



APPROVED
BY THE CITY COUNCIL

DEC 11 1990

OFFICE OF THE
CITY CLERK

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**OFFICE OF THE
CITY ATTORNEY**

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CITY ATTORNEY

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**CITY OF SACRAMENTO
CALIFORNIA**

December 5, 1990

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City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: Amendment of Articles of Incorporation of Sacramento
City Public Facilities Financing Corporation**

SUMMARY

This report requests that the City Council adopt a resolution approving an amendment to the Sacramento City Public Facilities Financing Corporation Articles of Incorporation in order to qualify for property tax exemptions on buildings leased to the City of Sacramento for public uses.

BACKGROUND

On November 30, 1990, the Sacramento City Public Facilities Financing Corporation Board of Directors adopted a resolution approving an amendment to the Corporation's Articles of Incorporation to provide specific reference to Section 501(c)(3) of the Internal Revenue Code. This action was taken in order to obtain a ruling from the Internal Revenue Service that the Corporation qualifies as an exempt organization under Section 501(c)(3). This ruling is necessary to qualify for a property tax exemption on buildings leased to the City for public uses. A copy of the resolution adopted by the Corporation's Board of Directors is attached hereto.

The Sacramento City Public Facilities Financing Corporation's Bylaws require the City Council's written consent to amendments of the Corporation's Articles of Incorporation. The Corporation requests that the City Council authorize this action so that the amendment to the Corporation's Articles of Incorporation can be filed with the Secretary of State.

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FINANCIAL DATA

Approval of the amendment to the Sacramento City Public Facilities Financing Corporation's Articles of Incorporation will assist the Corporation in qualifying for tax exemptions on property leased to the City for public uses.

POLICY CONSIDERATIONS

There are no policy considerations associated with this item.

MBE/WBE EFFORTS

No goods or services are being purchased in connection with this item.

RECOMMENDATION

It is recommended that the City Council adopt the attached resolution approving the resolution adopted by the Sacramento City Public Facilities Financing Corporation on November 30, 1990, amending the Corporation's Articles of Incorporation.

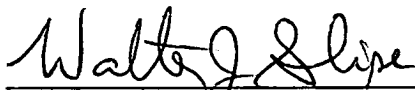
Respectfully submitted,

JAMES P. JACKSON, City Attorney



JOE ROBINSON
Deputy City Attorney

Recommendation Approved:



WALTER J. SLIPE
City Manager

December 11, 1990
All Districts

Contact Person:
Joe Robinson, Deputy City Attorney
449-5346

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BY THE CITY COUNCIL

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OFFICE OF THE
CITY CLERK

RESOLUTION NO. 90-994

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

**RESOLUTION APPROVING AMENDMENT OF ARTICLES
OF INCORPORATION BY SACRAMENTO CITY
PUBLIC FACILITIES FINANCING CORPORATION**

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

(1) That the November 30, 1990, Resolution of Board of Directors Directing Execution and Filing of Amended Articles of Incorporation of Sacramento City Public Facilities Financing Corporation is approved.

(2) That the President and Secretary of the Sacramento City Public Facilities Financing Corporation are authorized to prepare and file in the California Secretary of State's office an officer's certificate amending the Articles of Incorporation in accordance with the Corporation's November 30, 1990 resolution and the provisions of California law.

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

RESOLUTION NO.: _____

DATE ADOPTED: _____

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OFFICE OF THE
CITY CLERK

PROPOSED RESOLUTION OF BOARD OF DIRECTORS
DIRECTING EXECUTION AND FILING OF AMENDED
ARTICLES OF INCORPORATION OF
SACRAMENTO CITY PUBLIC FACILITIES FINANCING CORPORATION
(A Non-Profit Public Benefit Corporation)

WHEREAS it is deemed to be in the best interest of this corporation that the Articles of Incorporation be amended to indicate that the property of this corporation is irrevocably dedicated to charitable and/or religious and educational purposes meeting the requirements for exemption provided by Section 501(c)(3) of the Internal Revenue Code:

RESOLVED, that Article Second of the Articles of Incorporation be amended to read as follows:

"The Corporation is organized and operated exclusively for charitable and/or religious and educational purposes meeting the requirements for exemption provided by Section 501(c)(3) of the Internal Revenue Code. The Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. The Corporation is organized under the Nonprofit Public Benefit Corporation Law for public purposes. The specific and primary purposes for which the Corporation is formed is to provide assistance to the City of Sacramento in financing the acquisition, construction, improvement and remodeling of public buildings, equipment and facilities for the City of Sacramento, together with parking, site development, landscaping, utilities, furnishings, improvements and all appurtenant and related facilities.

Incidental to and in order to carry out the foregoing purpose, the Corporation shall have and possess, subject to the provisions of these Articles, all powers now or hereafter conferred upon nonprofit public benefit corporations by the laws of the State of California, with the following limitation: The Corporation shall never engage in any activity other than such activities as may be incidental to and for the purpose of carrying out the primary purpose for which the Corporation is formed for and on behalf of the City of Sacramento.

RESOLVED FURTHER, that Article Third of the Articles of Incorporation be amended to read as follows:

"The corporation is organized as a non-profit public benefit corporation, without capital stock and without members. No gains, profits or dividends shall be distributed to any of the directors or officers of the corporation, and no part of the net earnings, funds or assets of the corporation shall inure to the benefit of any director, officer or individual, or any other person, firm or corporation excepting only the City of Sacramento. No part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, nor shall it participate in or intervene in or publish or distribute statements concerning any political campaign on behalf of any candidate for public office.

The property of the corporation is irrevocably dedicated to charitable and/or religious and educational purposes meeting the requirements for exemption provided by Section 214 of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code. Upon dissolution or winding up of the Corporation, its assets remaining after payment or provision for payment of all debts and liabilities of the corporation shall be distributed to the City of Sacramento to be used exclusively for public purposes.

RESOLVED FURTHER, that the President and the Secretary of this corporation be and they hereby are authorized and directed to prepare and file in the California Secretary of State's office an officer's certificate amending the Articles of Incorporation in accordance with the foregoing resolution and the provisions of California Law.

Each of the undersigned hereby adopts, approves and consents to the foregoing resolution.

| <u>NAME</u> | <u>TITLE</u> | <u>DATE</u> |
|------------------------|---------------------------|-----------------|
| <u>Ralph Scamfield</u> | <u>Director</u> | <u>11/30/90</u> |
| <u>[Signature]</u> | <u>Director</u> | <u>11/30/90</u> |
| <u>_____</u> | <u>Alternate Director</u> | <u>_____</u> |