



# CITY OF SACRAMENTO

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CITY PLANNING DEPARTMENT  
927 TENTH STREET SACRAMENTO, CA 95814  
SUITE 300 TELEPHONE (916) 449-6604

MARTY VAN DUYN  
PLANNING DIRECTOR

May 16, 1984

City Council  
Sacramento, California

APPROVED  
BY THE CITY COUNCIL

MAY 22 1984

OFFICE OF THE  
CITY CLERK

Honorable Members in Session:

SUBJECT: Final Approval - Economic Development Bonds for 13th & I  
Associates for Construction and Permanent Financing for  
Firehouse #2 and Office Building

## SUMMARY

The City Council has approved this project and the issuance of Economic Development Bonds as the major financing. On October 25 1983, the Council by Resolution No. 83-825 approved the terms of various documents requisite to the issuance of the bonds. This report transmits the final version of Resolution No. 83-825 as subsequently modified by Orrick, Herrington & Sutcliffe, bond counsel for the City. The City adoption of the resolution is recommended.

## BACKGROUND

Resolution No. 83-825 is Attachment "A" to this report. Bond counsel's up-dating resolution is Attachment "B" to this report. Resolution "B" ratifies Resolution "A", makes minor wording changes, and provides specific provisions of terms that were more general in Resolution "A".

The passage of the Resolution has two substantive effects:

1. Assures, in reliance on bond counsel, that the interest earnings on the bonds will be tax exempt to bond purchasers under the provisions of the Internal Revenue Code.
2. Provides final approval for the issuance and sale of the bonds.

FINANCIAL DATA

Adopting the attached Resolution approving issuance of the bonds and providing tax exemption to the ultimate bond holders will have no financial impact on the City.

RECOMMENDATION


It is recommended that the City Council adopt the attached Resolution identified as Attachment "B".

Respectfully submitted,



Mac Mailes, Assistant City Manager/  
Community Development

RECOMMENDATION APPROVAL

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Walter J. Slipe, City Manager

May 22, 1984  
All Districts

## RESOLUTION NO. 83-825

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

APPROVED  
BY THE CITY COUNCIL

OCT 25 1983

OFFICE OF THE  
CITY CLERK

October 25, 1983

APPROVING THE TERMS OF A TRUST INDENTURE  
AND A LOAN AGREEMENT AND  
AUTHORIZING THE ISSUANCE, SALE AND DELIVERY  
OF CITY OF SACRAMENTO COMMERCIAL REVENUE BONDS  
(13TH AND I ASSOCIATES PROJECT)

WHEREAS, the City of Sacramento (the "City") has, by Ordinance No. 83-022, enacted the City of Sacramento Economic Development Revenue Bond Law (herein called the "Law"), authorizing and establishing a procedure for the sale and issuance of revenue bonds or other evidences of indebtedness by the City for the purpose of making loans to participating parties to finance facilities maintained and operated for industrial, commercial, business and other purposes specified in the Law;

WHEREAS, the City Council of the City has, by Resolution No. 83-781, adopted by the Council on October 4, 1983, given preliminary approval for the issuance of such bonds or other evidences of indebtedness to fund a loan to 13th and I Associates, a California limited partnership (the "Partnership") to finance the acquisition and construction of a commercial property located at 13th and I Streets, Sacramento, California (the "Facility") for the Partnership, and authorized proper officers of the City to proceed to prepare or cause to be prepared the documentation for such purpose;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO, as follows:

Section 1. Revenue bonds of the City, generally designated "City of Sacramento Commercial Revenue Bonds, (13th and I Associates Project)" in an aggregate principal amount not to exceed \$7,000,000 (herein called the "Bonds"), are authorized to be issued.

Section 2. The proposed form of loan agreement (the "Loan Agreement") between the City and the Partnership, presented to this meeting, is hereby approved. The Mayor is hereby authorized, for and in the name and on behalf of the City, to execute, acknowledge and deliver a loan agreement in substantially said form, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of trust indenture (the "Indenture") between the City and Bank of America National Trust and Savings Association, as trustee (the "Trustee"), presented to this meeting, is hereby approved. The Mayor is hereby authorized, for and in the name and on behalf of the City, to execute, acknowledge and deliver a trust indenture in substantially said form, with such changes therein as such officer and the City Attorney may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The date, maturity dates, interest rate or rates, interest payment dates, terms of redemption and other terms of the Bonds thereto shall be as provided in the Indenture as finally executed. The Trustee may be changed to another qualified bank with the approval of the City Manager and the City Attorney.

Section 4. Forms of the proposed Loan Agreement and the Indenture are on file in the office of the City Clerk.

Section 5. Bonds in an aggregate principal amount not to exceed \$7,000,000 are authorized to be executed by the manual or facsimile signature of the Mayor, the seal of the City is authorized to be affixed or imprinted thereon and attested by the manual or facsimile signature of the City Clerk, in forms set forth in and otherwise in accordance with said Indenture. The seal of the City may be reproduced in facsimile form.

Section 6. The Bonds, when so executed, are authorized to be delivered to the Trustee for authentication. The Trustee is hereby requested to authenticate the Bonds by executing the Trustee's 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 the Mayor, which instructions said officer is hereby authorized, for and in the name and on behalf of the City, to execute and deliver to the Trustee. Such instructions shall provide for the delivery of the Bonds to the Purchaser upon payment of the purchase price thereof.

Section 7. The City Clerk is hereby authorized to attest the signatures of the Mayor and to affix and attest the seal of the City as may be requested in connection with the execution and delivery of the Bonds and said Loan Agreement and Indenture in accordance with this resolution.

Section 8. The officers and staff of the City are hereby authorized, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to consummate the issuance, sale and delivery of the Bonds and otherwise to carry out, give effect to and comply with the terms and intents of the resolution, the Bonds and said Loan Agreement and Indenture.

Section 9. Final consummation of the transactions set forth in this resolution shall be contingent upon this Council's further approval of the issuance of the Bonds pursuant to Section 103(k) of the Internal Revenue Code of 1954, as amended, and upon the completion of the financing arrangements for the Bonds in a manner satisfactory to the City Manager and the City Attorney.

Section 10. This resolution shall take effect immediately upon its approval.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

RESOLUTION NO. 84-419

A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF SACRAMENTO AUTHORIZING THE ISSUANCE, SALE  
AND DELIVERY OF CITY OF SACRAMENTO COMMERCIAL  
REVENUE BONDS (13TH AND I ASSOCIATES PROJECT)  
1984 SERIES A

WHEREAS, the City of Sacramento (the "City") has, by Ordinance No. 83-022, adopted by the City Council on February 15, 1983, enacted the City of Sacramento Economic Development Revenue Bond Law (herein called the "Law"), authorizing and establishing a procedure for the sale and issuance of revenue bonds or other evidences of indebtedness by the City for the purpose of making loans to participating parties to finance facilities maintained and operated for industrial, commercial, business <sup>and</sup> or other purposes specified in the Law; and

WHEREAS, the City Council of the City has, by Resolution No. 83-781, adopted by the City Council on October 4, 1983, given preliminary approval for the issuance of City of Sacramento Commercial Revenue Bonds (13th and I Associates Project) 1984 Series A (the "Bonds") to fund a loan to 13th and I Associates (the "Developer") to finance the construction of an office building to be located at 13th and I Streets in the City (the "Project"), and authorized proper officers of the City to proceed to prepare of cause to be prepared the documentation necessary for such purpose; and

WHEREAS, the City Council has, by Resolution No. 83-825, adopted by the City Council on October 25, 1983,

APPROVED  
BY THE CITY COUNCIL

MAY 22 1984

OFFICE OF THE  
CITY CLERK

given final approval for the issuance of such Bonds to finance the Project; and

WHEREAS, pursuant to Section 103(k) of the Internal Revenue Code, as amended (the "Code"), the Bonds are required to be approved, by an elected representative of the issuer of the Bonds, following a public hearing; and

WHEREAS, this City Council is the elected legislative body of the City of Sacramento; and

WHEREAS, the Project is located wholly within the City of Sacramento; and

WHEREAS, this City Council has caused a notice to appear in the Sacramento Bee, which is a newspaper of general circulation in the City, on May 7, 1984, to the effect that a public hearing would be held by this City Council on May 22, 1984 regarding the issuance of the Bonds and the nature and location of the Project; and

WHEREAS, this City Council held the said public hearing on such date, 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.

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

1. Pursuant to Section 103(k) of the Code, this City Council hereby approves the issuance of the Bonds to finance costs of the Project. It is the purpose and intent

of this City Council that this resolution constitute approval of the issuance of bonds by the applicable elected representative of the issuer in accordance with said Section 103(k).

2. Resolution No. 83-825, approved by the City Council of the City on October 25, 1983, authorizing the issuance, execution and delivery of City of Sacramento Commercial Revenue Bonds, (13th and I Associates Project) 1984 Series A, in an aggregate principal amount not to exceed \$7,000,000, certain documents, and all other documents deemed necessary or advisable in order to achieve the purposes stated therein, is affirmed by this City Council and, except to the extent superseded by this resolution, remains in full force and effect.

3. This resolution shall take effect immediately upon its passage.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK



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May 3, 1984

Ms. Annie Mason  
 City Clerk's Office  
 City Hall  
 915 I Street, Room 203  
 Sacramento, CA 95814

Re: City of Sacramento Commercial Revenue  
 Bonds (13th and I Associates Project)  
 1984 Series A

Dear Ms. Mason:

We hereby request that the following matter be placed on the agenda of the City Council for their meeting scheduled for 7:30 p.m. on May 22, 1984: *OK Jm*

A public hearing, as required by Section 103(k) (2) of the Internal Revenue Code, with respect to the proposed issuance by the City of Sacramento of revenue bonds in a principal amount of not more than \$7,000,000 to finance the construction of an office building, to be located at 13th and I Streets, Sacramento, California and to be owned by 13th and I Associates, a California Limited Partnership.

We will see that notice of the public hearing is published at least fourteen days prior thereto as required by the Internal Revenue Code.

Thank you very much for your attention to this matter.

Very truly yours,

*John L. Beshears*  
 John L. Beshears

cc: Robert P. Feyer, Esq.

JLB/sr

May 30, 1984

John L. Beshears  
Orrick, Herrington & Sutcliffe  
600 Montgomery Street  
San Francisco, CA 94111

Dear Mr. Beshears:

On May 22, 1984, the Sacramento City Council took the following actions:

Closed hearing and adopted Resolution No. 84-419 authorizing the issuance, sale and delivery of City of Sacramento Commercial Revenue Bonds 1984 Series A for 13th & I Associates for construction and permanent financing for Firehouse #2 and Office Building

Enclosed, for your records, are <sup>three</sup> fully certified copies of the above referenced documents.

Sincerely,

Lorraine Magana  
City Clerk

LM/rr/19

Enclosures

cc: \* City Attorney  
\* City Treasurer  
\* Assistant City Manager, Community Development Department  
\* Richard Hyde  
\*

\* 1 Cert. Res. for each of these people was sent.