

# RESOLUTION NO. 90-097

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF October 16, 1990

**A RESOLUTION OF THE REDEVELOPMENT AGENCY OF CITY OF SACRAMENTO AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$85,000,000 PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO MERGED DOWNTOWN SACRAMENTO REDEVELOPMENT PROJECT TAX ALLOCATION BONDS SERIES 1990A AND NOT TO EXCEED \$22,000,000 PRINCIPAL AMOUNT OF REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO MERGED DOWNTOWN SACRAMENTO REDEVELOPMENT PROJECT TAXABLE TAX ALLOCATION BONDS SERIES 1990B AUTHORIZING THE EXECUTION OF AN INDENTURE AND FISCAL AGENT AGREEMENT WITH RESPECT TO EACH SERIES OF BONDS, AUTHORIZING THE EXECUTION OF A PURCHASE AGREEMENT WITH RESPECT TO THE SALE OF EACH SERIES OF BONDS TO THE SACRAMENTO CITY FINANCING AUTHORITY, AUTHORIZING THE EXECUTION OF AN OFFICIAL STATEMENT WITH RESPECT TO EACH SERIES OF BONDS AND AUTHORIZING AND APPROVING RELATED ACTIONS**

WHEREAS, the Agency is a redevelopment Agency (a public body, corporate and politic) duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Community Redevelopment Law (Part 1 of Division 24 of the Health and Safety Code of the State of California) (the "Law") and the powers of the Agency include the power to issue bonds and notes; and

WHEREAS, a redevelopment plan (the "Redevelopment Plan") for a redevelopment project known and designated as "Merged Downtown Sacramento Redevelopment Project" for that certain project area described in the Redevelopment Plan has been adopted and approved by Ordinances Nos. 86-063 through 86-067 of the City of Sacramento, which became effective on June 17, 1986, and all requirements of law and precedent to the adoption and approval of the Redevelopment Plan have been duly complied with; and

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WHEREAS, the Agency has previously issued (i) \$6,500,000 of its Capitol Mall Riverfront Project No. 4 Tax Allocation Bonds, Series 1985 pursuant to Resolution No. RA 85-093 adopted by the Agency on October 29, 1985, (ii) \$14,450,000 of its Uptown Redevelopment Project No. 8 Tax Allocation Bonds, Series 1985 pursuant to Resolution No. RA 85-092 adopted by the Agency on October 25, 1985, and (iii) \$33,925,000 of its Merged Downtown Sacramento Redevelopment Project Tax Allocation Bonds, Series 1987 pursuant to Resolution No. RA 87-060 adopted by the Agency on August 4, 1987 (collectively referred to herein as the "Prior Bonds") for the purpose of financing a portion of the costs of the Merged Downtown Sacramento Redevelopment Project (the "Redevelopment Project"); and

WHEREAS, the Agency has determined that it is in the Agency's best interests to issue its Merged Downtown Sacramento Redevelopment Project Tax Allocation Bonds Series 1990A (the "Tax Exempt Bonds") for the purpose of refunding certain outstanding bonds of the Agency and of providing additional moneys for the implementation of the Redevelopment Project, and its Merged Downtown Sacramento Redevelopment Project Taxable Tax Allocation Bonds Series 1990B (the "Taxable Bonds" and collectively with the Tax-Exempt Bonds, the "Bonds") for the purpose of providing additional moneys for the implementation of certain parts of the Redevelopment Project which could not be funded with the proceeds of a tax-exempt bond issue; and

WHEREAS, the Agency has entered into a joint powers agreement with the City of Sacramento creating the Sacramento City Financing Authority (the "Authority"); and

WHEREAS, the Agency has determined that it is in its best interest to sell both series of Bonds to the Authority, which in turn will sell both series of Bonds to Paine Webber Incorporated and M.R. Beal & Company (the "Underwriters"), all pursuant to a Purchase Agreement by and among the Underwriters, the Authority and the Agency; and

WHEREAS, the Agency has had submitted to it and has considered the following:

- (1) A form of a Indenture and Fiscal Agency Agreement, dated as of November 1, 1990 (the "Tax-Exempt Fiscal Agency Agreement") relating to the Tax Exempt Bonds, between the Agency and Security Pacific National Bank, as Fiscal Agent;
- (2) A form of an Indenture and Fiscal Agent Agreement, dated as of November 1, 1990 (the "Taxable Bond Fiscal Agent Agreement") relating to the Taxable Bonds, between the Agency and Security Pacific National Bank, as Fiscal Agent;

