

RESOLUTION NO. 2009-003

Adopted by the Sacramento City Financing Authority

October 20, 2009

DECLARATION OF OFFICIAL INTENT TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF COMMUNITY CENTER THEATER RENOVATION BONDS

BACKGROUND

- A. The City of Sacramento (the "City") has determined to design, construct, and acquire the following public facilities, all of which relate to the City's renovation of its Community Center Theater (the "Project"):
- (1) Infrastructure needs such as electrical, heating, air, sound, and life-safety systems; accessibility needs; additional restrooms; enhanced concessions and lobby space; and expanded and updated back-of-house areas, rehearsal space, and loading dock.
 - (2) Other public infrastructure needed to serve the renovated Community Center Theater, including but not limited to water, sewer, and drainage facilities.
 - (3) Public amenities, including but not limited to parks, open space, pedestrian enhancements, and art.
 - (4) Engineering-and-design work for these facilities.
- B. To finance, on a long-term basis, the costs associated with the Project, the Sacramento City Financing Authority (the "Authority") expects to issue bonds (the "Bonds"). Depending on the circumstances, the interest on the Bonds may or may not be exempt from income taxation under the United States Internal Revenue Code. The maximum principal amount of the Bonds is not expected to exceed \$80,000,000.
- C. The City expects to pay certain expenditures in connection with the Project before the Bonds are issued (the "Original Expenditures"), and the Authority expects to use a portion of the proceeds of the Bonds to reimburse the City for the Original Expenditures.
- D. Section 1.150-2 of the United States Treasury Regulations ("Section 1.150-2") requires the Authority to declare its reasonable "official intent" to reimburse the City with proceeds of the Bonds (i.e., the "proceeds of an obligation") for Project expenditures the City expects to pay before the Bonds are issued.
- E. The Board of Directors is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE BOARD OF DIRECTORS OF THE SACRAMENTO CITY FINANCING AUTHORITY RESOLVES AS FOLLOWS:

Section 1. The Board of Directors finds that the statements in the Background are true.

Section 2. The Authority hereby declares its official intent to use proceeds of an obligation, i.e., proceeds of the Bonds, to reimburse the City for the Original Expenditures.

Section 3. This resolution is adopted solely for purposes of establishing compliance with the requirements of Section 1.150-2. It does not bind either the City or the Authority to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 4. This resolution takes effect when adopted.

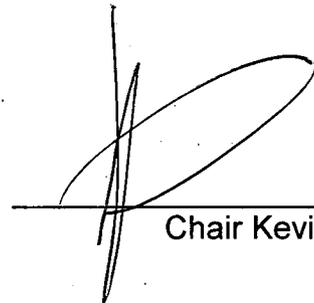
Adopted by the City of Sacramento City Council on October 20, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Chair Kevin Johnson

Attest:


Shirley Concolino, Secretary