

RESOLUTION NO. 2002-023

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

MAY - 7 2002

AUTHORIZATION FOR THE EXECUTION AND DELIVERY OF ADVANCE REPAYMENT AGREEMENTS WITH THE CITY OF SACRAMENTO AND A LOAN AGREEMENT WITH THE CITY OF SACRAMENTO AND THE SACRAMENTO CITY FINANCING AUTHORITY RELATING TO CERTAIN REDEVELOPMENT PROJECTS, AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE FOR THE SACRAMENTO CITY FINANCING AUTHORITY 2002 REVENUE BONDS, SERIES A (CIVIC CENTER AND REDEVELOPMENT PROJECTS) AND APPROVAL OF THE EXECUTION AND DELIVERY BY THE SACRAMENTO CITY FINANCING AUTHORITY OF A BOND PURCHASE CONTRACT FOR SUCH BONDS AND APPROVAL OF THE EXECUTION, DELIVERY AND DISTRIBUTION BY THE SACRAMENTO CITY FINANCING AUTHORITY OF A FINAL OFFICIAL STATEMENT FOR SUCH BONDS AND APPROVING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Sacramento City Financing Authority (the "Authority") is authorized pursuant Articles 1 and 4 of Chapter 5, Division 7, Title 1 (commencing with Section 6500) of the Government Code of the State of California, and all laws amendatory thereof or supplemental thereto, to issue revenue bonds to provide funds to assist local entities to finance or refinance capital improvements in order that such local entities may achieve their public purposes; and

WHEREAS, the Redevelopment Agency of the City of Sacramento (the "Agency") is authorized to transact business and exercise powers under and pursuant to the provisions of Part 1 of Division 24 of the Health and Safety Code of the State of California (the "Redevelopment Law"), and has the power under Section 33601 of the Redevelopment Law to borrow money for any of its corporate purposes; and

WHEREAS, a redevelopment plan for a redevelopment project known and designated as "Merged Downtown Sacramento Redevelopment Project," and a redevelopment plan for a redevelopment project known and designated as "Stockton Boulevard Redevelopment Project," each located wholly or partially within the City of Sacramento, have been adopted in compliance with all requirements of the Redevelopment Law; and

FOR CITY CLERK USE ONLY

RESOLUTION NO.: **2002-023**
DATE ADOPTED: **MAY - 7 2002** (6)

WHEREAS, for the purpose of financing redevelopment activities within or of benefit to the Merged Downtown Sacramento Redevelopment Project, the Agency has requested the Authority to make loan (the "Loan") to the Agency under a Merged Downtown Loan Agreement dated as of June 1, 2002 (the "Loan Agreement") to be entered into among the Agency, the City of Sacramento (the "City") and the Authority, in substantially the form of the Loan Agreement presented to this meeting; and

WHEREAS, in order to provide funds to the Authority to make the Loan to the Agency, as well as for other purposes, concurrent with the execution and delivery of the Loan Agreement, the Authority will issue its Sacramento City Financing Authority 2002 Revenue Bonds, Series A (Civic Center and Redevelopment Projects) (the "Bonds"); and

WHEREAS, the City is willing to advance funds to the Agency (the "Advance") to finance redevelopment activities within its Merged Downtown Sacramento Redevelopment Project and its Stockton Boulevard Redevelopment Project pursuant to two separate Advance Repayment Agreements with respect to each of such Redevelopment Projects, each dated as of June 1, 2002 (respectively, the "Merged Downtown Advance Repayment Agreement" and the "Stockton Boulevard Advance Repayment Agreement", and), each by and between the City and the Agency, in substantially the forms of the Advance Repayment Agreements presented to this meeting; and

WHEREAS, in order to obtain funds to make the Advance, the City will lease certain City-owned real property to the Authority and use the proceeds of the Authority's single up-front lease payment for such real property to fund the Advance to the Agency; and

WHEREAS, the Authority will fund such lease payment with a portion of the proceeds of the Bonds; and

