



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

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File ID: 2018-01647

December 11, 2018

Consent Item 06

Title: Superseding Sections of Prior Resolutions and Creating Fund 6330 to Track the Construction Proceeds of Tax-Exempt Transient-Occupancy-Tax Revenue Bonds and Fund 6331 to Track the Construction Proceeds of Taxable Transient-Occupancy-Tax Revenue Bonds

Location: Citywide

Recommendation: Adopt a Resolution superseding specific sections of two prior resolutions and creating Fund 6330 to track the construction proceeds of Tax-Exempt Transient-Occupancy-Tax Revenue Bonds and Fund 6331 to track the construction proceeds of Taxable Transient-Occupancy- Tax Revenue Bonds.

Contact: Brian Wong, Debt Manager, (916) 808-5811; Colin Bettis, Senior Debt Analyst, (916) 808-8292, Office of the City Treasurer

Presenter: None

Attachments:

1-Description/Analysis

2-Resolution

Description/Analysis

Issue Detail: On September 25, 2018, the City Council adopted Resolution No. 2018-0386, which authorized the issuance and sale of Transient-Occupancy-Tax Revenue Bonds (TOT Bonds) in a principal amount not exceeding \$350,000,000 to finance capital improvement projects. Section 9 of that resolution identified fund number 6110 as the fund assigned to track the tax-exempt proceeds of the TOT Bonds.

On November 13, 2018, the City Council adopted Resolution No. 2018-0437, in which section 1 also referenced Fund 6110.

Policy Considerations: Not applicable.

Economic Impacts: Not applicable.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: Not applicable.

Rationale for Recommendation: Staff recommends the change in fund number from 6110 to 6330 in order to be consistent with fund numbers previously created for tracking bond proceeds. Additionally, staff recommends the recognition of Fund 6331 for the purpose of tracking taxable TOT Bond proceeds.

Financial Considerations: Not applicable.

Local Business Enterprise (LBE): Not applicable.

RESOLUTION NO. _____

Adopted by the Sacramento City Council

December 11, 2018

Superseding Sections of Prior Resolutions and Creating Fund 6330 to Track the Construction Proceeds of Tax-Exempt Transient-Occupancy-Tax Revenue Bonds and Fund 6331 to Track the Construction Proceeds of Taxable Transient-Occupancy-Tax Revenue Bonds

BACKGROUND:

- A. On September 25, 2018, the City Council adopted Resolution No. 2018-0386, which authorized the issuance and sale of Transient-Occupancy-Tax Revenue Bonds (“**TOT Bonds**”) to finance various capital-improvement projects. Section 9 of that resolution identified Fund 6110 as the fund assigned to track the construction proceeds of the TOT Bonds.
- B. On November 13, 2018, the City Council adopted Resolution No. 2018-0437, which authorized and approved agreements and funding for improvements to the Sacramento Convention Center. Section 1 of that resolution also identified Fund 6110 as the fund assigned to track the construction proceeds of the TOT Bonds.
- C. City staff recommends changing the fund designated to track the construction proceeds of tax-exempt TOT Bonds from Fund 6110 to Fund 6330.
- D. In addition, City Staff recommends designating Fund 6331 to track the construction proceeds of taxable TOT Bonds.
- E. The City Council is fully advised in this matter.

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

- Section 1. The City Council finds that the statements in the Background are true.
- Section 2. This resolution supersedes section 9 of Resolution No. 2018-0386 and section 1 of Resolution No. 2018-0437 as follows with respect to the identity of the fund numbers to be established:
 - (a) Fund 6330 is now designated for tracking the construction proceeds of tax-exempt TOT Bonds.
 - (b) Fund 6331 is now designated for tracking the construction proceeds of taxable TOT Bonds.

Section 3. This resolution takes effect when adopted.