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- (3) A form of a Purchase Contract, dated November \_\_\_\_, 1990 (the "Purchase Agreement"), by and among the Underwriters, the Agency and the Authority relating to the purchase of the Bonds by the Authority and the Underwriter;
- (4) A form of a Preliminary Official Statement dated November \_\_\_\_, 1990 relating to the Tax-Exempt Bonds;
- (5) A form of a Preliminary Official Statement dated November \_\_\_\_, 1990 relating to the Taxable Bonds; and
- (6) The forms of Escrow Agreements, dated as of November 1, 1990 (the "Escrow Agreements") by and between the Agency and First Interstate Bank of California, as Escrow Agent, relating to the defeasance of the Prior Bonds.

WHEREAS, all acts, conditions and things required by the Law and all other laws of the State of California, to exist, have happened and have been performed precedent to and in connection with the issuance of the Bonds exist, have happened, and have been performed as required by law, and the Agency is now duly authorized and empowered, pursuant to each and every requirement of law, to issue the Bonds for the purpose, in the manner and upon their terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO:

Section 1: Recitals True and Correct. The Agency does hereby find and declare that the above recitals are true and correct.

Section 2: Approval of Fiscal Agent Agreements; Bonds Constitute Special Obligations of the Agency. The Tax-Exempt Fiscal Agent Agreement and Taxable Fiscal Agent Agreement (collectively the "Fiscal Agent Agreements"), substantially in the forms submitted to this meeting, are hereby approved, and the Chairperson of the Agency, or any designee of said Chairperson, and Executive Director of the Agency are hereby authorized and directed to execute and deliver, for and in the name of and on behalf of the Agency, the Fiscal Agent Agreements with such additions, changes and corrections as said officers may approve upon consultation with Agency Counsel and Bond Counsel, such approval to be conclusively evidenced by the execution of the Fiscal Agent Agreements with such additions, changes or corrections.

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The proposed forms of each series of Bonds, as set forth in the related Fiscal Agent Agreements, are hereby approved, and the Chairperson of the Agency and the Secretary of the Agency are hereby authorized and directed to execute, and the Fiscal Agent with respect to each such series of Bonds is hereby authorized and directed to authenticate the Bonds in substantially such form, and the Fiscal Agent is hereby authorized and directed to deliver the Bonds in accordance with the Purchase Agreement. The date, maturity dates, interest rates or rates, interest payment dates, (including provisions for capital appreciation bonds (if any), manner of payment for each series of Bonds, registration privileges, manner of execution, place of payment, terms of redemption and other terms of each series of Bond shall be as provided in the related Fiscal Agent Agreement as finally executed; provided, however, that (A) the aggregate principal amount of the Tax-Exempt Bonds shall not exceed \$85,000,000, the interest rate on any Tax-Exempt Bond shall not exceed 8-3/4% and the final maturity of any Tax-Exempt Bond shall not be later than November 1, 2013; and (B) the aggregate principal amount of the Taxable Bonds shall not exceed \$22,000,000, the interest rate on any Taxable Bond shall not exceed 11-1/4% and the final maturity of the Bond shall not be later than November 1, 2013.

Each series of Bonds shall be the special obligation of the Agency secured by an irrevocable pledge of, and payable as to the principal and interest from, Pledged Tax Revenues (as defined in the related Fiscal Agent Agreement) and other funds as provided in the related Fiscal Agent Agreement. Neither the Tax-Exempt Bonds nor the Taxable Bonds, the interest thereon, or any redemption premiums payable with respect thereto shall constitute a debt of the City of Sacramento, the State of California or any of its political subdivisions and neither the City, said State nor any of its political subdivisions is liable thereon, nor in any event shall the principal, premium or interest with respect to any such Bonds be payable out of any funds or properties other than those of the Agency as set forth in the related Fiscal Agency Agreement. Neither the Tax-Exempt Bonds nor the Taxable Bonds will constitute an indebtedness within the meaning of any constitutions or statutory debt limitation or restriction. Neither the members of the Agency nor any persons executing any Bond are liable personally on any Bond by reason of its execution to the Redevelopment Plan.

