

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AUTHORIZING THE INTERFUND LOAN FROM THE GENERAL FUND TO THE LIBRARY
FUND IN THE AMOUNT OF \$856,000**

WHEREAS, the Capitola Branch Library Construction Project was completed in June 2021 at a total cost of approximately \$15 million; and

WHEREAS, The project was funded by multiple funding sources including \$10.3 million from Measure S, \$2.7 million from the Capitola Successor Agency, \$600,000 from donations, \$510,000 from the County Library, \$856,000 from the general fund, as well as \$130,000 of investment earnings; and

WHEREAS, the City is scheduled to receive approximately \$3.5 million of additional Measure S revenues over the next twenty-one years in annual installments of \$165,000 which are restricted for use at the Capitola Branch Library, and;

WHEREAS, the general fund contributed \$856,000 to the project which can now be reimbursed with the additional Measure S parcel tax revenues Capitola is scheduled to receive, and;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola that the loan between the General Fund and the Library Fund in the amount of \$856,000 at 4.25% interest for the construction of the Capitola Branch Library be formalized and that loan may be repaid with Measure S parcel tax revenues; and

BE IT FURTHER RESOLVED that the Finance Director is directed to enter the budget into the City's accounting records in accordance with appropriate accounting practices, and the City Manager, with the Finance Director's assistance, shall assure compliance therewith.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 12th day of June 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Joe Clark, Mayor

ATTEST:

Julia Gautho, City Clerk