spouse if retiree elects survivor annuity under CalPERS retirement plan
Minimum Age:	Retirement under CalPERS

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

As of June 30, 2023, there were 170 active employees, and 49 inactive employees, who are eligible to receive retirement health care benefits if they retire from the District.

Contributions. The District makes contributions based on an actuarially determined rate and are approved by the authority of the District's Board. Total contributions during fiscal year 2022-23 were $312,906; total contributions included in the measurement period were $832,763 and the actuarially determined contribution for the measurement period was $399,000. The District's contributions were 1.42% of covered payroll during the measurement period June 30, 2021 (reporting period June 30, 2023). Employees are not required to contribute to the plan.

Discount Rate. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set to be equal to the long-term expected rate of return which was applied to all periods of projected benefit payments to determine the total OPEB liability.

Actuarial Assumptions. The following summarized the actuarial assumptions for the OPEB plan included in this fiscal year:

Valuation Date:	June 30, 2022
Measurement Date:	June 30, 2021
Actuarial Cost Method: Amortization Period:	Entry age normal, level percentage of payroll
Asset Valuation Method:	4.8-year average remaining period
Actuarial Assumptions:	Investment gains and loses spread over 5-year rolling period
Discount Rate	6.25%
General Inflation	2.50%
Salary Increases	2.75%
Medical Trend	Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076. Medicare (Kaiser) - 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076.
PEMHCA Minimum Increases	4.00%
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

OPEB Expense. The following summarizes the OPEB expense by source during the year ended June 30, 2023:

Service cost	$380,515
Interest in TOL	424,248
Expected investment income	(454,507)
Difference between actual and expected experience	(39,807)
Difference between actual and expected earnings	90,656
Change in assumptions	(46,994)
Administrative expenses	2,818
OPEB Expense	**$356,929**

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Net OPEB Liability. The District's net OPEB liability was measured as of June 30, 2021 (measurement date), and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021 (valuation date) for the fiscal year ended June 30, 2023 (reporting date). The following summarizes the changes in the net OPEB liability during the year ended June 30, 2023:

Fiscal Year Ended June 30, 2023	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2022	$6,547,343	$7,162,642	$(615,299)
Service cost	380,515	–	380,515
Interest in Total OPEB Liability	424,248	–	424,248
Employer contributions	–	832,763	(832,763)
Actual investment income	–	(993,556)	993,556
Administrative expenses	–	(2,818)	2,818
Benefit payments	(279,786)	(279,786)	–
Net changes	524,977	(443,397)	968,374
Balance at June 30, 2023	$7,072,320	$6,719,245	$353,075
Covered Employee Payroll	$21,959,491		
Total OPEB Liability as a % of Covered Employee Payroll	32.21%		
Plan Fid. Net Position as a % of Total OPEB Liability	95.01%		
Service Cost as a % of Covered Employee Payroll	1.73%		
Net OPEB Liability as a % of Covered Employee Payroll	1.61%		

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Funded Status and Funding Progress. The most recent actuarial valuation date was June 30, 2021. The following summarizes the funded status of the plan as of June 30, 2023:

Description	Balance
Actuarial accrued liability (AAL)	$7,072,320
Value of plan assets	6,719,245
Unfunded actuarial accrued liability (UAAL)	$353,075
Funded ratio (actuarial value of plan assets/AAL)	95%
Projected covered payroll (active Plan members)	$19,523,601
UAAL as a percentage of covered payroll	1.8%

Source: Midpeninsula Regional Open Space District Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Actuarial Assumptions. The ARC was determined as part of the actuarial valuation using the entry age normal actuarial cost method.

Risk Management

Self-Insurance Programs of the CAL JPIA. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. Prior to July 1, 2002, the District managed and financed these risks by purchasing commercial insurance. On July 1, 2002, the District joined the California Joint Powers Insurance Authority ("CAL JPIA"). CAL JPIA is composed of over 120 California public entities and is organized under a joint powers agreement pursuant to California Government Code Section 6500 *et seq*. The purpose of CAL JPIA is to arrange and administer programs for the pooling of self-insurance losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverages. The CAL JPIA pool began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board of Directors operates through a nine-member Executive Committee.

During the past three fiscal periods, none of the programs of protection have had settlements or judgments that exceed pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior period.

The District is a pool member of the following insurance programs:

General and Automobile Liability. The District pays a primary deposit to cover estimated losses for a fiscal year (claims year) through the Cal JPIA's Primary Liability Program. General liability ("GL") coverage includes bodily injury, personal injury, or property damage to a third party resulting from a member activity. The GL program also provides automobile liability coverage. Claims valued from $0 to $500,000 are used to determine each member's proportionate share of losses. The pool retains and shares costs of claims, on a per-occurrence basis up to $3,000,000 which point excess and reinsurance attach and pay for costs in excess of $3,000,000 up to $50,000,000 per occurrence limit.

Worker's Compensation. The District also participates in the Workers' Compensation program administered by CAL JPIA. Pool deposits and retrospective adjustments are valued in a manner similar to the GL pool. The total target funding estimate for a given coverage year is determined by third-party actuarial analysis, and a portion of that funding estimate is allocated to each member based on the member's share of payroll and share of losses. Claims valued from $0 to $200,000 are used to determine each member's proportionate share of losses. The pool retains and shares costs of claims, on a per-occurrence basis, up to $1,000,000 - at which point excess and reinsurance attach and pay for costs in excess of $1,000,000 up to statutory limits.

