

CITY OF ALAMEDA
PROMISSORY NOTE

(City of Alameda Development Impact Fee Transportation Fund to
City of Alameda Development Impact Fee Parks Fund)

\$900,000

June 20, 2017

FOR VALUE RECEIVED, the undersigned, City of Alameda Development Impact Fee Parks Fund (the "Borrower") hereby promises to pay to the order of the City of Alameda Development Impact Fee Transportation Fund, (the "Holder"), the principal amount equal to Nine Hundred Thousand Dollars (\$900,000), 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 principal amount of to Nine Hundred Thousand Dollars (\$900,000). The Borrower shall use the proceeds of the loan provided by the Holder to construct Cross Alameda Trail through Jean Sweeney Open Space Park. Available Funds from the City's Development Impact Fee Parks Fund 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 equivalent to Local Agency Investment Fund (LAIF) rate in effect at the time.

3. Term and Repayment Requirements. The term of this Note (the "Term"), shall commence on July 1, 2017 and shall expire on June 30, 2022. Commencing on June 30, 2018 and on each June 30 thereafter throughout the Term, the Borrower shall make an annual payment to the Holder in the amount One Hundred Eighty Thousand dollars (\$180,000) plus the accrued interest due under this Note. Upon the 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.

The Cross Alameda Trail through Jean Sweeney Park expenditures are eligible to be funded by DIF Transportation Fund. If the DIF Transportation Fund funding is not needed for the Cross Alameda Trail project along Ralph Appezzato Memorial Parkway from Webster Street to Main Street (CAT RAMP), in part or in full, then City Manager or Finance Director may forgive this Note in part or in full.

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.

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

(b) 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: _____

Jill Keimach, City Manager
City of Alameda
Development Impact Fee Parks Fund

HOLDER:

By: _____

Jill Keimach, City Manager
City of Alameda
Development Impact Fee Transportation Fund

APPROVED AS TO FORM:

Janet C. Kern, City Attorney
City of Alameda