

RESOLUTION NO. 2002-053

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO

ON DATE OF

DEC - 3 2002

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO DECLARING ITS INTENTION TO REIMBURSE EXPENDITURES FROM THE PROCEEDS OF TAX-EXEMPT OBLIGATIONS, DIRECTING CERTAIN ACTIONS, AND EXEMPTING THE APPROVED PROJECT FROM FURTHER ENVIRONMENTAL REVIEW

WHEREAS, the Redevelopment Agency of the City of Sacramento (the "Agency") intends to issue tax-exempt obligations (the "Obligations") for the purpose, among other things, of making a loan to A.F. Evans Development or limited liability company formed by the entities (the "Developer"), the proceeds of which shall be used by the Developer to finance the rehabilitation of a multifamily housing facility, approximately 82 units of which will be located at 420 I Street, in the City of Sacramento, California (the "Project"); and

WHEREAS, United States Income Tax Regulations section 1.103-18 provides generally that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, among which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer must declare an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the Agency declare its official intent to reimburse the expenditures referenced herein;

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

Section 1. The Agency intends to issue the Obligations for the purpose of paying the costs of financing the acquisition, construction and development of the Project.

Section 2. The Agency hereby declares that it reasonably expects that a portion of the proceeds of the Obligations will be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations.

Section 3. The maximum amount of proceeds of the Obligations to be used for reimbursement of expenditures for the acquisition, construction and development of the Project that are paid before the date of initial execution and delivery of the Obligations is not to exceed \$25,000,000.

Section 4. The foregoing declaration is consistent with the budgetary and financial circumstances of the Agency in that there are no funds (other than proceeds of the Obligations) that are reasonably expected to be (i) reserved, (ii) allocated or (iii) otherwise set aside, on a long-term basis, by

FOR CITY CLERK USE ONLY

RESOLUTION NO.: 2002-053

DATE ADOPTED DEC - 3 2002

or on behalf of the Agency, or any public entity controlled by the Agency, for the expenditures for the acquisition, construction and development of the Projects that are expected to be reimbursed from the proceeds of the Obligations.

Section 5. The Developer shall be responsible for the payment of all present and future costs in connection with the issuance of the Obligations, including, but not limited to, any fees and expenses incurred by the Agency in anticipation of the issuance of the Obligations, the cost of printing any official statement, rating agency costs, bond counsel fees and expenses, underwriting discount and costs, trustee fees and expense, and the costs of printing the Obligations. The payment of the principal, redemption premium, if any, and purchase price of and interest on the Obligations shall be solely the responsibility of the Developer. The Obligations shall not constitute a debt or obligation of the Agency.

Section 6. The law firm of Jones Hall, A Professional Law Corporation, is hereby named as bond counsel to the Agency in connection with the issuance of the Obligations. The fees and expense of bond counsel and any financial advisor employed by the Agency in connection with the issuance of the Obligations are to be paid solely from the proceeds of the Obligations or directly by the Developer.

Section 7. The appropriate officers or staff of the Agency are hereby authorized, for and in the name of and on behalf of the Agency, to make an application to the California Debt Limit Allocation Committee for an allocation of private activity bonds for the financing of the Project.

Section 8. The adoption of this Resolution shall not obligate (i) the Agency to provide financing to the Developer for the acquisition, construction and development of the Project or to issue the Obligations for purposes of such financing; or (ii) the Agency, or any department of the Agency or the City of Sacramento to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the acquisition, construction, development or operation of the Project.


Section 9. This resolution shall take effect immediately upon its adoption.

Section 10. The approved project as stated herein and in the Staff Report, which is incorporated herein by this reference, is exempt from further environmental review pursuant to the California Environmental Quality Act Guidelines Section 15301(d) which exempts projects that will result in the restoration or rehabilitation of public or private structures that are deteriorated or damaged to meet current standards of public health and safety. The National Environmental Policy Act does not apply.



CHAIR

ATTEST:



SECRETARY

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