Purchased Insurance

Environmental. The District participates in the Pollution and Remediation Legal Liability Program, which is available through CAL JPIA. The policy provides coverage for both first and third party damages, including certain types of cleanups; fuel spill or hazardous materials incidents; member listed non-owned disposal sites, above ground and underground storage tanks; and for sudden and gradual pollution at or from property, streets, sanitary sewer trunk lines and storm drain outfalls owned by the District. Coverage is on a claims-made basis. There is a $250,000 deductible. CAL JPIA has a limit of $5,000,000 for the three-year coverage period. The current coverage period is July 1, 2023 through June 30, 2026. Each member of CAL JPIA has a $20,000,000 aggregate limit during the three-year period.

Property. The District participates in the All-Risk property program of CAL JPIA which includes all-risk coverage for real and personal property (such as scheduled buildings, office furniture, equipment, vehicles, etc.). This insurance is underwritten by several insurance companies. Property is currently insured according to a schedule of covered property submitted by the District to CAL JPIA. The All-Risk deductible is $10,000 per occurrence; $2,500 for non-emergency vehicles. Premiums for the coverage are paid annually and are not subject to retroactive adjustments.

Boiler and Machinery. The District participates in the optional coverage for boiler and machinery, which is purchased separately under the property program. Coverage is for physical damage for sudden and accidental breakdown of boilers and machinery, and electrical injury. There is a $5,000 per accident or occurrence deductible.

Crime Insurance. The District participates in the crime program through CAL JPIA in the amount of $1,000,000 per claim, with a $2,500 per occurrence deductible. Insurance provides coverage for employee dishonesty, failure to faithfully perform duties, forgery, counterfeiting, theft, robbery, burglary, and computer fraud. Premiums are paid annually and are not subject to retroactive adjustments.

Special Event Tenant User Liability. The District participates in the special events program through CAL JPIA which provides liability insurance when District premises are used for special events. The insurance premium is paid by the tenant user to the District according to a schedule. The District then pays the insurance arranged through CAL JPIA. There is no deductible and the District is added as additional insured. Liability limits are purchased in $1 million per occurrence increments.

Vendors/Contractors. General Liability coverage with or without professional liability is offered through CAL JPIA to vendors/contractors who otherwise could not meet the District's minimum insurance requirement: $1 million per occurrence, $1 million in aggregate.

Cyber Liability Program. The cyber liability program is partially covered under the liability program, and partially held through a stand-alone coverage program. Cyber liability provides coverage for both first- and third-party claims. First party coverage includes privacy, regulatory claims, security breach response, business income loss, dependent business income loss, digital asset restoration costs, and cyber-extortion threats, while third-party coverage includes privacy liability, network security liability, and multimedia liability. Members work directly with the reinsurer to investigate and respond to claims. There is a $1 million per occurrence limit of coverage, $1 million aggregate limit per policy period per member, and a $5 million aggregate limit of coverage for all members per policy period.

ECONOMIC AND DEMOGRAPHIC INFORMATION REGARDING SANTA CLARA AND SAN MATEO COUNTIES

Following is economic and demographic information for Santa Clara and San Mateo Counties. District specific economic and demographic information is not available. While three District parcels are located in Santa Cruz County, these parcels represent less than $1 million of assessed valuation, so economic and demographic information regarding Santa Cruz County is not included herein.

General

The Counties of Santa Clara and San Mateo are two of nine counties in the San Francisco- Oakland Bay Area.

Santa Clara County. The County of Santa Clara covers an area of over 1,300 square miles and is located south of the San Francisco Bay in northern California. There are two distinct valleys in the County of Santa Clara, which are referred to as North County and South County. South County has more of an agricultural base and is comprised of only two cities, twenty miles apart from each other. As a contrast, North County is densely populated, heavily industrialized and extensively urbanized. This part of the County of Santa Clara is comprised of 13 cities, each adjacent to another. Due to its high concentration of high-technology industries, the northwestern portion of North County is commonly referred to as "Silicon Valley." Several small lakes and reservoirs are scattered across the County and the highest peak can be found in San José at Mount Hamilton with an elevation of 4,213 feet. Several major highways serve the County of Santa Clara, including Highway 101 providing access to San Francisco and Los Angeles.

San Mateo County. The County of San Mateo shares its borders with the City and County of San Francisco to the north, the County of Santa Clara to the south, the Pacific Ocean to the west and San Francisco Bay to the east. The County of San Mateo is a major employment base, accessible to downtown San Francisco approximately 15 miles north, and is also accessible to the San Jose and Silicon Valley areas approximately 30 miles south via Interstate 280 or U.S. Highway 101. The County of San Mateo has an approximate total area of 741 square miles, of which 448 square miles is land and 293 square miles is water. It is the third-smallest county in California by land area.

Population

The tables below show population estimates for the past five years for Santa Clara and San Mateo Counties, according to the State Department of Finance. Separate District population information is not available.

