

## RESOLUTION NO. 2011-306

Adopted by the Sacramento City Council

May 24, 2011

**APPROVING THE PROPOSED FINANCING OF FLOOD CONTROL PROJECTS BY THE SACRAMENTO AREA FLOOD CONTROL AGENCY'S ISSUANCE OF ITS BOND ANTICIPATION NOTES, SERIES 2011; DETERMINING THAT THERE ARE SIGNIFICANT PUBLIC BENEFITS TO THE CITIZENS OF THE CITY FROM THE PROPOSED FINANCING; AND APPROVING THE CITY'S PURCHASE OF SUCH BOND ANTICIPATION NOTES**

### BACKGROUND:

- A. The City Council (the "City Council") of the City of Sacramento (the "City") took action to call a public hearing on Tuesday, May 24, 2011, at 6:00 p.m., at its regular meeting place, City Council Chambers, Sacramento City Hall, 915 I Street, Sacramento, California, to consider (1) the proposed financing of flood-control projects to be located within the City (the "Project") by the issuance and sale by the Sacramento Area Flood Control Agency (the "Agency") of its Bond Anticipation Notes, Series 2011, in a principal amount of not to exceed \$6,200,000 (the "Notes"); and (2) whether, in accordance with Section 6586 of the California Government Code, there are any significant public benefits to the citizens of the City from such proposed financing, including demonstrable savings in effective interest rate, bond preparation, bond underwriting, or bond issuance costs; significant reductions in effective user charges levied by the Agency; employment benefits from undertaking the project in a timely fashion; and more efficient delivery of Agency services to residential and commercial development.
- B. A notice of the public hearing identifying the Project was duly published as required by law in *The Daily Recorder*, a newspaper of general circulation in the City, at least five days before the date hereof, and a copy of the proof of publication of the notice of public hearing is on file in the office of the City Clerk.
- C. The public hearing was duly convened by the City Council at the time and place set forth in the notice of public hearing, and the City Council heard all interested persons desiring to address the City Council on the foregoing matters at the public hearing.
- D. Evidence of the public benefits to the citizens of the City from the proposed financing was provided by the Agency.
- E. The City has considered the information provided by the Agency and is fully advised in the premises.
- F. A term sheet specifying the basic terms of the Notes (the "Term Sheet") is on file with the Office of the City Clerk and was presented to the City Council at this meeting.

- G. On the terms and conditions specified in the Term Sheet and/or upon such other and/or additional terms and conditions as are consistent with City's Investment Policy governing the investment of the City's treasury pools as the City Treasurer may determine, the City Treasurer desires to purchase the Notes as an investment consistent with the City's Investment Policy governing the investment of the City's treasury pools.

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

- Section 1. The City Council finds and determines that the statements in paragraphs A through G of the Background are true.
- Section 2. In accordance with section 6586.5 of the California Government Code, the City Council hereby approves the proposed financing of the Project by the issuance by the Agency of its Notes and hereby determines, in accordance with section 6586 of the California Government Code, that there are significant public benefits to the citizens of the City from the proposed financing, including demonstrable savings in effective interest rate, bond preparation, bond underwriting, or bond issuance costs; significant reductions in effective user charges levied by the Agency; employment benefits from undertaking the Project in a timely fashion; and more efficient delivery of Agency services to residential and commercial development.
- Section 3. On the terms and conditions specified in the Term Sheet and/or upon such other and/or additional terms and conditions as are consistent with the City's Investment Policy governing the investment of the City's treasury pools as the City Treasurer may determine, such determination to be conclusively evidenced by the purchase of the Notes, the City Council hereby approves of the purchase of the Notes by the City Treasurer as an investment of the City's treasury pools. The approval set forth in this Section 3 is conditioned upon final approval of the issuance and sale of the Notes by the Board of Directors of the Agency.
- Section 4. The City Treasurer and the other officers of the City or their respective designees are hereby authorized and directed to do any and all things and to execute, deliver and perform any and all agreements and documents that such officers or their respective designees deem necessary or advisable to consummate the purchase of the Notes, and to effect the purposes of this Resolution and the transactions contemplated herein, including, without limitation, the negotiation, implementation and execution and delivery of any and all terms, conditions and documents necessary to provide for the repayment of the Notes if the principal of and interest on the Notes are not paid when due.

Adopted by the City of Sacramento City Council on May 24, 2011 by the following vote:

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

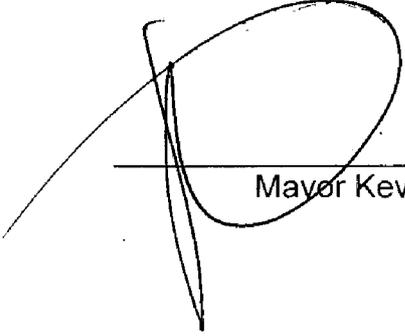
Noes: None.

Abstain: None.

Absent: None.

Attest:

  
Shirley Concolino, City Clerk

  
Mayor Kevin Johnson