ORDINANCE NO. 2021-0004
Adopted by the Sacramento City Council
February 9, 2021

An Ordinance Amending Sections 3.154.040 and 3.154.130 of the Sacramento City Code, Relating to the Issuance of Transient-Occupancy-Tax Revenue Bonds

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Under sections 3, 5, and 7 in article XI of the California Constitution and section 10 of the Sacramento City Charter, the city is authorized to make and enforce all laws and regulations concerning municipal affairs and certain other matters. Under section 119 of the Sacramento City Charter, the city is specifically authorized to issue revenue bonds for any lawful purpose and to adopt procedures prescribing the terms and conditions of issuance. Acting in accordance with this authority, in 2018 the city council enacted the TOT Revenue Bond Law, codified as chapter 3.154 of the Sacramento City Code, which established the procedures for the city’s sale and issuance of revenue bonds secured by, and payable from, transient-occupancy taxes and other funds as may be designated in the instrument or agreement under which the city issues the bonds. The city council hereby finds that the public interest and necessity require the adoption of this ordinance amending the TOT Revenue Bond Law.

SECTION 2.

Section 3.154.040 of the Sacramento City Code is hereby amended to read as follows:

3.154.040 General powers.

The city is authorized and empowered to do the following:

A. Issue or incur bonds for the purposes of financing capital-improvement costs and other authorized facilities; refunding outstanding bonds issued under this chapter; refunding other obligations, including bonds, notes, loans, interim certificates, debentures, installment-purchase agreements, and leases, that were incurred to finance capital-improvement costs; establishing debt-service reserves; paying capitalized interest; and paying all costs incurred in connection with such bonds or other obligations.

B. Establish the terms for financings undertaken in accordance with this chapter.

C. Employ or contract for such legal, underwriting, municipal-advising, feasibility, engineering, and other consultant services the city council authorizes or determines to be necessary for the issuance and sale of bonds.
D. Do all things necessary or convenient to carry out the purposes of this chapter.

SECTION 3.

Section 3.154.130 of the Sacramento City Code is hereby amended to read as follows:

3.154.130 Refunding bonds.

The city council may issue bonds to refund outstanding bonds issued under this chapter and to refund other obligations, including bonds, notes, loans, interim certificates, debentures, installment-purchase agreements, and leases, that were incurred to finance capital-improvement costs. Such a refunding includes payment of the principal, purchase price, interest, redemption premiums (if any) of the outstanding bonds or other obligations, carrying costs associated with any refunding escrow, and applicable costs of issuance. At the discretion of the city council, based on the city treasurer’s recommendation, the proceeds of bonds issued to refund such outstanding bonds or other obligations may be applied to the retirement of the outstanding bonds or other obligations at maturity or to the redemption (on any redemption date) or purchase of the outstanding bonds or other obligations before maturity, upon such terms as the city council authorizes or determines to be appropriate.

Adopted by the City of Sacramento City Council on February 9, 2021 by the following vote:

Ayes: Members Guerra, Harris, Jennings, Loloee, Schenirer, Valenzuela, Vang, and Mayor Steinberg

Noes: None

Abstain: None

Absent: Member Ashby

Attest: Mindy Cuppy, City Clerk

The presence of an electronic signature certifies that the foregoing is a true and correct copy as approved by the Sacramento City Council.

Passed for Publication: February 2, 2021
Published: February 5, 2021
Effective: March 11, 2021