

RESOLUTION NO. 2005-144

ADOPTED BY THE CITY COUNCIL
ON MARCH 08, 2005

RESOLUTION OF THE CITY COUNCIL AUTHORIZING THE ISSUANCE, SALE, AND DELIVERY OF CITY OF SACRAMENTO SPECIAL PURPOSE FACILITY REVENUE BONDS (PARATRANSIT 2005); APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT AGREEMENT, A LOAN AGREEMENT, AND A FINANCING COMMITMENT LETTER; AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH; AND APPROVING THE FORM OF A DEED OF TRUST

WHEREAS, the City of Sacramento (the "City"), a municipal corporation and charter city of the State of California, has enacted, by Ordinance No. 89-072 adopted on September 27, 1989, and codified as Chapter 3.116 of the Sacramento City Code, the City of Sacramento Nonprofit Public Benefit Corporation Facilities Financing Law (the "Law"), establishing a program and procedure for the authorization, sale, and issuance of revenue bonds by the City for the purpose of making loans to participating parties to finance and refinance their facilities;

WHEREAS, Paratransit Incorporated, a nonprofit public benefit corporation duly organized and existing under the laws of the State of California (the "Corporation"), now owns, maintains, and operates a public transportation system and related facilities located in the City and has applied to the City for the issuance of its revenue bonds (the "Bonds") on behalf of the Corporation in an aggregate principal amount of not to exceed four million two hundred thirty-five thousand dollars (\$4,235,000) for the purpose of financing the acquisition and installation of certain improvements to the Corporation's facilities and for the purpose of refinancing certain real estate and equipment loans (the "Project"), which project will qualify for assistance under the Law;

WHEREAS, the Bonds are not general obligations of the City but are limited obligations of the City payable solely from payments to be received from the Corporation; the City shall not be legally, equitably, or morally obligated, whether directly, indirectly, or contingently, to levy or pledge any form of taxation, to make any appropriation, or to use any other moneys or assets of the City to pay principal of, or premium (if any) or interest on, the Bonds; the Bonds do not constitute a debt or liability of the City within the meaning of any constitutional or statutory debt limitation or

restriction, or otherwise; and neither the faith and credit nor the taxing power of the City will be pledged to the payment of the principal of or premium, if any, or interest on any of the Bonds;

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), the issuance of the Bonds requires approval, following a public hearing, by the elected legislative body of the issuer of the Bonds and of the governmental unit having jurisdiction over the area in which the project financed by the Bonds is located;

WHEREAS, the Corporation's facilities are located wholly within the geographical jurisdiction of the City;

WHEREAS, the City Council is the elected legislative body of the City;

WHEREAS, a notice of a public hearing with respect to the proposed issuance of the bonds was published in a newspaper of general circulation in the City;

WHEREAS, the City Council of the City held the public hearing, at which time an opportunity was provided to present arguments both for and against the issuance of the bonds and the nature and location of the project financed by the bonds;

WHEREAS, the following documents and proposed agreements relating to the issuance of the Bonds, which are incorporated herein by reference, have been presented to the City Council for its review and approval:

1. Financing Commitment Letter dated February 24, 2005 offered by All Points Public Funding, LLC (the "Purchaser");
2. The Paying Agent Agreement dated March 1, 2005, by and between the City and Westamerica Bank, as paying agent (the "Paying Agent");
3. The Loan Agreement dated March 1, 2005, by and between the City and the Corporation; and
4. The Deed of Trust dated March 1, 2005, made by the Corporation in favor of the holders of the Bonds.

WHEREAS, it appears to the City Council that the authorization, approval, execution, and delivery of the agreements and documents described above or contemplated thereby or incidental thereto and the issuance and delivery of the Bonds in accordance with the Paying Agent Agreement are desirable and in the best interests of the City;

WHEREAS, final approval of the terms of the issuance and sale of the Bonds is now sought;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Sacramento as follows:

Section 1. Findings and Determinations. The City Council finds and determines that (a) all of the above recitals are true and correct, (b) the Corporation is a "participating party" and the Corporation's headquarters facility constitutes a "facility" as such terms are defined in the Law, (c) the financing of the Project will be in furtherance of the public purposes set forth in the Law by assisting the Corporation in serving the special transportation needs of the elderly and handicapped and others with special needs in the City through the Corporation's facilities, and (d) it is necessary and essential and a proper public purpose that the Project be financed at the earliest possible date.

