

EXHIBIT B TAX RATE STATEMENT

An election will be held in the City of San José (the "City") on November 6, 2018, to authorize the sale of up to \$450 million in general obligation bonds of the City to finance the projects identified in the measure. If the bonds are authorized, the City expects to sell the bonds in several series. Principal and interest on the bonds will be payable from the proceeds of tax levies made upon the taxable property in the City. The following information is provided in compliance with sections 9400-9404 of the California Elections Code.

1. The best estimate from official sources of the average annual tax rate that would be required to be levied to fund the bonds issued over the entire duration of the bond debt service, based on assessed valuations available at the time of the election or a projection based on experience within the same jurisdiction or other demonstrable factors is .82 cents per \$100 (\$8.15 per \$100,000) of assessed valuation of all property to be taxed. The best estimate of the final fiscal year in which the tax is anticipated to be collected is fiscal year 2056-57.
2. The best estimate from official sources of the highest tax rate that would be required to be levied to fund the bonds issued, and an estimate of the year in which that rate will apply, based on assessed valuations available at the time of the election or projection based on experience within the same jurisdiction or other demonstrable factors is 1.43 cents per \$100 (\$14.29 per \$100,000) of assessed valuation of all property to be taxed. The best estimate of the year in which the highest tax rate will apply is anticipated to be fiscal year 2027-28.
3. The best estimate from official sources of the total debt service, including the principal and interest, that would be required to be repaid if all the bonds are issued and sold is approximately \$0.996 billion.

Voters should note that estimated tax rate is based on the ASSESSED VALUE of taxable property on Santa Clara County's official tax rolls, not on the property's market value. Property owners should consult their own property tax bills to determine their property's assessed value and any applicable tax exemptions.

Attention of all voters is directed to the fact that the foregoing information is based upon the City's projections and estimates only, which are not binding upon the City. The actual tax rates and the years in which they will apply may vary from those presently estimated, due to variations from these estimates in the timing of bond sales, the amount of bonds sold and market interest rates at the time of each sale, and actual assessed valuations over the term of repayment of the bonds. The dates of sale and the amount of bonds sold at any given time will be

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determined by the City based on the need for construction funds and other factors. The actual interest rates at which the bonds will be sold will depend on the bond market at the time of each sale. Actual future assessed valuation will depend upon the amount and value of taxable property within the City as determined by the Santa Clara County Assessor in the annual assessment and the equalization process.

Dated: August 10, 2018

APPROVED BY THE SAN JOSE CITY
COUNCIL

The foregoing instrument is
a correct copy of the original
on file in this office.

Attest:

TONI J. TABER

City Clerk

City Clerk of the City of San Jose
County of Santa Clara, State of California

By _____, Deputy