Table A-4A
SANTA CLARA COUNTY, SAN MATEO COUNTY, AND STATE OF CALIFORNIA
Population Estimates
Calendar Years 2020 Through 2024
(As of January 1)

Calendar Year	Santa Clara County	San Mateo County	State of California
2020	1,936,259	764,442	39,538,223
2021	1,913,779	756,636	39,327,868
2022	1,895,752	742,051	39,114,785
2023	1,902,799	745,302	39,061,058
2024	1,903,198	741,565	39,128,162

Source: State Department of Finance, Report E-4 Population Estimates for Cities, Counties, and State,2021-24 with , with 2020 Census Benchmark.

Table A-4B
SANTA CLARA COUNTY, SAN MATEO COUNTY, AND STATE OF CALIFORNIA
Total Estimated Population Projections by Age
Calendar Years 2019 Through 2023 as of January 1

	2019	2020	2021	2022	2023
Santa Clara County					
0-19	501,575	477,105	459,758	449,482	437,979
20-39	530,249	490,488	483,553	475,220	477,404
40-59	552,927	528,174	517,685	509,313	502,636
60 and over	411,511	429,458	438,158	448,586	569,509
San Mateo County					
0-19	179,216	177,543	171,699	169,199	165,633
20-39	191,297	175,011	171,205	166,325	163,031
40-59	227,794	205,496	199,232	194,312	190,935
60 and over	189,145	202,675	205,764	209,983	213,482
State of California					
0-19	10,455,219	10,087,014	9,889,945	9,722,886	9,582,279
20-39	11,082,256	10,931,428	10,822,486	10,720,695	10,723,977
40-59	10,300,211	9,741,199	9,608,991	9,503,439	9,435,745
60 and over	8,538,277	8,760,430	8,918,131	9,081,551	9,248,486

Sources: State Department of Finance, Table P-1B: Total Estimated and Projected County Population by Individual Year of Age. California Counties, 2020-2060 (Baseline 2019) Population Projections, Vintage 2023 Release, and Table P-28.

Employment and Industry
[Section to be updated with most current month data prior to posting]

Santa Clara County. The preliminary unemployment rate (not seasonally adjusted) in the County of Santa Clara was 4.3% for January 2024, compared to a revised rate of 3.0% for January 2023. This compares with preliminary unemployment rates for January 2024 of 5.7% for the State and 3.7% for the nation.

The table below lists employment by industry group for the County of Santa Clara for the years 2018 through 2022 (most recent annual data available). Separate employment data for the District is not available.

Table A-5
COUNTY OF SANTA CLARA
Annual Average Civilian Labor Force, Employment and Unemployment, and Employment by Industry
(Not Seasonally Adjusted)

	2018	2019	2020	2021	2022	2023
Civil Labor Force[(1)]	1,042,500	1,050,600	1,025,600	1,012,400	1,040,900	1,039,000
Employment	1,015,000	1,024,200	952,500	963,700	1,013,300	1,002,600
Unemployment	27,600	26,400	731,100	48,600	27,600	36,400
Unemployment Rate[(2)]	2.6%	2.5%	7.1%	4.8%	2.6%	3.5%
Wage and Salary Employment:[(3)]						
Farm	3,500	3,300	3,100	3,000	3,000	
Mining and Logging	200	200	200	200	200	
Construction	48,300	51,400	48,600	50,100	52,200	
Manufacturing	168,700	168,900	165,500	164,400	175,300	
Wholesale Trade	31,900	31,000	28,800	27,900	28,600	
Retail Trade	84,400	81,700	71,800	72,400	72,100	
Transportation, Warehousing and Utilities	15,300	15,600	15,400	16,400	18,600	
Information	92,100	100,500	105,800	107,000	106,300	
Finance and Insurance	21,400	21,800	22,700	23,200	22,000	
Real Estate and Rental and Leasing	15,100	15,800	15,000	14,900	15,600	
Professional and Business Services	235,900	241,900	236,300	241,200	252,200	
Private Education and Health Services	171,900	177,200	171,200	176,900	185,500	
Leisure and Hospitality	104,200	105,900	71,700	77,400	94,800	
Other Services	28,400	28,400	21,700	22,400	24,600	
Federal Government	9,800	9,900	10,500	10,400	10,100	
State Government	6,900	6,700	6,800	6,700	6,900	
Local Government	77,200	77,700	73,600	73,100	75,600	
TOTAL ALL INDUSTRIES[(4)]	1,115,200	1,137,900	1,068,600	1,087,400	1,143,600	

† Most recent year for which detailed annual data is available.
(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) The unemployment rate is calculated using unrounded data.
(3) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(4) Data may not add due to rounding.
Source: State of California Employment Development Department, Local Area Unemployment Statistics (LAUS), Annual Average, Current Employment Statistics (CES), Annual Average.

San Mateo County. The preliminary unemployment rate (not seasonally adjusted) in the County of San Mateo was 3.7% for January 2024, compared to a revised rate of 2.7% for January 2023. This compares with preliminary unemployment rates for January 2024 of 5.7% for the State and 3.7% for the nation.

The table below lists employment by industry group for the County of San Mateo for the years 2018 through 2022 (most recent annual data available).

