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RESOLUTION NO. 95-004

ADOPTED BY THE SACRAMENTO CITY FINANCING AUTHORITY

ON DATE OF AUG 29 1995

A RESOLUTION OF THE SACRAMENTO CITY FINANCING AUTHORITY AUTHORIZING THE ISSUANCE OF SENIOR SPECIAL TAX REVENUE BONDS, SERIES A, SUBORDINATE SPECIAL TAX REVENUE BONDS, SERIES B; APPROVING A SERIES A TRUST AGREEMENT, A SERIES B TRUST AGREEMENT; A BOND PURCHASE AGREEMENT AND PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING CHANGES THERETO AND EXECUTION THEREOF; DETERMINING THAT THE PRELIMINARY OFFICIAL STATEMENT IS DEEMED "NEARLY FINAL" FOR PURPOSES OF RULE 15C(2)-12 OF THE SECURITIES AND EXCHANGE COMMISSION AND AUTHORIZING DISTRIBUTION THEREOF, AND AUTHORIZING RELATED ACTIONS AND EXECUTION OF RELATED DOCUMENTS TO IMPLEMENT THE PROPOSED REFUNDING PLAN

WHEREAS, the Sacramento City Financing Authority is a joint exercise of powers entity duly organized and existing under and by virtue of the laws of the State of California (the "Authority"); 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 "Act"), to issue bonds to provide funds to achieve its purposes, including the payment of costs of any Public Capital Improvement (as that term is defined in the Act); and

WHEREAS, in connection with a proposed refunding plan of the City of Sacramento (the "City") for refunding of certain assessment bonds issued by the City of Sacramento for the City's North Natomas Assessment District No. 88-03 (the "Prior Bonds"), it is proposed that the Authority, acting through its Board of Directors (the "Board"), authorize, issue and sell Sacramento City Financing Authority Senior Special Tax Revenue Bonds, Series A (the "Series A Bonds") and its Sacramento City Financing Authority Subordinate Special Tax Revenue Bonds, Series B (the "Series B Bonds" and collectively with the Series A Bonds, the "Revenue Bonds"), with net proceeds of sale thereof (after funding reserve funds and payment of costs of issuance) to be utilized to purchase City of Sacramento Del Paso Road Community

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Facilities District No. 95-02 Special Tax Bonds, Series A (the "Local Obligations"), the proceeds of sale of which will, in turn, be utilized by the City, along with other moneys, to redeem the Prior Bonds; and

WHEREAS, in furtherance of implementing the proposed refunding plan, there has been filed with the Authority Secretary for consideration and approval by this Board forms of the following:

(a) a Series A Trust Agreement and Series B Trust Agreement, each dated as of September 1, 1995 and each by and among the Authority, the City and Bank of America National Trust and Savings Association, or its successor, as trustee (collectively, the "Trust Agreements"), under the terms of which the Revenue Bonds are to be issued and the local obligation revenues (received by the Authority as holder of the Local Obligations) are to be administered to pay the principal of and interest on the Revenue Bonds;

(b) a Bond Purchase Agreement, under the terms of which, among other things, the City agrees to sell and the Authority agrees to purchase the Local Obligations; and

(c) a Preliminary Official Statement, describing the refunding plan in general and both the Revenue Bonds and the Local Obligations in particular; and

WHEREAS, being fully advised in the matter of the proposed refunding plan, this Board wishes to proceed with implementation of said proposed refunding plan;

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 authorize the execution and delivery of certain documents in order to further implement the proposed refunding plan in the manner and upon the terms herein provided;

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NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sacramento City Financing Authority as follows:

Section 1. The foregoing recitals are true and correct, and this Board so finds and determines.

Section 2. Pursuant to the Act, the Series A Bonds shall be issued in the aggregate principal amount of not to exceed \$5 million and the Series B Bonds shall be issued in the aggregate principal amount of not to exceed \$5 million; provided, however, that (a) underwriter's discount shall not exceed 2.5% and (b) the maximum interest rate on any maturity shall not exceed 12%, and the maximum term of any maturity shall not extend beyond the year 2020.

Section 3. The forms and substance of the Trust Agreements are hereby approved. The Chairman of the Authority or designee thereof is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Trust Agreements in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The form and substance of the Bond Purchase Agreement is hereby approved. The Chairman of the Authority or designee thereof is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. (a) The form and substance of the Preliminary Official Statement is hereby approved. The Treasurer is authorized to execute the final Official Statement to be derived therefrom.

(b) This Board hereby finds and determines that said Preliminary Official Statement in preliminary form is, and as of its date shall be deemed "final" for purpose of Rule 15c(2)-12 of the Securities and Exchange Commission, and the Chairman of the Authority or designee thereof is hereby authorized to execute a certificate to such effect in the customary form.

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(c) The Chairman of the Authority or designee is authorized to approve corrections and additions to the Preliminary Official Statement by supplement or amendment thereto, by appropriate insertions, or otherwise as appropriate, provided that such corrections or additions shall be regarded by such officer as necessary to cause the information contained therein to conform to facts material to the Revenue Bonds or the Local Obligations or to the proceedings of this Board or the City Council or that such corrections or additions are in form rather than in substance.

(d) The Chairman of the Authority or designee thereof is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes therein as such officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

(e) The underwriter of the Revenue Bonds is authorized to distribute said Preliminary Official Statement and the final Official Statement to be derived therefrom in connection with sale and distribution of the Revenue Bonds.

Section 6. The officers of the Authority are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents, including any agency agreement, which they may deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution. Such actions heretofore taken by such officers are hereby ratified, confirmed and approved.

Section 7. This resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 29th day of August, 1995.

Chairman

Attest:

Secretary

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