Section 2. Authorization to Issue Bonds. Pursuant to the Law, revenue bonds of the City designated as the "City of Sacramento Special Purpose Facility Revenue Bonds (Paratransit 2005)," in an aggregate principal amount not to exceed four million two hundred thirty-five thousand dollars (\$4,235,000) are authorized to be issued in order to fund a loan to the Corporation to finance the Project.

Section 3. Authorization of Officers to Execute and Deliver Documents. The City Council hereby authorizes and directs the Mayor, the City Manager, the City Treasurer, and/or the City Clerk (the "Designated Officers"), for and in the name of and on behalf of the City, to approve, execute, and deliver, the following agreements and documents:

- a. the Financing Commitment Letter;
- b. the Paying Agent Agreement; and
- c. the Loan Agreement;

in substantially the form presented to this meeting, which agreements are hereby approved, with such changes, insertions, revisions, corrections, or amendments as shall be approved by the officers executing the agreements for the City, and the execution of the foregoing by a Designated Officer or Officers of the City shall constitute conclusive evidence of such officer's or officers' and the City Council's approval of any such changes, insertions, revisions, corrections, or amendments to the respective forms of agreements presented to this meeting. The date, respective principal amounts of each maturity, the interest rates, interest payment dates, denominations, form, registration privileges, place or places of payment, terms of redemption, and other terms of the

Bonds shall be as provided in the Paying Agent Agreement, as finally executed. The execution of the Financing Commitment Letter shall be subject to the further conditions set forth in Section 4 below.

Section 4. Sale of Bonds. The City Council hereby authorizes the sale of the Bonds to the Purchaser pursuant to the terms and conditions of the Financing Commitment Letter.

Section 5. Approval of Form of Deed of Trust. The proposed form of Deed of Trust as presented to this meeting is hereby approved. The City's execution of the Paying Agent Agreement shall conclusively evidence the City's approval of the final form of the Deed of Trust as executed by the Corporation.

Section 6. Execution of Bonds. The Bonds in an aggregate principal amount not to exceed four million two hundred thirty-five thousand dollars (\$4,235,000) shall be executed by the Mayor or the City Manager and the seal of the City shall be reproduced thereon and attested by the signature of the City Clerk, in the form set forth in and otherwise in accordance with the Paying Agent Agreement.

Section 7. Delivery of Bonds. The Bonds, when so executed, shall be delivered to the Paying Agent for authentication by the Paying Agent. The Paying Agent is hereby requested and directed to authenticate the Bonds by executing the Certificate of Authentication appearing thereon, and to deliver the Bonds, when duly executed and authenticated, to the Purchaser in accordance with written instructions executed on behalf of the City by a Designated Officer, which instructions said officers are hereby authorized and directed to, for and on behalf of the City, to execute and deliver to the Paying Agent. The instructions shall provide for the delivery of the Bonds to the Purchaser upon payment of the purchase price thereof.

Section 8. Attestation of Signatures; Sealing of Documents. The City Clerk is hereby authorized and directed to attest the signature of the other Designated Officers and to affix the seal of the City as may be required in connection with the execution and delivery of the Paying Agent Agreement, the Loan Agreement, the Financing Commitment Letter, and the Bonds in accordance with this resolution.

Section 9. TEFRA Approval. It is the purpose and intent of the City Council that this resolution constitute approval of the issuance of the Bonds by the applicable elected legislative body in accordance with Section 147(f) of the Code.

Section 10. General Authorization. The Designated Officers and other officers of the City are hereby authorized and directed jointly and severally, for and in the name of and on behalf of the City, to execute and deliver any and all documents, to do any and all things and take any and all actions that may be necessary or advisable, in their

discretion, in order to consummate the sale, execution, and delivery of the Bonds and to effect the purposes of this resolution. All actions heretofore taken by officers, employees, and agents of this City that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

Section 11. Filing of Documents with Minutes. The City Clerk is hereby directed to file copies of the aforementioned documents with the minutes of this meeting.

Section 12. Effective Date. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED, AND ADOPTED on March 8, 2005.

DEATH FARGO

Mayor

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Attest:

SHIRLEY CONCOLINO

City Clerk