

RESOLUTION NO. 2016-0255

Adopted by the Sacramento City Council

July 19, 2016

APPROVING THE ISSUANCE OF THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY INDEPENDENT SCHOOL REVENUE BONDS (RIVERSIDE SCHOOL PROJECT) SERIES 2016 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF FINANCING THE ACQUISITION, IMPROVEMENT, AND EQUIPPING OF SCHOOL FACILITIES AT 6115 RIVERSIDE BOULEVARD AND OTHER RELATED MATTERS

BACKGROUND

- A. The California Municipal Finance Authority (the “**Authority**”) is authorized to issue revenue bonds for the purposes, among other things, of financing or refinancing projects of any nature in California. It was created by a *Joint Exercise of Powers Agreement* dated as of January 1, 2004 (the “**Agreement**”), in accordance with the Joint Exercise of Powers Act (California Government Code §§ 6500 – 6599.3).
- B. Riverside School, Inc. is a California nonprofit public-benefit corporation and an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (the “**Borrower**”). The Borrower has requested that the Authority issue one or more series of revenue bonds in an aggregate principal amount not to exceed \$15,000,000 (the “**Bonds**”) for the acquisition, improvement, and equipping of school facilities at 6115 Riverside Boulevard in Sacramento, California (the “**Project**”), which the Borrower will own and operate.
- C. Under section 147(f) of the Internal Revenue Code of 1986 (“**Section 147(f)**”), the Authority’s issuance of the Bonds must be approved by the City’s “applicable elected representative” because the Project is located within an area over which the City has jurisdiction.
- D. The City Council is the City’s “applicable elected representative” for purposes of Section 147(f).
- E. The Authority has requested that the City Council approve the Authority’s issuance of the Bonds to satisfy the approval requirements of Section 147(f) and section 4 of the Agreement.

- F. Notice of the public hearing has been duly given as required by the Section 147(f), and the City Council held the public hearing as noticed, giving all interested persons an opportunity to be heard on all matters relative to the financing of the Project and the Authority's issuance of the Bonds.
- G. It is in the public interest and for the public benefit that the City Council approve the Authority's issuance of the Bonds for the purpose described.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The statements in the Background are true.
- Section 2. The Authority's issuance of the Bonds is hereby approved. This approval (a) is given for the sole purpose of complying with Section 147(f) and section 4 of the Agreement; (b) is conditioned on the City Council's understanding that the City is not obligated to pay any principal, interest, fees, or other costs associated with the Authority's issuance of Bonds; and (c) is neither an approval of the underlying credit issues of the proposed Project nor an approval of the financial structure of the Bonds.
- Section 3. This resolution does not obligate the City or any City department (a) to provide any financing for the Project or any refinancing of the Project; (b) to approve any application or request for, or take any other action in connection with, any planning approval, permit, or other action necessary for the Project; (c) to make any contribution or advance any funds to the Authority; or (d) to take any further action with respect to the Bonds, the Authority, or the City's membership in the Authority.
- Section 4. The City's officers are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents they consider necessary or advisable to carry out, give effect to, or comply with this resolution.
- Section 5. This resolution takes effect immediately upon its passage.

Adopted by the City of Sacramento City Council on July 19, 2016, by the following vote:

Ayes: Members Ashby, Carr, Guerra, Hansen, Harris, Jennings, Schenirer
and Warren

Noes: None

Abstain: None

Absent: Mayor Johnson

Attest:

Shirley Concolino Digitally signed by Shirley Concolino
DN: cn=Shirley Concolino, o=City of Sacramento, ou=City
Clerk, email=sconcolino@cityofsacramento.org, c=US
Date: 2016.07.25 08:16:20 -07'00'

Shirley Concolino, City Clerk