

## RESOLUTION NO. 2011-092

Adopted by the Sacramento City Council

February 22, 2011

### AUTHORIZING THE EXECUTION AND DELIVERY OF AMENDMENTS TO MASTER LEASES WITH THE SACRAMENTO CITY FINANCING AUTHORITY, AND APPROVING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

#### BACKGROUND:

- A. The City and the Sacramento City Financing Authority (the "Authority") have previously entered into a Master Site Lease and a Master Project Lease, both dated as of December 1, 1999 (together, the "Leases"). Under the Master Site Lease, the City leased certain real property to the Authority, and under the Master Project Lease the Authority leased the property back to the City (together with improvements thereon). The City and the Authority subsequently amended the Leases to provide bond financing for the 1999 Project, the 2000 Project, the 2001 Project, the 2002A Project, the 2003 Project, and the 2006 Project as defined in the Master Project Lease.
- B. The City has entered into several real-estate transactions in which two properties currently subject to the Leases have been or will be transferred, whether by fee or lease, to private parties. Once transferred, the properties will no longer meet the requirements of the Leases. Accordingly, the City has determined it is necessary to remove from the Leases the properties described in Paragraph C below and further described in Exhibits A and B to this resolution in order to comply with bond agreements and provide clear title on those properties.
- C. The following properties are to be removed: approximately 12.914 acres at Granite Regional Park, which were approved for transfer under the Granite Regional Park Development Agreement (Ordinance No. 2000-042); and approximately 21 acres adjacent to the Haggin Oaks Golf Course, of which ±9.15 acres are currently leased to Rapton Investment Group LLC, ±5.119 acres are approved for sale to Chrysler Group Realty Company LLC, and ±0.14 acres are currently leased to Clear Channel Outdoor, Inc.
- D. To remove the two properties from the Leases, the City proposes to enter into a Seventh Amendment to Master Site Lease and a related Eighth Amendment to Master Project Lease with the Authority, as further described in Exhibits A and B to this resolution and the staff report presented to the City Council during its meeting on February 22, 2011.
- E. Under the Eighth Amendment to Master Project Lease, the City will remain obligated to make base-rental payments to the Authority for the lease of properties not removed from the Leases (together with the improvements thereon).

- F. The Authority will assign, without recourse, all of its rights to receive the base-rental payments from the City under the Eighth Amendment to Master Project Lease to the Trustee, for the benefit of the registered owners of the bonds.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL OF THE CITY OF SACRAMENTO RESOLVES AS FOLLOWS:**

- Section 1. The statements in paragraphs A through F of the Background are true.
- Section 2. The City Council hereby approves the Seventh Amendment to Master Site Lease and the Eighth Amendment to Master Project Lease. The City Treasurer or his designee is hereby authorized and directed to execute the Seventh Amendment to Master Site Lease and the Eighth Amendment to Master Project Lease on the City's behalf, and the City Clerk is hereby authorized and directed to attest the execution and to affix the seal of the City thereto and to deliver the Seventh Amendment to Master Site Lease and the Eighth Amendment to Master Project Lease to the Authority. As executed and delivered, the Seventh Amendment to Master Site Lease and the Eighth Amendment to Master Project Lease must be in the forms attached to this resolution as Exhibits A and B, with the additions thereto or changes therein as the City Treasurer may require or approve, with approval to be conclusively evidenced by the execution and delivery thereof.
- Section 3. The officers of the City are hereby each authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including, without limitation, a certificate and any documents as may be required or which they may consider necessary or advisable to carry out, give effect to, and comply with this resolution, the Seventh Amendment to Master Site Lease, and the Eighth Amendment to Master Project Lease. Any actions heretofore taken by the officers in accordance with the intent of this resolution are hereby ratified, confirmed, and approved.

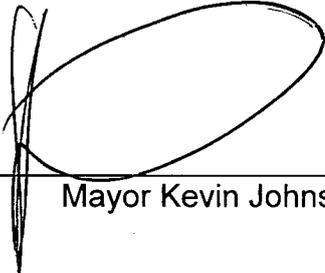
Adopted by the City of Sacramento City Council on February 22, 2011 by the following vote:

Ayes: Councilmembers Ashby, Cohn, D Fong, R Fong, McCarty, Pannell, Schenirer, Sheedy, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



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Mayor Kevin Johnson

Attest:

  
Shirley Conclino, City Clerk