

RESOLUTION NO. 2012-003

Adopted by the Sacramento City Council

December 11, 2012

Adopted by the Sacramento City Financing Authority

AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF SACRAMENTO CITY FINANCING AUTHORITY 2013 SPECIAL TAX REFUNDING REVENUE BONDS (WESTLAKE AND REGENCY PARK) , SERIES A IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$29,000,000; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT, LOCAL OBLIGATION PURCHASE CONTRACTS, AND A BOND PURCHASE CONTRACT IN CONNECTION WITH THE BONDS; APPROVING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT FOR THE BONDS; AUTHORIZING THE EXECUTION, DELIVERY, AND DISTRIBUTION OF A FINAL OFFICIAL STATEMENT FOR THE BONDS; AND APPROVING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE BONDS

BACKGROUND:

- A. The Sacramento City Financing Authority is a joint-exercise-of-powers agency duly organized and existing under California law (the "**Authority**").
- B. The City of Sacramento is a municipal corporation organized and existing under California law (the "**City**").
- C. At an election held in the City of Sacramento North Natomas Westlake Community Facilities District No. 2000-01 (the "**Westlake CFD**") on October 31, 2000, the qualified electors in the Westlake CFD duly authorized the issuance of \$15,000,000 principal amount of special tax bonds under the Mello Roos Community Facilities Act of 1982, as amended, and all laws amendatory thereof or supplemental thereto (the "**Act**") for the purpose of financing the acquisition and construction of certain public facilities.
- D. At such election, the qualified electors in the Westlake CFD also authorized the levy and collection of a special tax under the Act to be used for the purpose of paying the interest on, principal of, and redemption premiums (if any) on such bonds.
- E. On April 26, 2001, the City issued the City of Sacramento North Natomas Westlake Community Facilities District No. 2000-01 Special Tax Bonds in the principal amount of \$11,890,000 (the "**Prior Westlake CFD Bonds**").
- F. At an election held in the City of Sacramento North Natomas Regency Park Community Facilities District No. 2001-03 (the "**Regency Park CFD**") on January 22, 2002, the qualified electors in the Regency Park CFD duly authorized the issuance of

\$20,000,000 principal amount of special tax bonds under the Act, for the purpose of financing the acquisition and construction of certain public facilities.

- G. At such election the qualified electors in the Regency Park CFD also authorized the levy and collection of a special tax under the Act to be used for the purpose of paying the interest on, principal of, and redemption premiums (if any) on such bonds.
- H. On July 24, 2003, the City issued the City of Sacramento North Natomas Regency Park Community Facilities District No. 2001-03 Special Tax Bonds in the principal amount of \$19,570,000 (the "**Prior Regency Park CFD Bonds**" and, collectively with the Prior Westlake CFD Bonds, the "**Prior Bonds**").
- I. The Act authorizes the City to issue bonds for the purpose of refunding the Prior Bonds.
- J. The Sacramento City Council has authorized the issuance of the City of Sacramento 2013 North Natomas Westlake Community Facilities District No. 2000-01 Special Tax Refunding Bonds, Series A (the "**Westlake CFD Refunding Bonds**") under the Act for the purpose of refunding all of the outstanding Prior Westlake CFD Bonds.
- K. The Sacramento City Council has authorized the issuance of the City of Sacramento 2013 North Natomas Regency Park Community Facilities District No. 2001-03 Special Tax Refunding Bonds, Series A (the "**Regency Park CFD Refunding Bonds**" and, collectively with the Westlake CFD Refunding Bonds, the "**Local Obligations**") under the Act for the purpose of refunding all of the outstanding Prior Regency Park CFD Bonds.
- L. The Marks-Roos Local Bond Pooling Act of 1985, comprising Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code, empowers the Authority to issue its bonds for the purpose of purchasing local obligations issued by the City, including the Local Obligations.
- M. The Authority has determined to issue its 2013 Special Tax Refunding Revenue Bonds (Westlake and Regency Park), Series A (the "**Bonds**") to provide funds to purchase the Local Obligations.
- N. The Authority has determined that the estimated amount necessary to finance the purchase of the Local Obligations will require the issuance of the Bonds in the aggregate principal amount not to exceed \$29,000,000.
- O. In furtherance of the issuance of the Bonds and the purchase of the Local Obligations, forms of the following documents have been filed with the Authority's Secretary (the "**Secretary**") for consideration and approval by the Authority's Governing Board:
 - A Trust Agreement (the "**Trust Agreement**"), under the terms of which the Bonds are to be issued and the Revenues (as defined in the Trust Agreement) are to be administered to pay the principal of, and interest and premium (if any) on the Bonds.

- Two separate Local Obligation Purchase Contracts (the “**Local Obligation Purchase Contracts**”), under the terms of which, among other things, the City agrees to sell and the Authority agrees to purchase the Local Obligations.
- A Bond Purchase Contract (the “**Bond Purchase Contract**”), under the terms of which, among other things, the Authority agrees to sell the Bonds to the underwriter of the Bonds (the “**Underwriter**”) and the Underwriter agrees to purchase the Bonds.
- A preliminary form of an Official Statement (the “**Official Statement**”) describing the Bonds and the Local Obligations.

P. All acts, conditions, and things required by California law to exist, to have happened, and to have been performed before and in connection with the consummation of the financing authorized by this resolution do exist, have happened, and have been performed in regular and due time, form, and manner as required by law, and the Authority is now duly authorized and empowered, under each requirement of law, to authorize the execution and delivery of certain documents in order to further implement the financing in the manner and upon the terms provided in this resolution.

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

Section 1. The statements in paragraphs A through P of the Background are true.

Section 2. The issuance of the Bonds by the Authority in the aggregate principal amount of not to exceed \$29,000,000 in accordance with the provisions of the Trust Agreement as finally executed and delivered is hereby authorized and approved.

Section 3. The proposed form of Trust Agreement on file with the Secretary, and the terms and conditions in that form, are hereby approved. The date, maturity date or dates (not to be later than September 1, 2028), fixed interest rates, interest payment dates, forms, registration privileges, place or places of payment, terms of redemption and number of Bonds and other terms of the Bonds are to be as provided in the Trust Agreement as finally executed and delivered.

The Treasurer of the Authority or his designee (the “**Treasurer**”) is hereby authorized and directed to execute the Trust Agreement for and on behalf of the Authority in substantially the form on file with the Secretary, with any changes as the Treasurer may require or approve with the concurrence of the City Attorney, and with approval to be conclusively evidenced by the execution and delivery of the Trust Agreement.

The Bonds are to be executed by the manual or facsimile signature of the Treasurer and must be in the form set forth in, and otherwise be in accordance with, the Trust Agreement. When the Bonds are so executed, the Treasurer shall deliver the Bonds to the trustee under the Trust Agreement for authentication by the trustee. The trustee is then to deliver the Bonds to the Underwriter in accordance with written instructions the Treasurer executes on the Authority’s behalf, which instructions the Treasurer is hereby authorized and directed to execute and deliver to the trustee, and which instructions must provide for the trustee’s

delivery of the Bonds to the Underwriter in accordance with the Bond Purchase Contract upon payment by the Underwriter of the purchase price of the Bonds.

Section 4. The proposed forms of the Local Obligation Purchase Contracts on file with the Secretary are hereby approved. The Treasurer is hereby authorized and directed to execute and deliver the Local Obligation Purchase Contracts on the Authority's behalf, in substantially the forms on file with the Secretary, with any changes the Treasurer may require or approve with the concurrence of the City Attorney, and with approval to be conclusively evidenced by the execution and delivery of the Local Obligation Purchase Contracts.

Section 5. The proposed form of the Bond Purchase Contract on file with the Secretary is hereby approved. The Treasurer is hereby authorized to sell the Bonds to the Underwriter in accordance with the Bond Purchase Contract. To that end, the Treasurer is hereby authorized to execute and deliver the Bond Purchase Contract on the Authority's behalf, in substantially the form on file with the Secretary, with any changes the Treasurer may require or approve with the concurrence of the City Attorney, and with approval to be conclusively evidenced by the execution and delivery of the Bond Purchase Contract, all subject to the following: the true interest cost for the Bonds may not exceed 5.00% and the Underwriter's compensation may not exceed 1.25% of the principal amount of the Bonds.

Section 6. The proposed form of Official Statement on file with the Secretary is hereby approved. The Treasurer is hereby authorized and directed to execute and deliver to the Underwriter, on the Authority's behalf, a certificate deeming the preliminary Official Statement, in substantially the form on file with the Secretary and with any changes as the Treasurer approves in the interest of the Authority with the concurrence of the City Attorney, to be final within the meaning of Securities Exchange Commission Rule 15c2-12. The Underwriter is hereby authorized to distribute the Official Statement in preliminary and final form. The Treasurer is hereby authorized and directed on the Authority's behalf to execute and deliver the final Official Statement, in substantially the form on file with the Secretary, with any changes the Treasurer may require or approve with the concurrence of the City Attorney, and with such approval to be conclusively evidenced by the execution and delivery of the final Official Statement.

Section 7. The officers of the Authority, each acting alone, are hereby authorized and directed to do any and all things and to execute and deliver any and all documents, including any documents required to obtain bond insurance, they consider necessary or advisable to carry out, give effect to, and comply with the terms and intent of this resolution, the Trust Agreement, the Local Obligation Purchase Contracts, the Bond Purchase Contract, the Official Statement, and the Bonds, including the purchase of bond insurance. All actions previously taken by those officers in connection with the Bonds are hereby ratified, confirmed, and approved.

Section 8. This resolution takes effect when adopted.

Adopted by the City of Sacramento City Council on December 11, 2012 by the following vote:

Ayes: Councilmembers Ashby, Cohn, Fong, Hansen, McCarty, Pannell, Schenirer, Warren, and Mayor Johnson.

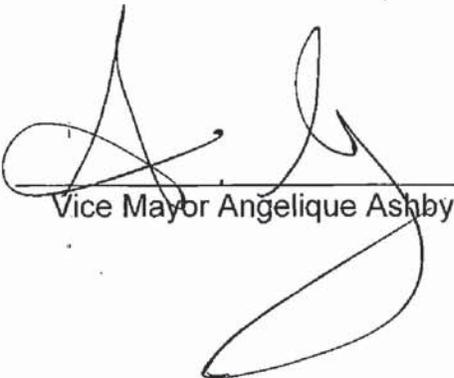
Noes: None.

Abstain: None.

Absent: None.

Attest:


Shirley Concolino, City Clerk


Vice Mayor Angelique Ashby