

RESOLUTION NO. 2006-847

Adopted by the Sacramento City Council

November 21, 2006

APPROVING THE PROPOSED FINANCING OF THE 300 RICHARDS BOULEVARD BUILDING ACQUISITION PROJECT AND REFUNDING OF CERTAIN PRIOR BONDS BY THE SACRAMENTO CITY FINANCING AUTHORITY'S ISSUANCE OF THE SACRAMENTO CITY FINANCING AUTHORITY 2006 CAPITAL IMPROVEMENT REVENUE BONDS, SERIES C (300 RICHARDS BOULEVARD BUILDING ACQUISITION), SACRAMENTO CITY FINANCING AUTHORITY 2006 TAXABLE CAPITAL IMPROVEMENT REVENUE BONDS, SERIES D (300 RICHARDS BOULEVARD BUILDING ACQUISITION) AND SACRAMENTO CITY FINANCING AUTHORITY 2006 CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES E (MASTER LEASE PROGRAM FACILITIES); AND DETERMINING THAT THERE ARE SIGNIFICANT PUBLIC BENEFITS TO THE CITIZENS OF THE CITY FROM THE PROPOSED FINANCING

BACKGROUND:

- A.** The City of Sacramento (the "City") proposes to enter into one or more Amendments to Master Site Lease and one or more related Amendments to Master Project Lease with the Sacramento City Financing Authority (the "Authority") relating to the proposed financing by the Authority of the acquisition of the 300 Richards Boulevard Building, adjacent parking, land and related improvements and other actions consistent with the City's Downtown Space Planning—Guiding Principles (the "300 Richards Boulevard Building Acquisition Project") to be located within the territorial limits of the City, as more particularly described in the staff reports presented to the City Council during its meeting on November 14, 2006, and the proposed refunding, in whole or in part, of the Authority's 2001 Capital Improvement Revenue Bonds, Series A (Water and Capital Improvement Projects), 2002 Revenue Bonds, Series A (City Hall and Redevelopment Projects) and 2003 Capital Improvement Revenue Bonds (911 Call Center and Other Municipal Projects) (collectively, the "Prior Bonds").
- B.** The Authority intends to issue and sell its 2006 Capital Improvement Revenue Bonds, Series C (300 Richards Boulevard Building Acquisition) (the "Series C Bonds"), 2006 Taxable Capital Improvement Revenue Bonds, Series D (300 Richards Boulevard Building Acquisition) (the "Series D Bonds") and 2006 Capital Improvement Refunding Revenue Bonds, Series E (Master Lease Program Facilities) (the "Series E Bonds" and, together with the Series C Bonds and the Series D Bonds, the "Bonds") in combined aggregate principal amount of not to exceed \$310,000,000. The proceeds from the sale of the Bonds will be used to provide funds for the purpose of financing the 300 Richards Boulevard Building

Acquisition Project and may be used to provide funds to refund, in whole or in part, the Prior Bonds for significant public benefits to the citizens of the City by the acquisition of the Seventh Amendment to Master Project Lease (the "Refunding Project" and, together with the 300 Richards Boulevard Building Acquisition Project, the "Projects").

- C. The City called a public hearing which was held by the City Council of the City (the "City Council") on Tuesday, November 21, 2006, at 2:00 p.m., at the regular meeting place of the City Council, City Council Chambers, Sacramento City Hall, 915 I Street, 1st Floor, Sacramento, California. At the public hearing the City Council considered the proposed financing of the 300 Richards Boulevard Building Acquisition Project to be located within the territorial limits of the City and the proposed refunding of the Prior Bonds by the issuance and sale by the Authority of the Bonds. The City Council also considered whether there are any significant public benefits to the citizens of the City from the proposed financing and the proposed refunding of the Prior Bonds, including demonstrable savings from the issuance and sale of the Bonds, such as savings in effective interest rate, bond preparation, bond underwriting or bond issuance costs (in accordance with section 6586 of the California Government Code).
- D. A notice of the public hearing was duly published by the City as required by law in The Daily Recorder, a newspaper of general circulation in the City, at least five days prior to the date hereof, identifying the Projects, and a copy of the proof of publication of the notice of public hearing is on file in the office of the City Clerk.
- E. The public hearing was duly convened by the City Council at the time and place set forth in the notice of public hearing therefore, and the City Council heard all interested persons desiring to address the City Council on the foregoing matters at the public hearing.
- F. Evidence of the public benefits to the citizens of the City from the proposed financing was presented by the staff of the Office of the City Treasurer.
- G. The City has considered the presentation given by the staff of the Office of the City Treasurer and is fully advised in the premises.

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. The City Council hereby approves the proposed financing of the 300 Richards Boulevard Building Acquisition Project and the proposed refunding of the Prior Bonds by the issuance by the Authority of the Bonds and hereby determines that there are significant public benefits to the citizens of the City from the proposed financing and the proposed refunding of the Prior Bonds in that there will be demonstrable savings

from the issuance and sale of the Bonds and the proposed financing of the 300 Richards Boulevard Building Acquisition Project to be acquired, constructed and otherwise implemented with proceeds of the Bonds and the proposed refunding of the Prior Bonds with proceeds of the Bonds, including savings in effective interest rate, bond preparation, bond underwriting or bond issuance costs (in accordance with Section 6586 of the California Government Code).

Section 3. The City Council hereby approves the issuance of the Bonds by the Authority.

Adopted by the City of Sacramento City Council on November 21, 2006 by the following vote:

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

Noes: None.

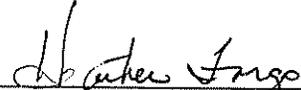
Abstain: None.

Absent: None.

Attest:



Shirley Concolino, City Clerk



Mayor, Heather Fargo