

CITY OF ALAMEDA
PROMISSORY NOTE

(City of Alameda Sewer Services Fund to
City of Alameda Capital Improvement Projects Fund)

Original Balance: \$1,500,000

October 21, 2025

FOR VALUE RECEIVED, the undersigned, City of Alameda Capital Improvements Projects Fund (the "Borrower") hereby promises to pay to the order of the City of Alameda Sewer Services Fund (the "Holder"), the principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000), as set forth herein, plus interest thereon pursuant to Section 2 below.

1) Borrower's Obligation: This promissory note (the "Note") evidences the Borrower's obligation to pay the Holder the total principal amount of One Million Five Hundred Thousand Dollars (\$1,500,000). The Borrower shall use the proceeds of the loan provided to construct Estuary Park – Phase II. Repayment of this note will be paid by Park Fund - Development Impact Fees (Park DIF). All available Park DIF revenues collected are pledged as security for the repayment of this loan.

2) Interest: The principal balance of this Note shall bear simple interest at a simple annual rate of 4% in a fiscal year.

3) Term and Repayment Requirements: The term of this Note (the "Term") shall commence on December 15, 2025 and shall expire on June 30, 2034. Commencing on June 30, 2026 and on each June 30 thereafter throughout the Term, the Borrower shall make an annual payment to the Holder in the amount of One Hundred Fifty Thousand dollars (\$150,000), plus interest, until the Note is paid in full. Upon expiration of the Term, all remaining amounts, if any, due under this Note shall be immediately due and payable. Notwithstanding the foregoing, the Borrower shall have the right to prepay all, or a portion of, the principal and interest due under this Note without any charge or penalty being made therefor.

4) Terms of Payment: All payments due under this Note shall be paid in currency of the United States of America, which at the time of payment is lawful for the payment of public and private debts.

5) Miscellaneous Provisions: This Note may not be changed orally, but only by an agreement in writing signed by the party against whom enforcement of any waiver, change, modification or discharge is sought with an approval action by the City Manager or Finance Director.

The Borrower has the right to defer annual payment to Holder up to one year from June 30 if Park DIF does not have sufficient fund balance to cover annual payment. Past

one year, the Holder is entitled to that annual payment, even if Borrower needs to make arrangements with other City of Alameda funds (i.e. advance from City of Alameda General Fund).

This Note shall be governed by and construed in accordance with the laws of the State of California.

If any provision of this Note is deemed unenforceable, the validity, legality and enforcement of the remaining provisions in this Note is not in any way affected or impaired hereby.

IN WITNESS, WHEREOF, the undersigned has executed this Promissory Note as of the

BORROWER:

By: _____
Jennifer Ott, City Manager
City of Alameda
Capital Improvement Project Fund

HOLDER:

By: _____
Jennifer Ott, City Manager
City of Alameda
Sewer Services Fund

APPROVED AS TO FORM

Yibin Shen, City Attorney
City of Alameda