

SACRAMENTO CITY FINANCING AUTHORITY

RESOLUTION NO.: 93-001
DATE ADOPTED: APR 27 1993

**ISSUANCE OF REVENUE BONDS TO MAKE LOANS TO THE
REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO IN
CONNECTION WITH ITS MERGED DOWNTOWN SACRAMENTO,
ALKALI FLAT, DEL PASO HEIGHTS AND OAK PARK REDEVELOPMENT
PROJECTS, APPROVING THE FORM AND EXECUTION AND DELIVERY OF
AN INDENTURE OF TRUST, LOAN AGREEMENTS, BOND PURCHASE
AGREEMENTS AND OFFICIAL STATEMENTS, AND
AUTHORIZING CERTAIN OTHER ACTIONS RELATED THERETO**

WHEREAS, the Sacramento City Financing Authority (the "Authority") has been formed pursuant to a Joint Powers Agreement between the City of Sacramento (the "City") and the Redevelopment Agency of the City of Sacramento (the "Agency"), pursuant to a Joint Exercise of Powers Agreement, dated as of October 1, 1989 between the City and the Agency; and

WHEREAS, the Authority is authorized pursuant to the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4, Chapter 5, Division 7, Title 1 (commencing with Section 6584) of the California Government Code, as amended (the "Bond Law") to issue bonds for the purpose of providing funds to finance the acquisition of bonds, notes and other obligations of, or for the purpose of making loans to, the City, the Agency and any local agency to provide financing for public capital improvements of the City, the Agency and any local agency; and

WHEREAS, the Agency is undertaking to assist the redevelopment of its Merged Downtown Sacramento, Alkali Flat, Del Paso Heights and Oak Park Redevelopment Projects (collectively, the "Redevelopment Projects"); and

WHEREAS, the Agency has requested the Authority to make loans to the Agency for the purpose of providing funds to assist in the financing of redevelopment activities within and of benefit to the Redevelopment Projects, including increasing and improving within the City the supply of low and moderate income housing available at affordable housing cost; and

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WHEREAS, for the purpose of raising funds necessary to provide such financial assistance to the Agency, the Authority proposes to authorize the issuance of its revenue bonds under the provisions of the Bond Law, to be designated as the Sacramento City Financing Authority 1993 Taxable Tax Allocation Revenue Bonds, Series A (Merged Downtown Sacramento, Alkali Flat, Del Paso Heights and Oak Park redevelopment project areas) (the "*Series A Bonds*") and the Sacramento City Financing Authority 1993 Tax Allocation Revenue Bonds, Series B (Merged Downtown Sacramento, Alkali Flat, Del Paso Heights and Oak Park Redevelopment Project Areas) (the "*Series B Bonds*" and together with the *Series A Bonds*, the "Bonds") pursuant to an Indenture of Trust (the "Indenture"); and

WHEREAS, the proceeds of the Bonds will be applied to make four loans (collectively, the "Loans") to the Agency pursuant to four separate Loan Agreements (collectively, the "Loan Agreements"); and

WHEREAS, all acts, conditions and things required by the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financings for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, BE IT RESOLVED BY THE SACRAMENTO CITY FINANCING AUTHORITY:

Section 1: Findings and Determinations. Pursuant to the Bond Law, the Board of the Authority ("Board") hereby finds and determines that the issuance of the Bonds will result in savings in effective interest rates, bond underwriting costs and bond issuance costs and thereby result in significant public benefits to its members within the contemplation of Section 6586 of the Bond Law.

Section 2: Issuance of Bonds: Approval of Indenture. The Board hereby authorizes the issuance of the *Series A Bonds* in a maximum aggregate principal amount not to exceed \$10,500,000 and the issuance of the *Series B Bonds* in a maximum aggregate principal amount not to exceed \$23,000,000. The Bonds shall be issued on the terms and conditions set forth in and subject to the limitations specified in the Indenture hereinafter approved. The Board hereby approves the Indenture in substantially the form filed with the Secretary. The Chairman or Vice Chairman of the Authority or the duly authorized designee of either of such officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture in substantially said form with such changes therein as the officer executing the same may require or approve, such approval to be evidenced by the execution and delivery thereof.

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Section 3: Approval of Loans to Agency: Loan Agreements. The Board hereby authorizes and approves the loan of the Bond proceeds by the Authority to the Agency pursuant to and in accordance with the provisions of the Loan Agreements. The Board hereby approves the Loan Agreements in substantially the forms filed with the Secretary. The Chairman or Vice Chairman of the Authority or the duly authorized designee of either of such officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Loan Agreements in substantially said forms, with such changes therein as the officer executing the same may require or approve, such approval to be evidenced by the execution and delivery thereof.

Section 4: Bond Purchase Agreements. The Board hereby authorizes and approves the sale of the *Series A Bonds* and the sale of the *Series B Bonds* by the Authority by negotiation with Stone & Youngberg (the "Underwriter"), pursuant to and in accordance with the related Bond Purchase Agreement. The Board hereby approves the Bond Purchase Agreements in substantially the forms filed with the Secretary. The Chairman or Vice Chairman of the Authority or the duly authorized designee of either of such officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Agreements in substantially said forms with such changes therein (and additions thereto to reflect the terms of the sale of the related Bonds) as the officer executing the same may require or approve, such approval to be evidenced by the execution and delivery thereof; provided, however, that the Underwriter's discount on the *Series A Bonds* (without giving effect to any original issue discount) shall not exceed 1.75% of the aggregate principal amount of the *Series A Bonds* and the true interest cost on the *Series A Bonds* shall not exceed 8% per annum and the Underwriter's discount on the *Series B Bonds* (without giving effect to any original issue discount) shall not exceed 1.75% of the aggregate principal amount of the *Series B Bonds* and the true interest cost on the *Series B Bonds* shall not exceed 7% per annum.

Section 5: Official Statements. The Board hereby approves the preliminary official statement of the Authority relating to the *Series A Bonds* and the preliminary official statement of the Authority relating to the *Series B Bonds* in substantially the forms filed with the Secretary. The Chairman or Vice Chairman of the Authority or the duly authorized designee of either of such officers are each hereby authorized to certify that said preliminary official statements, with such changes therein as the Chairman or Vice Chairman shall approve, are as of their respective date "deemed final" for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Chairman or Vice Chairman of the Authority or the duly authorized designee of either of such officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver final official statements, in substantially the forms of the preliminary official statements, with such changes therein (and additions thereto to reflect the terms of the sale of the related Bonds) as the officer executing the same may require or approve, such approval to be evidenced by the execution and delivery thereof.

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Section 6: Official Actions. The officers of the Authority are each hereby authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions (including any and all actions necessary to arrange for the insuring of all or any portion of the Bonds by a municipal bond insurance company), including the execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and sale of the Bonds and the consummation of the transactions as described herein. Such actions heretofore taken by such officers are hereby ratified, confirmed or approved.

Section 7: Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

PASSED AND ADOPTED this 27th day of April, 1993, by the following vote:

AYES: Fargo, Ortiz, Steinberg, Yee and Serna


NOES: none

ABSENT: Kastanis, Kerth, Pane and Pannell

ABSTAIN: none

ATTEST:


Assistant CITY CLERK


MAYOR

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