Table A-6
COUNTY OF SAN MATEO
Annual Average Civilian Labor Force, Employment and Unemployment, and Employment by Industry
(Not Seasonally Adjusted)

	2018	2019	2020	2021	2022†	2023
Civil Labor Force(1)	449,000	457,400	439,500	433,400	453,400	445,400
Employment	438,900	447,900	409,000	413,300	442,400	431,900
Unemployment	10,100	9,500	413,300	20,100	11,000	13,500
Unemployment Rate(2)	2.2%	2.1%	6.9%	4.6%	2.4%	3.0%
Wage and Salary Employment:(3)						
Farm	1,400	1,400	1,400	1,400	1,600	
Mining, Logging and Construction	19,300	20,400	19,600	19,200	17,800	
Manufacturing	25,800	25,700	24,500	25,200	25,600	
Wholesale Trade	11,900	11,500	10,600	10,800	11,200	
Retail Trade	33,900	32,700	29,100	30,000	29,400	
Transportation, Warehousing and Utilities	25,700	26,400	23,000	22,800	22,800	
Information	39,400	45,400	50,700	55,000	61,000	
Finance and Insurance	16,500	16,500	16,500	16,300	16,900	
Real Estate and Rental and Leasing	6,800	7,400	6,100	6,300	6,600	
Professional and Business Services	82,500	85,400	82,000	87,700	91,600	
Private Education and Health Services	48,500	52,000	50,500	52,000	56,600	
Leisure and Hospitality	45,100	45,700	30,900	33,000	39,300	
Other Services	13,700	13,500	10,700	10,900	12,000	
Federal Government	3,600	3,500	3,600	3,400	3,000	
State Government	600	600	700	600	600	
Local Government	29,000	28,600	26,000	26,000	26,700	
TOTAL ALL INDUSTRIES(4)	403,800	416,600	386,000	400,500	422,600	

† Most recent year for which detailed annual data is available.
(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(2) The unemployment rate is calculated using unrounded data.
(3) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.
(4) Data may not add due to rounding.
Source: State of California Employment Development Department, Local Area Unemployment Statistics (LAUS), Annual Average, Current Employment Statistics (CES), Annual Average.

The following tables list the largest manufacturing and non-manufacturing employers within Santa Clara County for fiscal year 2022-23 and San Mateo County for calendar year 2022 (the most recent annual data available), in alphabetical order. Separate principal employer data for the District is not available.

Table A-7
COUNTY OF SANTA CLARA
Principal Employers
Fiscal Year 2022-23

Company or Organization	Estimated Number of Employees[1]	Percentage of Total County Employment
Google LLC	44,244	4.40%
Tesla Motors Inc.[2]	30,000	2.98
Apple Inc.	25,000	2.49
Meta Platforms Inc. (formerly Facebook Inc.)	22,515	2.24
County of Santa Clara	21,590	2.15
Cisco Systems Inc.	18,500	1.84
Stanford University	16,963	1.69
Stanford Health Care (formerly Hospital & Clinics)	10,847	1.08
University of California Santa Cruz	8,671	0.86
City of San Jose	8,134	0.81
TOTAL TOP 10 EMPLOYERS	206,4643	20.53
All Others	799,036	79.47
TOTAL COUNTY EMPLOYMENT	1,005,500	100.00%

(1) Represents the estimated number of employees countywide,
(2) Tesla Motors Inc. recently announced it would layoff 10% of its employees globally, affecting approximately 485 employees within San Clara County.

Sources: State Employment Development Department, Labor Market Information Division, http://www.labormarketinfo.edd.ca.gov/data/unemployment-and-labor-force.html, Silicon Valley Business Journal July 21-27-2023.

Table A-8
COUNTY OF SAN MATEO
Principal Employers
Calendar Year 2022†

Company or Organization	Business Type	Estimated Number of Employees[2]	Percentage of Total County Employment
Meta (Facebook Inc.)	Social Network	21,000	4.75%
Oracle Corp.	Hardware and Software	12,140	2.75
Genentech Inc.	Biotechnology	10,000	2.26
United Airlines	Airline	8,700	1.97
County of San Mateo	Government	5,794	1.31
Gilead Sciences Inc.	Biotechnology	4,500	1.02
Visa USA/Visa International	Global Payments Technology	4,092	0.93
Alaska Airlines	Airline	4,000	0.91
YouTube	Online Video-Streaming Platform	2,400	0.54
Electronic Arts Inc.	Video Game Developer and Publisher	1,770	0.40
TOTAL TOP 10 EMPLOYERS		74,396	16.84%
All Others			.
TOTAL COUNTY EMPLOYMENT[1]			100.00%

† Most recent data available.
Source: County of San Mateo Annual Comprehensive Financial Report, Fiscal Year Ended June 30, 2023.

Personal Income

The United States Department of Commerce, Bureau of Economic Analysis (the "BEA") produces economic account statistics that enable government and business decision-makers, researchers, and the public to follow and understand the performance of the national economy.

The BEA defines "personal income" as income received by, or on behalf of, all persons from all sources: from participation as laborers in production, from owning a home or business, from the ownership of financial assets, and from government and business in the form of transfers. It includes income from domestic sources as well as the rest of the world. It does not include realized or unrealized capital gains or losses. "Per capita personal income" is total personal income divided by total midyear population.

The table below summarizes the total personal income and the per capital personal income for the County of Santa Clara, the County of San Mateo, the State and the United States from 2012 through 2016 (the most recent year for which county data is available. Separate total personal income and per capita income data for the District is not available.