Section 3: Appointment of Underwriters: Approval of Purchase Agreement.  
Paine Webber Incorporated and M. R. Beal & Company are hereby appointed to act as Underwriters in connection with the delivery and negotiated sale of both series of Bonds.

A Pricing Committee to consist of the City Treasurer, the Community Development Director of the Agency and the Finance Director of the Agency, or any designee of said City Treasurer, or, with respect to the Community Development Director or Finance Director, any designee of the Executive Director, is hereby appointed for purposes of approving the sale and delivery of both series of Bonds in accordance with the terms set forth in this Section.

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The Purchase Agreement, in substantially the form submitted to this meeting, is hereby approved. The sale and delivery of the Bonds is hereby authorized and approved, subject to the conditions set forth below, and each of (1) the Pricing Committee, (3) the Executive Director of the Agency or (3) Chairperson, or any designee of the Chairperson and the Executive Director of the Agency are hereby authorized and directed to effect such sale and delivery in accordance with this Resolution and the Purchase Agreement. The Chairperson, or any designee of the Chairperson, is hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver to the Underwriters said Purchase Agreement in substantially said form, with such changes therein as the Pricing Committee and such official may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that (i) the underwriting discount with respect to any series of Bonds (exclusive of any original issue discount) shall not exceed 2% and (ii) the other limitations set forth in Section 2 of this Resolution shall be satisfied.

Section 4: Municipal Bond Insurance Policy. The Chairperson, or any designee of the Chairperson, upon the advice and approval of the Pricing Committee, are hereby authorized to negotiate and procure a municipal bond insurance policy for one or both series of Bonds so long as such policy, in the opinion of such parties, will result in present value debt service savings to the Agency. The Chairperson or such designee are hereby authorized to negotiate such additional covenants and agreements to be observed by the Agency as may be required by such municipal bond insurer, and such covenants and agreement shall be reflected in the related Fiscal Agent Agreement.

Section 5: Approval of Escrow Agreements. The proposed forms of the Escrow Agreements are hereby accepted and approved and any of the Chairperson of the Agency, or any designee of the Chairperson, and the Executive Director of the Agency is hereby authorized and directed to execute the Escrow Agreements with such changes therein as the person so executing may approve upon consultation and with the Agency counsel and Bond Counsel, such approval to be conclusively evidenced by the execution and delivery of such Escrow Agreements.

Section 6: Official Statements. The forms of Preliminary Official Statements are hereby approved, and the Executive Director of the Agency or Chairperson, or any designee of the Chairperson, is hereby authorized to approve the distribution of the Preliminary Official Statements in substantially said forms and to certify to the Underwriter on behalf of the Agency that the Preliminary Official Statements are, as of their respective dates, "deemed final" by the Agency within the meaning of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934 (except for the omission of certain final pricing, rating and related information as permitted by such rule). The Executive Director of the Agency or Chairperson, or any designee of the Chairperson is hereby authorized and directed, for and in the name and on behalf of the Agency, to execute and deliver to the Underwriters the Official Statement, which shall be in substantially the form of the related

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Preliminary Official Statements with such additions thereto or changes therein as such officer shall require or approve, such approval to be conclusively evidenced by the execution and delivery thereof, and the Underwriters are hereby authorized who may be interested in the purchase of the Tax-Exempt or Taxable Bonds, as the case may be, and the Underwriters are directed to deliver such copies to all actual purchasers of the Tax-Exempt or Taxable Bonds, as the case may be.

Section 7: Additional Actions. The officers of the Agency are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to effectuate the purposes of this resolution, including without limitation, executing and delivering documents required to be delivered pursuant to the Purchase Agreement and the obtaining of a Municipal Bond Insurance Policy with respect to one or both series of Bonds, and such actions previously taken by such officers are hereby ratified and approved.

Section 8: Effective Date. This resolution shall take effect immediately upon its passage.

- Attachments - Exhibit A - Forms of Indenture and Fiscal Agent Agreements
- Exhibit B - Form of Purchase Agreement
- Exhibit C - Forms of Escrow Agreements
- Exhibit D - Forms of Preliminary Official Statements

  
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CHAIR

ATTEST:  
  
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SECRETARY

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