

RESOLUTION NO. 2019-0255

Adopted by the Sacramento City Council

June 25, 2019

Findings of Benefit for the Payment of Fees for a Major League Soccer Stadium; Transfer of \$1.8 Million from the Innovation and Growth Fund (Fund 2031) to Major League Soccer Project (I80020500); and Authorization to Pay Stadium Fees and Charges

BACKGROUND

- A. Major League Soccer (MLS) and an investor group led by Ron Burkle (Investor Group) are negotiating terms for the award of expansion soccer team in Sacramento.
- B. On April 9, 2019, the City Council approved a Preliminary Term Sheet for a partnership with the Investor Group to, in part, construct a new MLS-caliber soccer stadium in the Downtown Sacramento Railyards.
- C. One of the approved preliminary terms provides for the City to pay the cost of City-related building fees and charges associated with the stadium in exchange for the substantial benefits to the City of Sacramento that derive from: a) a new major league professional sports team; b) a new first-class sports and entertainment facility; c) the initiation of critical infrastructure and private development in the eastern quadrant of the Downtown Sacramento Railyards; d) job creation and economic development; and e) cultural and civic advancement.
- D. Funding for the payment of stadium fees and charges has been identified in the Innovation and Growth Fund.

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

- Section 1. There are substantial benefits to the City of Sacramento from partnering with the Investor Group in the development of a major league soccer stadium, including but not limited to: a) a new major league professional sports team; b) a new first-class sports and entertainment facility; c) the initiation of critical infrastructure and private development in the eastern quadrant of the Downtown Sacramento Railyards; d) job creation and economic development; and e) cultural and civic advancement. The city's payment of stadium-related fees will facilitate and enable the Major League Soccer Project to achieve these benefits.

Section 2. The City Manager or his designee is authorized to transfer \$1,800,000 from the Innovation and Growth Fund (Fund 2031) available fund balance to the Major League Soccer Project (I80020500) for payment of stadium-related City fees and charges.

Section 3. The City Manager or his designee is authorized to pay the stadium-related fees and charges identified in the June 25, 2019 staff report, in amounts as may be adjusted according to the actual fee or charge. Payment may only be made upon validation of an official award to Sacramento of a Major League Soccer team.

Adopted by the City of Sacramento City Council on June 25, 2019, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer, Warren and Mayor Steinberg

Noes: None

Abstain: None

Absent: None

Attest: **Mindy Cuppy** Digitally signed by Mindy Cuppy
Date: 2019.07.09 13:18:33
-07'00'

Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.