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Table A-9
COUNTY OF SANTA CLARA AND COUNTY OF SAN MATEO,
STATE OF CALIFORNIA AND UNITED STATES
Personal Income (Not Adjusted for Inflation)
For Calendar Years 2018 through 2022

Year and Area	Personal Income (millions of dollars)	Per Capita Personal Income (dollars)
2022†		
Santa Clara County	$270,162,197	$144,399
San Mateo County	127,657,596	175,070
State	3,006,647,281	77,036
United States	21,820,248,000	53,309
2021		
Santa Clara County	272,711,739	144,552
San Mateo County	129,090,019	174,668
State	3,013,676,929	76,991
United States	21,392,812,000	55,547
2020		
Santa Clara County	240,677,946	124,637
San Mateo County	108,186,874	141,882
State	2,767,521,379	70,061
United States	196,099,985,000	59,153
2019		
Santa Clara County	218,452,457	112,459
San Mateo County	99,027,638	128,875
State	2,537,950,599	64,174
United States	18,343,601,000	64,430
2018		
Santa Clara County	207,881,196	106,567
San Mateo County	95,143,957	123,303
State	2,411,055,136	60,984
United States	17,514,402,000	65,470

† Most recent annual data available.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

Construction Activity

The following tables provide a summary of residential building permit valuations and nonresidential building permit valuations, and the total number of all building permit valuations in Santa Clara County and San Mateo County during the past five years. Separate building permit valuation data for the District is not available.

Table A-10
COUNTY OF SANTA CLARA
Building Permit Valuation - For Calendar Years 2018 through 2022
(Dollars in Thousands)†

	2018	2019	2020	2021	2022
New Single-Family	$728,590.6	$64,597.3	$465,531.8	$604,388.6	
New Multi-Family	1,098,643.3	94,772.9	384,856.1	481,500.1	
Res. Alterations/Additions	558,024.6	109,154.3	314,179.3	351,100.6	
TOTAL RESIDENTIAL	$2,387,276.5	$270,543.5	$1,166,587.2	$1,439,010.3	
New Commercial	$1,884,923.4	$2,372,430.9	$1,262,357.4	$542,794.7	
New Industrial	32,080.0	41,875.8	72,481.3	4,840.0	
New Other	198,000.5	565,396.5	99,264.8	218,694.9	
Com. Alterations/Additions	2,017,142.2	2,467,939.0	1,382,406.5	812,157.1	
TOTAL NONRESIDENTIAL	$4,132,14.1	$5,447,642.2	$2,816,510.0	$1,582,629.0	
New Dwelling Units					
Single Family	2,011	180	1,329	1,789	
Multiple Family	6,342	646	2,245	3,210	
TOTAL	8,353	826	3,574	4,999	

† Columns may not total due to independent rounding.
Source: Construction Industry Research Board, Building Permit Summary.

Table A-11
COUNTY OF SAN MATEO
Building Permit Valuation - For Calendar Years 2018 through 2022
(Valuation in Thousands of Dollars)†

	2018	2019	2020	2021	2022
New Single-Family	$330,908.0	$22,430.0	$273,328.3	$371,580.0	
New Multi-Family	195,226.4	85,342.2	154,590.5	223,839.7	
Res. Alterations/Additions	424,804.7	27,136.9	310,315.5	282,684.2	
TOTAL RESIDENTIAL	$952,957.1	$136,928.1	$740,254.3	$880,124.9	
New Commercial	$1,476,230.6	$713,679.3	$360,543.8	$361,068.0	
New Industrial	0	0	0	0	
New Other	106,875.1	87,464.6	96,006.6	94,179.6	
Com. Alterations/Additions	972,646.5	618,727.3	923,425.0	534,973.7	
TOTAL NONRESIDENTIAL	$2,555,752.2	$1,419,871.3	$1,379,975.4	$990,221.3	
New Dwelling Units					
Single Family	443	29	548	657	
Multiple Family	1,046	225	439	638	
TOTAL	1,489	254	987	1,295	

† Columns may not total due to independent rounding.
Source: Construction Industry Research Board, Building Permit Summary.

Commercial Activity

The following tables show historic taxable sales within Santa Clara County and San Mateo County for calendar years 2018 through 2022 (the most recent annual data available). Separate taxable sales data for the District is not available.

Taxable sales for Santa Clara County were $_____ billion for the first ____ months of calendar year 2024 compared to taxable sales of $_____ billion for the first ______ months of calendar year 2023.

Taxable sales for San Mateo County were $_____ billion for the first ____ months of calendar year 2024 compared to taxable sales of $_____ billion for the first ______ months of calendar year 2023.

Table A-12
COUNTY OF SANTA CLARA
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)
Calendar Years 2018 through 2022†

	Retail and Food Services		Total All Outlets	
Year	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2018	30,266	26,885,138	52,994	45,353,073
2019	30,024	27,882,060	53,312	47,001,964
2020	30,969	27,467,410	55,395	46,444,650
2021	28,365	31,393,299	51,015	52,994,694
2022†	28,214	33,619,773	51,222	57,738,947

† Most recent annual data available.
Source: California Department of Tax and Fee Administration, Taxable Sales – Counties Type of Business (Taxable Table 3).

