



**APPROVED**

1.6

DEC 15 1998

**FINANCE AUTHORITY  
CITY OF SACRAMENTO**

**THOMAS V. LEE**  
DEPUTY CITY MANAGER  
DOWNTOWN DEPARTMENT

**CITY OF SACRAMENTO  
CALIFORNIA**

1030 15<sup>TH</sup> STREET  
SUITE 250  
SACRAMENTO, CA  
95814-4009

August 10, 1999

**APPROVED**  
BY THE CITY COUNCIL

PH 916-264-8109  
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City Council  
Sacramento, California

**AUG 24 1999**

Honorable Members in Session:

OFFICE OF THE  
CITY CLERK

**SUBJECT:** AMENDMENT TO THE TRUST AGREEMENT BETWEEN THE  
SACRAMENTO FINANCE AUTHORITY AND THE BANK OF NEW YORK  
WESTERN TRUST COMPANY (BNY)

**LOCATION AND COUNCIL DISTRICT:** Convention Center Hotel, 13<sup>th</sup> & J Streets  
Council District 1

**RECOMMENDATION:** Staff recommends that the Sacramento City Financing Authority (Authority) adopt the attached Resolution that authorizes the execution and delivery of an amendment to the Trust Agreement by and between the Authority and the Bank of New York Western Trust Company (BNY). As board members for the Authority, City Council is empowered to act on behalf of the Sacramento City Financing Authority.

**CONTACT PERSON:**

Kristan Otto, Economic Development and Regional Enterprise Agency, 264-7948  
Lydia Lara, Deputy City Treasurer, 264-5168

**FOR COUNCIL MEETING OF:** August 24, 1999

**SUMMARY:**

Staff recommends the adoption of the Resolution to amend the Trust Indenture.

**COMMITTEE/COMMISSION ACTION:**

There was none required for this report.

**BACKGROUND INFORMATION:**

In the LIMITED OFFERING MEMORANDUM, it was disclosed to Bondholders that the Garage Repair and Replacement Set Aside Amount would not exceed \$400,000 total contribution prior to January 1, 2001. This amount included an initial contribution of \$210,000 made by the City to the Trustee on July 1, 1999 along with regular monthly

deposits thereafter in the amount of \$15,000 for the year 2000. According to the LIMITED OFFERING MEMORANDUM, there were to be no additional deposits made to the Garage Repair and Replacement Set Aside Amount. However, in the Indenture, the Garage Repair and Replacement Set Aside Amount had been defined to include a contribution of \$25,000 per month for the remaining months in 1999 (August through December), which would, in the aggregate, exceed the \$400,000 cap set forth in the LIMITED OFFERING MEMORANDUM. Therefore, the additional \$25,000 monthly amount for 1999 has been removed with this amendment. These funds (\$25,000) will bypass the Garage Repair and Replacement fund and accumulate in the Working Capital Fund.

**FINANCIAL CONSIDERATIONS:**

This amendment will clarify and conform the documents to the intent of the negotiation and the Limited Offering Memorandum presented to the Bondholders.

**ENVIRONMENTAL CONSIDERATIONS:**

This activity is not considered a project as defined by Section 15378 of the California Environmental Quality Act (CEQA) guidelines. The activity involves no physical construction or commitment to particular projects and has no potential to cause a significant impact on the environment (CEQA Section 15061 (b)(3)).


**POLICY CONSIDERATIONS:**

The Board of Directors of the Sacramento Hotel Corporation approved this amendment to the Trustee Agreement at their meeting on August 6, 1999.

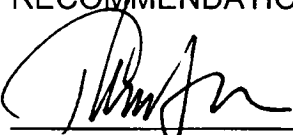
**ESBD CONSIDERATIONS:**

Not applicable as no goods or services are being purchased at this time.

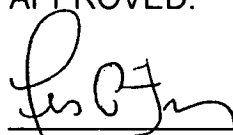
Respectfully submitted,

  
\_\_\_\_\_  
Kristan Otto, Manager  
Downtown Enterprise Department

RECOMMENDATION APPROVED:

  
\_\_\_\_\_  
Robert P. Thomas  
City Manager

APPROVED:

  
\_\_\_\_\_  
Thomas P. Friery  
City Treasurer

**APPROVED**

DEC 15 1998

**RESOLUTION NO. 99-003** FINANCE AUTHORITY  
CITY OF SACRAMENTO

ADOPTED BY THE SACRAMENTO CITY FINANCING AUTHORITY

ON THE DATE OF \_\_\_\_\_

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SACRAMENTO CITY FINANCING AUTHORITY AUTHORIZING  
THE EXECUTION AND DELIVERY OF AN AMENDMENT TO  
TRUST AGREEMENT CONCERNING THE CONVENTION  
CENTER HOTEL PROJECT AND RELATED ACTIONS.**

WHEREAS, the Sacramento City Financing Authority (the "Authority"), a joint powers authority created pursuant to the Law, has issued its \$92,800,000 Senior Revenue Bonds (Sacramento Convention Center Hotel Project), 1999 Series A (the "1999 Series A Bonds") pursuant to a trust indenture (the "Indenture"), dated as of April 1, 1999, between the Authority and BNY Western Trust Company, as trustee (the "Trustee") for the purposes set forth in the Indenture; and

WHEREAS, the Indenture does not adequately reflect that the deposits to the Garage Repair and Replacement Fund held under the Indenture from the time of the issuance of the Bonds to December 31, 2000 has been disclosed to the Bondholders as an amount not to exceed \$400,000;

WHEREAS, the Indenture provides for amendment without consent of Bondholders to cure any formal defect, inconsistency, omission or ambiguity therein and such cure is now sought by the Authority;

NOW, THEREFORE, BE IT RESOLVED by the board of directors of the Sacramento City Financing Authority (the "Board") as follows:

Section 1. All of the above recitals are true and correct, and the Authority so finds and determines.

Section 2. The First Amendment to Trust Indenture (the "First Amendment") in substantially the form presented at this meeting are hereby approved. The Treasurer or any Assistant Treasurer of the Authority, or any officer designated by the

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DATE ADOPTED: \_\_\_\_\_

Treasurer or Assistant Treasurer (each, an "Authorized Officer"), each acting alone, are hereby authorized and directed, for and on behalf of the Authority, to execute and deliver the First Amendment in substantially said form, and the Secretary or any Assistant Secretary of the Authority shall attest to such Authorized Officer's signature, with such changes therein as the officer executing the same, with the advice of the Authority's counsel, may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The officers of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, certificates and other instruments 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 and any other documents executed and delivered pursuant to the authority granted in this resolution. Any such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 4. This resolution shall take effect immediately.

\_\_\_\_\_  
Mayor

**ATTEST:**

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
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RESOLUTION NO: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_