WHEREAS, in connection with the issuance of the Bonds, the Authority will approve the distribution of a Preliminary Official Statement for the Bonds (the "Preliminary Official Statement") and the Authority (with the approval of the City and the Agency) will enter into a Bond Purchase Contract providing for the sale of the Bonds (the "Bond Purchase Contract") and the Agency will execute a Continuing Disclosure Certificate for the Bonds (the "Continuing Disclosure Certificate") in compliance with Securities and Exchange Commission Rule 15c2-12(b)(5), in substantially the forms of the Preliminary Official Statement, the Bond Purchase Contract and the Continuing Disclosure Certificate presented to this meeting, and (after the sale of the Bonds) the Authority (with the approval of the City and the Agency) will execute and deliver and authorize the distribution of a Final Official Statement for the Bonds (the "Final Official Statement"); and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the authorization of the execution and delivery of the Loan Agreement and the Advance Repayment Agreements do exist, have happened and have been performed in regular and due time, form and manner as

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2002-023
DATE ADOPTED: MAY - 7 2002

required by law, and the Agency is now duly authorized to execute and deliver the Loan Agreement and the Advance Repayment Agreements and to approve the execution by the Authority of the Bond Purchase Contract and (after the sale of the Bonds) to execute and deliver and authorize the distribution of the Final Official Statement;

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1. All of the foregoing recitals are true and correct, and the Agency so finds and determines.

Section 2. The Executive Director of the Agency (the "Executive Director"), or any officer of the Agency designated thereby, is hereby authorized and directed to execute and deliver the Loan Agreement, in an amount not to exceed forty million dollars (\$40,000,000), for and on behalf of the Agency in substantially the forms presented to this meeting, with such additions thereto or changes therein as the officer executing the Loan Agreements shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The Executive Director, or any officer of the Agency designated thereby, is hereby authorized and directed to execute and deliver the merged Downtown Advance Repayment Agreements, in an amount not to exceed thirty-two million dollars (\$32,000,000), for and on behalf of the Agency in substantially the form presented to this meeting, with such additions thereto or changes therein as the officer executing Advance Repayment Agreement shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The Executive Director, or any officer of the Agency designated thereby, is hereby authorized and directed to execute and deliver the Stockton Boulevard Advance Repayment Agreement, in an amount not to exceed five million dollars (\$5,000,000), for and on behalf of the Agency in substantially the form presented to this meeting, with such additions thereto or changes therein as the officer executing such Advance Repayment Agreement shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The Executive Director, or any officer of the Agency designated thereby, is hereby authorized and directed to indicate, for and on behalf of the Agency, the Agency's approval of the Purchase Contract between Merrill Lynch & Co. and Stone & Youngberg LLC, as the representatives of the underwriters of the Bonds (the "Representatives"), and the Authority, providing for the sale of the Bonds by the Authority to the Representatives, by executing and delivering such Purchase Contract in substantially the form presented to this meeting, with such additions thereto or changes therein as the officer executing the Purchase Contract shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, that the aggregate principal amount of the Bonds shall not exceed two hundred twenty-five million dollars (\$225,000,000); that the Bonds shall have a true interest

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2002-023
DATE ADOPTED MAY - 7 2002

cost not to exceed six and one-half per cent (6.5%) per annum; and that the underwriter's discount on such Bonds shall not exceed one per cent (1%) of the principal amount thereof.

Section 6. The Executive Director, or any officer of the Agency designated thereby, is hereby authorized and directed to execute and deliver the Continuing Disclosure Certificate for and on behalf of the Agency in substantially the form presented to this meeting, with such additions thereto or changes therein as the officer executing the Continuing Disclosure Certificate shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. After the sale of the Bonds, the Executive Director, or any officer designated thereby, is hereby authorized and directed, for and on behalf of the Agency, to approve the execution and delivery by the Authority to the Representatives of the Final Official Statement, with such additions thereto or changes therein as the Authority (with the approval of the City and the Agency) shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; and the Representatives are hereby directed to distribute copies of the Final Official Statement to all purchasers of the Bonds.

Section 8. The officers of the Agency 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, any documents as may be required in order to obtain bond insurance or to issue the Bonds in one or more series, which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution, the Loan Agreement, the Advance Repayment Agreements, the Purchase Contract and the Bonds, including the purchase of a bond insurance policy for the Bonds if deemed desirable by the Executive Director or any officer designated thereby, and any such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 9. This resolution shall take effect from and after its passage and adoption.

Deborah Ingo

CHAIR

ATTEST:

Teresa A. Burrows

SECRETARY

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2002-023
DATE ADOPTED: MAY - 7 2002 (9)