

282415

RESOLUTION NUMBER R-\_\_\_\_\_

ADOPTED ON JUL 27 1993

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AMENDING THE BASIS FOR INTEREST CHARGES ON FUNDS LOANED BY THE CITY OF SAN DIEGO TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO.

WHEREAS, The City of San Diego has loaned funds to the Redevelopment Agency to assist new redevelopment projects to carry out development activities which will generate future tax increment revenues; and

WHEREAS, the current basis approved by the City Council for computing the interest rate on loans to the Redevelopment Agency is set at the maximum allowed by law; and

WHEREAS, the maximum rate allowed by law has been 12% since Fiscal Year 1983, and no longer accurately reflects the general level of interest rates in financial markets; NOW, THEREFORE,

BE IT RESOLVED, by the Council of The City of San Diego, as follows:

1. That effective July 1, 1993, the basis for computation of interest on loans of funds made by the City to the Redevelopment Agency be changed to the Prime Interest Rate ("Prime Rate") plus 2%, up to the maximum rate allowed by law.

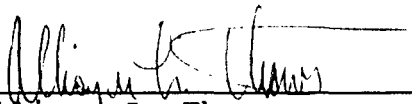
2. That the Prime Rate + 2% shall be updated annually, based on the Prime Rate as printed in the Wall Street Journal on the first Monday following January 1 of the calendar year in which the fiscal year begins.

3. That the Prime Rate plus 2%, as set forth in Paragraphs 1 and 2 above, shall apply to all outstanding City loans to the Redevelopment Agency, but shall not apply retroactively prior to July 1, 1993.

4. That the Prime Rate plus 2% shall be computed at simple interest on the outstanding principal loan balance only.

5. That the above-recited Prime Rate plus 2% shall not apply to any other outstanding debt obligations of the Redevelopment Agency, unless such rate is specifically provided for in existing or future agreements.

APPROVED: JOHN W. WITT, City Attorney

By   
Allisyn L. Thomas  
Deputy City Attorney

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Or.Dept:Mgr./Red.Prog.  
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Passed and adopted by the Council of The City of San Diego on JUL 27 1993  
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
George Stevens	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Valerie Stallings	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Juan Vargas	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Susan Golding	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

SUSAN GOLDING  
Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR  
City Clerk of The City of San Diego, California.

By Linda Ryan, Deputy.

Office of the City Clerk, San Diego, California

Resolution R. 282415 Adopted JUL 27 1993  
 Number ..... Adopted .....

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SAN DIEGO, CA