

CITY OF ALAMEDA
PROMISSORY NOTE

(City of Alameda General Fund and FISC Lease Revenue Fund to
City of Alameda Development Impact Fee Parks Fund)

\$1,400,000

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 General Fund (the "Holder 1"), the principal amount not to exceed Seven Hundred Thousand Dollars (\$700,000) and FISC Lease Revenue Fund, (the "Holder 2"), the principal amount not to exceed Seven Hundred Thousand Dollars (\$700,000), 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 1 and Holder 2 the total principal amount of One Million Four Hundred Thousand Dollars (\$1,400,000). The Borrower shall use the proceeds of the loans provided by the Holders to construct Estuary Park. Available Funds from the City's Development Impact Fee Parks Fund are pledged as security for the repayment of these loans.

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, 2016 and shall expire on June 30, 2020. Commencing on June 30, 2018 and on each June 30 thereafter throughout the Term, the Borrower shall make an annual payment to each Holder in the amount Two Hundred Thirty Three Thousand Three Hundred Thirty Four dollars and (\$233,334) 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.

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 1:

By: _____

Jill Keimach, City Manager
City of Alameda
General Fund

HOLDER 2:

By: _____

Jill Keimach, City Manager
City of Alameda
FISC Lease Revenue Fund

APPROVED AS TO FORM:

Janet C. Kern, City Attorney
City of Alameda