Table A-13
COUNTY OF SAN MATEO
Taxable Retail Sales
Number of Permits and Valuation of Taxable Transactions
(Dollars in Thousands)
Calendar Years 2018 through 2022†

	Retail and Food Services		Total All Outlets	
Year	Number of Permits	Taxable Transactions	Number of Permits	Taxable Transactions
2018	12,802	11,674,214	22,554	17,547,097
2019	12,817	12,034,591	22,908	18,286,057
2020	13,350	10,659,164	23,985	15,940,068
2021	11,947	12,714,641	21,396	19,538,725
2022†	11,838	13,984,160	21,402	21,932,690

† Most recent data available.
Source: California Department of Tax and Fee Administration, Taxable Sales – Counties Type of Business (Taxable Table 3).

APPENDIX B

ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2023

APPENDIX C

DISTRICT INVESTMENT POLICY

APPENDIX D

DEFINITIONS AND SUMMARY OF CERTAIN PROVISIONS OF THE FISCAL AGENT AGREEMENT

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

$__,000,000
MIDPENINSULA REGIONAL OPEN SPACE DISTRICT
(Counties of Santa Clara, San Mateo and Santa Cruz, California)
GENERAL OBLIGATION BONDS (GREEN BONDS), SERIES 2024

CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (this "Disclosure Certificate") is executed and delivered by the MIDPENINSULA REGIONAL OPEN SPACE DISTRICT (the "District") in connection with the issuance of the $__,000,000 principal amount of Midpeninsula Regional Open Space District General Obligation Bonds (Green Bonds), Series 2024 (the "Bonds"). The Bonds are being issued pursuant to a Fiscal Agent Agreement, dated as of June 1, 2024 (the "Fiscal Agent Agreement"), between the District and Zions Bancorporation, National Association, as fiscal agent (the "Fiscal Agent").

The District covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the District for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth above and in the Fiscal Agent Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Business Day" means any day (other than a Saturday or a Sunday) on which banks and the Fiscal Agent are open for business.

"*Annual Report Date*" means 210 days after the end of each Fiscal Year.

"*Disclosure Coordinator*" means the District Finance Manager of if such position is vacant, the Chief Financial Officer of the District, or other individual designated from time to time by the District Controller, as provided in the District Disclosure Policy.

"*Dissemination Agent*" means, initially, Goodwin Consulting Group, or any successor Dissemination Agent designed in writing by the District, and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*EMMA"* means the Electronic Municipal Marketplace Access site maintained by the MSRB, currently located at http://emma.msrb.org.

"Financial Obligation" means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation;

or (c) guarantee of a debt obligation or any such derivative instrument; provided that "Financial Obligation" shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other 12-month period selected and designated by the District as its official Fiscal Year period under a Certificate of the District filed with the Fiscal Agent.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the District in connection with the issuance of the Bonds.

"*Participating Underwriter*" means Morgan Stanley & Co. LLC, the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

Section 3. <u>Provision of Annual Reports</u>.

(a) The District shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing January 26, 2025, provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report for the fiscal year ending June 30, 2024, that is consistent with the requirements of Section 4 of this Disclosure Certificate; *provided* that the first Annual Report shall consist solely of the Official Statement. Not later than 15 Business Days prior to the Annual Report Date, the District shall provide the Annual Report to the Dissemination Agent (if other than the District). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the District) has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial report of the District may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the District's Fiscal Year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(c). The District shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the District hereunder.

(b) If the District does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the District shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as <u>Exhibit A</u>.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then-applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the District, file a report with the District certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

(a) The District's audited financial report prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial report is not available by the Annual Report Date, the Annual Report shall contain unaudited financial report in a format similar to the financial report contained in the final Official Statement, and the audited financial report shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial report filed on or before the Annual Report Date, financial information and operating data with respect to the District for the preceding Fiscal Year, substantially similar to that provided in the corresponding tables in the Official Statement:

(i) A maturity schedule for the outstanding Bonds, and a listing of Bonds redeemed prior to maturity;

(ii) Information for the preceding Fiscal Year to update the following tables in the Official Statement:

(A) Table 2B–Aggregate General Obligation Bonds Debt Service Schedule;

(B) Table 3–Summary of Assessed Valuation.

(C) Table 5–Secured and Unsecured Tax Receipts.

(c) Changes, if any, in the operation of the Teeter Plan of the County of Santa Clara or the County of San Mateo, and if either County discontinues the Teeter Plan, to the extent available, tax collection delinquencies for such County.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which are available to the public on EMMA or filed with the Securities and Exchange Commission. The District shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Disclosure Certificate, the District shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Bonds, no later than ten (10) Business Days after the occurrence of such event:

i. Principal and interest payment delinquencies;

ii. Non-payment related defaults, if material.

iii. Unscheduled draws on debt service reserves reflecting financial difficulties;

iv. Unscheduled draws on credit enhancements reflecting financial difficulties;

v. Substitution of credit or liquidity providers, or their failure to perform;

vi. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed (Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

vii. Modifications to rights of the Bond Holders, if material;

viii. Bond calls, if material, and tender offers;

ix. Defeasances;

x. Release, substitution, or sale of property, if any, securing repayment of the Bonds, if material;

xi. Rating changes;

xii. Bankruptcy, insolvency, receivership or similar event of the District or other Obligated Person (such event being considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or government authority has assumed jurisdiction over substantially all of the assets or business of District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District);

xiii. The consummation of a merger, consolidation, or acquisition involving the District or an Obligated Person, or the sale of all or substantially all of the assets of the District or an Obligated Person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

xiv. Appointment of a successor or additional trustee or the change of name of a trustee, if material;

xv. Incurrence of a Financial Obligation of the Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Obligated Person, any of which affect security holders, if material; and

xvi. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District or an Obligated Person, any of which reflect financial difficulties.

(b) Wherever the District obtains knowledge of the occurrence of Specified Event, the District shall, or shall cause the Dissemination Agent (if not the District) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the Specified Event.

(c) The District acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(x), (a)(xiii), (a)(xiv), and (a)(xv) of this Section 5 contain the qualifier "if material." The District shall cause a notice to be filed as set forth in this Section 5 with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the District obtains knowledge of the occurrence of any of these Specified Events, the District will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the District will cause a notice to be filed as set forth in Section 5(c).

(d) If in response to a request under Section 5(b), the District determines that the Specified Event would not be material under applicable federal securities laws, the District shall so notify the Fiscal Agent in writing and instruct the Dissemination Agent not to report the occurrence.

(e) If the Dissemination Agent has been instructed by the District to report the occurrence of a Specified Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Specified Events described in Section 5(a)(viii) and (ix) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Holders of affected Bonds pursuant to the Fiscal Agreement.

(f) For purposes of this Disclosure Agreement, any event described in Section 5(a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under State or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(g) The Dissemination Agent may conclusively rely on an opinion of counsel that the instructions of the District to the Dissemination Agent under this Section 5 comply with the requirements of the Rule.

Section 6. <u>Identifying Information for Filings with EMMA</u>. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. <u>Termination of Reporting Obligation</u>. The obligations of the District under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption, or payment in full of all of the Bonds. If such termination occurs prior to the final maturity of the Bonds, the District shall give notice of such termination in the same manner as for a Significant Event under <u>Section 5(c)</u>.

Section 8. <u>Dissemination Agent</u>. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing thirty (30) days written notice to the District.

The initial dissemination agent shall be Goodwin Consulting Group.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the District may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Bonds, or type of business conducted;

(b) The undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The proposed amendment or waiver either (i) is approved by holders of the Bonds in the manner provided in the Fiscal Agent Agreement for amendments to the Fiscal Agent Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial reports, the annual financial information for the year in which the change is made shall present a comparison between the financial reports or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the District to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(c).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the District chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the District shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the District fails to comply with any provision of this Disclosure Certificate, the Fiscal Agent may, and at the request of the Owners of at least twenty-five percent (25%) in aggregate principal amount of Outstanding Bonds whose Owners are beneficiaries of the Continuing Disclosure

Certificate, the Fiscal Agent shall (but only to the extent it is indemnified to its satisfaction, including indemnification from and against attorneys' fees), or any Owner or Beneficial Owner (as that term is defined in the Fiscal Agent Agreement) may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an "Event of Default" under the Fiscal Agent Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the District to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent. (a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the District agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorney's fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the District hereunder, and shall not be deemed to be acting in any fiduciary capacity for the District, the Bond Owners or any other party. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Bonds.

(b) The Dissemination Agent shall be paid compensation by the District for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Notices. Any notices or communications to or among any of the parties to this Disclosure Certificate may be given as follows:

To the District:	Midpeninsula Regional Open Space District 5050 El Camino Real Los Altos, CA 94022-1530 Attention: Disclosure Coordinator Telephone: 650-691-1200
To the Dissemination Agent:	Goodwin Consulting Group 655 University Avenue, Suite 200 Sacramento, CA 95825 Attention: Victor Irzyk Telephone: 916-561-0890 Email victor@goodwinconsultinggroup.net

Section 14. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the District, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 15. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: ________, 2024

MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

By ____
General Manager

AGREED AND ACCEPTED

GOODWIN CONSULTING GROUP,
as Dissemination Agent

By:________________________________
Authorized Officer

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer:	Midpeninsula Regional Open Space District
Name of Issue:	$__,000,000 Midpeninsula Regional Open Space District General Obligation Bonds (Green Bonds), Series 2024
Date of Issuance:	_______, 2024

NOTICE IS HEREBY GIVEN that the District has not provided an Annual Report with respect to the above-named Bonds as required by the Continuing Disclosure Certificate dated _______, 2024. The District anticipates that the Annual Report will be filed by _______________.

Dated: _____________

DISSEMINATION AGENT:

By: ____________________________________

Its: ____________________________________

APPENDIX F

FORM OF OPINION OF BOND COUNSEL

[Closing Date]

Midpeninsula Regional Open Space District
Los Altos, California

Midpeninsula Regional Open Space District
(Counties of Santa Clara, San Mateo and Santa Cruz, California)
General Obligation Bonds (Green Bonds), Series 2024
(Final Opinion)

Ladies and Gentlemen:

We have acted as bond counsel to the Midpeninsula Regional Open Space District (the "District") in connection with the issuance of $__________ aggregate principal amount of Midpeninsula Regional Open Space District (Counties of Santa Clara, San Mateo and Santa Cruz, California) General Obligation Bonds (Green Bonds), Series 2024 (the "Bonds"), representing a portion of the $300,000,000 of bonds authorized at an election held in the District on June 3, 2014. The Bonds are issued under and pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5 of the Public Resources Code and Article 4.5, commencing with Section 53506, of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (collectively, the "Act"), a resolution of the Board of Directors of the District, adopted on April 24, 2024 (the "Resolution"), and in accordance with the terms of a Fiscal Agent Agreement, dated as of June 1, 2024 (the "Fiscal Agent Agreement"), between the District and Zions Bancorporation, National Association, as fiscal agent (the "Fiscal Agent"). Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Fiscal Agent Agreement.

