

RESOLUTION NO. 73085

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE REPORTING TO THE AUDITOR OF THE COUNTY OF SANTA CLARA THAT THE REDEVELOPMENT AGENCY OF THE CITY OF SAN JOSE INTENDS TO FUND THE EDUCATIONAL REVENUE AUGMENTATION FUND PAYMENT IN THE AMOUNT OF \$14,500,614 WITH FUNDS BORROWED FROM THE CRA/ERAF LOAN PROGRAM

WHEREAS, Health and Safety Code Section 33681 (the "Law") requires that during the 2005-2006 fiscal year each redevelopment agency in the State must allocate, prior to May 10, 2006 an amount of money as determined by the State Director of Finance, to the County Auditor for deposit in the county-wide Education Revenue Augmentation Fund ("ERAF"); and

WHEREAS, the State Director of Finance has notified the Redevelopment Agency of the City of San Jose ("Agency") that the Agency must allocate \$14,500,614 to the ERAF; and

WHEREAS, the Law also requires the City Council to report to the County Auditor as to how the Agency intends to fund the ERAF; and

WHEREAS, the Agency has determined that it intends to make the payment to the ERAF with funds borrowed from the California Redevelopment Association ERAF Loan Program; and

WHEREAS, while the Agency currently intends to make this payment, any such actual payment will be made under protest to preserve the ability of the Agency and the City to legally contest the Law.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of San Jose that:

1. The Redevelopment Agency of the City of San Jose has determined that it intends to allocate to the County Auditor for deposit into the ERAF by May 10, 2006 the amount of \$14,500,614 from funds borrowed from the California Redevelopment Association ERAF Loan Program.
2. The actual payment of this amount will be made under protest to preserve the ability of the Agency and the City to legally contest the Law.
3. This resolution is intended to be the report of the City Council pursuant to the Law.

ADOPTED this 28th day of February, 2006, by the following vote:

AYES: CAMPOS, CHAVEZ, CHIRCO, NGUYEN, PYLE,
REED, WILLIAMS, YEAGER; GONZALES

NOES: NONE

ABSENT: CORTESE, LeZOTTE

DISQUALIFIED: NONE

RON GONZALES
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk