

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING AND AUTHORIZING THE ISSUANCE BY THE CITY OF SAN JOSE FINANCING AUTHORITY OF LEASE REVENUE COMMERCIAL PAPER NOTES IN THE AMOUNT NOT TO EXCEED \$13,500,000 TO FINANCE THE PURCHASE OF REAL PROPERTY LOCATED AT 447 S. ALMADEN BOULEVARD IN THE CITY OF SAN JOSE, AND AUTHORIZING OTHER RELATED ACTIONS

WHEREAS, the City of San José (the “City”) and the former Redevelopment Agency of the City of San José (the “Former Agency”) have heretofore entered into a Joint Exercise of Powers Agreement establishing the City of San José Financing Authority (the “Authority”) for the purpose, among others, of having the Authority issue its instruments of debt to finance the acquisition, construction and improvement of certain public capital improvements; and

WHEREAS, the Former Agency, as of February 1, 2012, has been dissolved and the City has become the successor agency of the Former Agency pursuant to Part 1.85 of Division 24 of the California Health and Safety Code and pursuant California Health and Safety Code Section 34178(b)(3), the joint exercise of powers agreement establishing the Authority remains in effect; and

WHEREAS, the Authority has heretofore determined to adopt and implement a commercial paper program under which the Authority provides financing for certain public capital improvements for the City and other items; and

WHEREAS, pursuant to said program, the Authority has issued from time to time its Tax-Exempt Lease Revenue Commercial Paper Notes, Series 1 (“Series 1 Notes”), Taxable Lease Revenue Commercial Paper Notes, Series 1-T (“Series 1-T Notes”), Tax-Exempt Lease Revenue Commercial Paper Notes, Series 2 (“Series 2 Notes”), and Taxable Lease Revenue Commercial Paper Notes, Series 2-T (“Series 2-T Notes”; each a “Series of Notes” and, collectively, the “Commercial Paper Notes”) pursuant to an Amended and Restated Trust Agreement, dated as of June 1, 2005, by and between the Authority and Computershare Trust Company, National Association, as successor trustee (as amended and supplemented from time to time, the “Trust Agreement”), a Third Amended and Restated Issuing and Paying Agent Agreement dated as of May 1, 2025, between the Authority and Computershare Trust Company, National Association, as issuing and paying agent (as amended and supplemented from time to time, the “Paying Agent Agreement”), and the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code; and

WHEREAS, pursuant to a Site Lease, dated as of January 1, 2004, between the City and the Authority, as amended from time to time, the City leases certain real property owned by the City, including the buildings and improvements thereon (such property as more particularly described in such Site Lease, the “Leased Property”), to the Authority; and

WHEREAS, pursuant to a Sublease, dated as of January 1, 2004, between the Authority, as sublessor, and the City, as sublessee (as amended and supplemented from time to time, the “Sublease”), the Authority subleases the Leased Property back to the City; and

WHEREAS, pursuant to the Sublease, the City makes payments of base rental (the “Base Rental”) to the Authority for use and occupancy of the Leased Property, which Base Rental is used to reimburse the letter of credit provider(s) for moneys drawn on letters of credit issued from time to time to pay the principal and interest on the Commercial Paper Notes; and

WHEREAS, a condition precedent to the issuance of each Series of Notes under the Trust Agreement is the delivery of said letter of credit; and

WHEREAS, as of the date hereof, the Series 1 Notes and Series 1-T Notes are supported by a direct-pay letter of credit issued by TD Bank, N.A., and no such letter of credit supports the Series 2 Notes and Series 2-T Notes; and

WHEREAS, the City desires to purchase the real property located at 447 S. Almaden Boulevard in the City of San José (the “Property”) and, to that end, has requested that the Authority issue Commercial Paper Notes in an amount not to exceed \$13,500,000; and

WHEREAS, the Council has held a duly noticed public hearing in accordance with Section 6586.5 of the California Government Code, and has considered whether the purchase of the Property with proceeds of Commercial Paper Notes will result in significant public benefits; and

WHEREAS, the Council has duly considered the foregoing matters and wishes at this time to approve said matters in the public interests of the City;

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

SECTION 1. The Council has duly noticed and held a public hearing with respect to the approval by the Council of the financing to be undertaken by the Authority for the City pursuant to the issuance and delivery of Commercial Paper Notes to provide funding for

the purchase of the Property, and with respect to the significant public benefit to the City of such financing in accordance with the criteria specified in Section 6586 of the California Government Code. Based on the information provided to the Council, the Council approves the purchase of the Property with proceeds of Commercial Paper Notes, and the Council further determines that there will be significant public benefits accruing from such financing within the meaning of said Section 6586, consisting of, among other things, reduced financing costs.

SECTION 2. The Council hereby approves and authorizes (i) the issuance by the Authority of Commercial Paper Notes, in one or more Series of Notes, and in an amount not to exceed \$13,500,000 pursuant to, and in accordance with, the Trust Agreement and the Paying Agent Agreement, and (ii) the use of the proceeds of such notes by the City to purchase the Property.

SECTION 3. The City Manager, the Director of Finance, the City Clerk and their authorized designees (collectively, the "Designated Officers") are each hereby authorized, acting alone, for and in the name of and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all documents, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Commercial Paper Notes and the consummation of the transactions as described herein. Further, the Designated Officers, each acting alone, are hereby authorized to execute tax certificates and any and all other necessary certificates or forms to ensure the continued tax-exempt status of the Commercial Paper Notes, as applicable.

SECTION 4. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any remaining provisions hereof.

SECTION 5. This Resolution shall take effect from and after the date of its passage and adoption.

ADOPTED this ____ day of _____ 2025, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk