

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE DECLARING THE OFFICIAL INTENT OF THE CITY TO REIMBURSE CERTAIN EXPENDITURES FOR THE INTERIM FACILITY – FOUR GATES PROJECT FROM THE PROCEEDS OF THE CITY OF SAN JOSE, NORMAN Y. MINETA SAN JOSE INTERNATIONAL AIRPORT, SUBORDINATE COMMERCIAL PAPER NOTES

WHEREAS, on this date, the City Council (the “Council”) of the City of San José (the “City”) has authorized the City Manager to negotiate, award and execute a design-build contract for the Terminal B Interim Facility – Four Gates Project (the “Project”) at the Norman Y. Mineta San José International Airport; and

WHEREAS, the cost of the Project is anticipated to be funded with the proceeds of tax exempt debt through the City’s issuance of the City of San José, Norman Y. Mineta San José International Airport, Subordinate Commercial Paper Notes (the “Notes”); and

WHEREAS, the maximum amount of Notes expected to be issued to finance the Project is \$58 million; and

WHEREAS, the City expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project prior to the issuance of the Notes; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the City to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of subsequent borrowings; and

WHEREAS, pursuant to the Treasury Regulations, the Council must adopt a resolution or take some other official action toward the issuance of the debt obligations prior to the

commencement of the construction, reconstruction or acquisition of the facilities in order for such facilities to constitute exempt facilities within the meaning of the Internal Revenue Code of 1986;

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

SECTION 1. Declaration of Official Intent. The City hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures. This declaration of official intent and the approval of the plan of financing are made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations and do not bind the City to make any expenditure, incur any indebtedness or proceed with the Project or any portion thereof. This declaration shall take effect from and after the adoption of this Resolution.

SECTION 2. Effective Date of Resolution. This Resolution shall take effect from and after its adoption.

RD:DMK:CER
6/8/2018

ADOPTED this ____ day of ____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk