

RESOLUTION NO. 2023-XX

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
GILROY TO REIMBURSE EXPENDITURE FOR COSTS
INCURRED IN CONNECTION THE GILROY ICE CENTER
PROJECT**

WHEREAS, the City of Gilroy (the “City”) has entered into that certain Exclusive Negotiating Rights Agreement, as amended from time to time, with Sharks Sports & Entertainment LLC (“Sharks”), pursuant to which the City selected the Sharks to negotiate exclusively the terms for the operation of an indoor entertainment and sports complex on a portion of the Gilroy Ice Center Project (the “Project”); and

WHEREAS, the City intends to finance or cause to be financed all or a portion of the costs of the Project with the proceeds of the sale of obligations (the “Obligations”); and

WHEREAS, prior to the issuance of the Obligations, the City desires to incur certain expenditures with respect to the Project from available monies of the City, which expenditures are desired to be reimbursed by the City from the proceeds of the sale of the Obligations.

NOW, THEREFORE, THE CITY OF GILROY DOES HEREBY RESOLVE, ORDER, AND DETERMINE AS FOLLOWS:

SECTION 1. The City hereby states its intention and reasonably expects to reimburse, with proceeds of the Obligations, Project costs incurred prior to the issuance of the Obligations.

SECTION 2. The reasonably expected maximum principal amount of the Obligations is \$50,000,000.

SECTION 3. This declaration of intent does not bind the City to make any expenditure, incur any indebtedness, or proceed with the Project.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Gilroy at a regular meeting duly held on the 21st day of August 2023 by the following roll call vote:

AYES: **COUNCIL MEMBERS:**
NOES: **COUNCIL MEMBERS:**
ABSTAIN: **COUNCIL MEMBERS:**
ABSENT: **COUNCIL MEMBERS:**

APPROVED:

Marie Blankley, Mayor

ATTEST:

Thai Nam Pham, City Clerk