In such connection, we have reviewed the Resolution, the Fiscal Agent Agreement, the Tax Certificate, dated the date hereof (the "Tax Certificate"), opinions of counsel to the District, the Fiscal Agent and others, certificates of the District, the Fiscal Agent and others, and such other documents, opinions and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions and cover certain matters not directly addressed by such authorities. Such opinions may be affected by actions taken or omitted or events occurring after original delivery of the Bonds on the date hereof. We have not undertaken to determine, or to inform any person, whether any such actions are taken or omitted or events do occur or any other matters come to our attention after original delivery of the Bonds on the date hereof. Accordingly, this letter speaks only as of its date and is not intended to, and may not, be relied upon or otherwise used in connection with any such actions, events or matters. Our engagement with respect to the Bonds has concluded with their issuance, and we disclaim any obligation to update this letter. We have assumed the genuineness of all documents and signatures provided to us and the due and legal execution and delivery thereof by, and validity against, any parties other than the District. We have assumed, without undertaking to verify, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions, referred to in the second paragraph hereof. Furthermore, we have assumed compliance with all covenants and agreements contained in the Resolution, the Fiscal Agent Agreement and the Tax Certificate, including (without limitation) covenants and agreements compliance with which is necessary to assure that future actions, omissions or events will not cause interest on the Bonds to be included in gross income for federal income tax purposes. We call attention to the fact that the rights and obligations under the Bonds, the Resolution, the Fiscal Agent Agreement and the Tax Certificate and their enforceability may be subject to bankruptcy, insolvency, receivership, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as the District in the State of California. We express no opinion with respect to any indemnification, contribution, liquidated damages, penalty (including any remedy deemed to constitute a penalty), right of set-off, arbitration, judicial reference, choice of law, choice of forum, choice of venue, non-exclusivity of remedies, waiver or severability provisions contained in the foregoing documents, nor do we express any opinion with respect to the state or quality of title to or interest in any of the property described in or as subject to the lien of the Resolution and the Fiscal Agent Agreement or the accuracy or sufficiency of the description contained therein of, or the remedies available to enforce liens on, any such property. Our services did not include financial or other non-legal advice. Finally, we undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Bonds and express no view with respect thereto.

Based on and subject to the foregoing, and in reliance thereon, as of the date hereof, we are of the following opinions:

1. The Bonds constitute the valid and binding obligations of the District.

2. The Resolution has been duly and legally adopted and constitutes a valid and binding obligation of the District.

3. The Fiscal Agent Agreement has been duly authorized, executed and delivered by the District, and assuming due authorization, execution and delivery by the other party thereto, constitutes a valid and binding agreement of the District.

4. The Board of Directors of the District has the power and is obligated under the Act to cause the levy of *ad valorem* taxes without limitation as to rate or amount upon all property within the District subject to taxation by the District (except certain personal property which is taxable at limited rates) for the payment of the Bonds and the interest thereon.

5. Interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. Interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. We observe that interest on the Bonds included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. We express no opinion regarding other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds.

Faithfully yours,

ORRICK, HERRINGTON & SUTCLIFFE LLP

per

APPENDIX G

DTC AND THE BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the 2024 Green Bonds, payment of principal, interest and other payments on the 2024 Green Bonds to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the 2024 Green Bonds and other related transactions between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the District nor the Fiscal Agent appointed with respect to the 2024 Green Bonds takes any responsibility for the information contained in this Appendix.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the 2024 Green Bonds, (b) certificates representing ownership interest in or other confirmation or ownership interest in the 2024 Green Bonds, or (c) redemption or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the 2024 Green Bonds, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this Appendix. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2024 Green Bonds. The 2024 Green Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the 2024 Green Bonds, in the aggregate principal amount of such issue, and will be deposited with DTC.

2. DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity, corporate and municipal debt issues, and money market instrument from over 100 countries that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC, in turn, is owned by a number of Direct Participants of DTC and Members of the National Securities Clearing Corporation, Fixed Income Clearing Corporation, and Emerging Markets Clearing Corporation (NSCC, FICC, and EMCC, also subsidiaries of DTCC), as well as by the New York Stock Exchange, Inc., the American Stock Exchange LLC, and the National Association of Securities Dealers, Inc. Access to the DTC system is also available to others such as both U.S. and non- U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its

Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2024 Green Bonds on DTC's records. The ownership interest of each actual purchaser of each 2024 Green Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2024 Green Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the 2024 Green Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2024 Green Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the 2024 Green Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the 2024 Green Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners, in the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the 2024 Green Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the 2024 Green Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the 2024 Green Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal and interest payments on the 2024 Green Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC, or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Fiscal Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by

Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Fiscal Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or Fiscal Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as securities depository with respect to the 2024 Green Bonds at any time by giving reasonable notice to the District or the Fiscal Agent. Under such circumstances, in the event that a successor securities depository is not obtained, security certificates are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

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