

RESOLUTION NO. 73864

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A LOAN FROM THE CONSTRUCTION TAX AND PROPERTY CONVEYANCE TAX FUND: PARKS PURPOSES COUNCIL DISTRICT #5 TO THE NEIGHBORHOOD SECURITY BOND FUND TO PROVIDE FUNDING FOR THE FIRE STATION #2 PROJECT

WHEREAS, on June 12, 2007, during discussions of the June Budget Message for Fiscal Year 2007-2008, the City Council of the City of San José ("City") approved a loan during 2007-2008 from the Construction Tax and Property Tax Fund: Parks Purposes Council District #5 to the Neighborhood Security Bond Fund; and

WHEREAS, the approved loan is in the amount of \$2,322,000, and is to be used to provide funding for the City's Fire Station #2 project; and

WHEREAS, the City desires to formalize and set forth the terms of the loan;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

A loan from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #5 to the Neighborhood Security Bond Fund in the amount of \$2,322,000 is hereby approved, subject to the following conditions:

1. The loan will have a one year term, from July 1, 2007 through July 1, 2008.
2. The loan will be repaid from the City's General Fund.
3. Transfer of the loan proceeds from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #5 to the Neighborhood

Security Bond Fund will occur if and when such funds are required for the award of the construction contract for Fire Station #2.

4. Interest on the loan will be based on the rate earned for the City's investment program. Interest on the loan will commence to accrue upon transfer of the loan proceeds from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #5 to the Neighborhood Security Bond Fund.

ADOPTED this 19th day of June, 2007, by the following vote:

AYES:	CAMPOS, CHIRCO, CHU, CONSTANT, CORTESE, LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS; REED
NOES:	NONE
ABSENT:	NONE
DISQUALIFIED:	NONE

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk