

RESOLUTION NO. 2007-366

Adopted by the Sacramento City Council

June 5, 2007

APPROVING THE ISSUANCE AND SALE OF REVENUE BONDS BY ABAG FINANCE AUTHORITY FOR NONPROFIT CORPORATIONS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$38 MILLION TO BENEFIT THE JACKSON LABORATORY

BACKGROUND:

- A. The Jackson Laboratory, a Maine Nonprofit Institution (the "Institution"), has requested that the ABAG Finance Authority For Nonprofit Corporations, a joint exercise of powers agency established pursuant to the laws of the State of California (the "Authority"), issue and sell its revenue bonds in an aggregate principal amount not expected to exceed \$38 million (the "Bonds"), for the purpose of making a loan to the Institution, pursuant to a plan of financing for certain capital facilities as more fully described below.
- B. The City of Sacramento (the "City") is a member of the Authority.
- C. The plan is to finance the following: construction, acquisition, installation, renovation, rehabilitation, and improvement of real property, facilities, equipment, and improvements of certain research facilities to be located at 4910 Raley Boulevard, Sacramento, California (collectively, the "Project"); and various costs of issuance, debt-service reserves, capitalized interest, related working capital, and credit-enhancement fees in connection with the issuance of the Bonds. The Project will be owned and operated by the Institution or an affiliated entity and used for research purposes.
- D. The interest on the Bonds may qualify for tax exemption under section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), only if the Bonds are approved in accordance with section 147(f) of the Code.
- E. The Authority has requested the City Council to approve the issuance and sale of the Bonds in order to satisfy the public approval requirements of section 147(f) of the Code.
- F. The Project is located wholly within the City.
- G. On May 21, 2007, the City caused a notice to appear in the *Daily Recorder* and the *Sacramento Bee*, which are newspapers of general circulation in the City, stating that a public hearing with respect to the issuance of the Bonds would be held by the City Council on June 5, 2007.

- H. The City Council has held the public hearing described above on June 5, 2007, and an opportunity was provided for persons to comment on the issuance and sale of the Bonds and plan of financing the Project.
- I. The City Council is the elected legislative body of the City and is the applicable elected representative required to approve the issue within the meaning of section 147(f) of the Code.

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

Section 1. The City Council hereby finds and determines that the statements set out in paragraphs A through I of the Background are true.

Section 2. The City Council hereby approves the issuance and sale of the Bonds by the Authority. The City Council intends that this resolution constitute approval of the Bonds by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located in accordance with section 147(f) of the Code.

Section 3. The City Council's approval of the issuance and sale of the Bonds is neither an approval of the underlying credit issues of the proposed Project nor an approval of the financial structure of the Bonds.

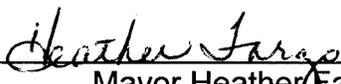
Adopted by the City of Sacramento City Council on June 5, 2007 by the following vote:

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

Noes: None.

Abstain: None.

Absent: None.



Mayor Heather Fargo

Attest:


Shirley Concolino, City Clerk