

RESOLUTION NO. 2002-002

ADOPTED BY THE SACRAMENTO CITY FINANCING AUTHORITY

ON DATE OF APR 16 2002

RESOLUTION OF OFFICIAL INTENT OF THE SACRAMENTO CITY FINANCING AUTHORITY TO REIMBURSE CERTAIN EXPENDITURES FROM PROCEEDS OF INDEBTEDNESS

WHEREAS, the Sacramento Financing Authority (the "Authority") intends to purchase land for use as a multipurpose Corporation Yard in the North Area of the City ("the project"), and

WHEREAS, the City has available a variety of specific locations generally located north of the American River, and

WHEREAS, the Authority expects to pay certain expenditures including, but not limited to, design, environmental review, permits, fees, land acquisition, and administration (the "Reimbursement Expenditures") in connection with the Project prior to insurance of indebtedness for the purpose of financing costs associated with the Projects on a long-term basis;

WHEREAS, the Authority reasonably expects that debt obligations in an amount not expected to exceed \$250,000,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Authority to declare its reasonable official intent to reimburse prior expenditures for the project with proceeds of subsequent borrowing;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE SACRAMENTO CITY FINANCING AUTHORITY DECLARES AS FOLLOWS:

Section 1. The Authority finds and determines that the foregoing recitals are true and correct.

Section 2. This resolution is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This resolution does not bind the Authority to make any expenditure, incur any indebtedness or proceed with the Project.

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Section 3. The Authority hereby declares its official intent to use proceeds in indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This resolution shall take effect from and after its adoption.

PASSED AND ADOPTED this 16th day of APRIL, 2002.

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MAYOR

ATTEST:

Melvin A. Surrows

CITY CLERK

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