

City of Sacramento

Legislation Details (With Text)

File #:	2019-00827	Version:	1	Name:	
Type:	Consent Item	Status:		Agenda Ready	
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On agenda:	6/11/2019	Final action:			
Title:	Declaration of Official Intent to Reimburse the City from Bond Proceeds for Certain Expenditures Related to the Ballroom Component of the Sacramento Convention Center				
Sponsors:					
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
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Title:

Declaration of Official Intent to Reimburse the City from Bond Proceeds for Certain Expenditures Related to the Ballroom Component of the Sacramento Convention Center

File ID: 2019-00827

Location: District 4

Recommendation:

Adopt a Resolution declaring the City's "official intent" to reimburse itself from bond proceeds for certain expenditures associated with the ballroom component of the Sacramento Convention Center Expansion Project.

Contact: Brian Wong, Debt Manager, (916) 808-5811, Office of the City Treasurer

Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Resolution

Description/Analysis

Issue Detail: The Sacramento Tourism Infrastructure District was formed last October for the primary

purpose of levying a new business-based assessment that will be used to secure the payment of bonds issued to finance the ballroom component of the Sacramento Convention Center ("**Project**").

To meet some of the Project's financing needs, the City anticipates issuing Sacramento Tourism Infrastructure District Bonds ("**STID Bonds**") in late summer or early fall 2019. Before the STID Bonds are issued, the City expects to pay certain Project costs so that the Project can stay on schedule. Later, after the STID Bonds have been issued, the City will reimburse itself from the proceeds for those costs.

The proposed resolution declaring the City's "official intent" to reimburse itself from the bond proceeds is required by section 1.150-2 of the Treasury Regulations ("**Section 1.150-2**") if interest on the bonds is to be exempt from federal taxation.

Policy Considerations: The resolution is adopted solely to comply with Section 1.150-2. It does not bind the City to make any expenditure, incur any indebtedness, or proceed with the Project.

Economic Impacts: Not applicable

Environmental Considerations: Not applicable

Sustainability: Not applicable

Commission/Committee Action: Not applicable

Rationale for Recommendation: Section 1.150-2 requires that the City Council declare its "official intent" to reimburse the City from the proceeds of the STID Bonds (i.e., from the "proceeds of an obligation") for expenditures made before the STID Bonds are issued.

Financial Considerations: There are no financial considerations with the proposed actions. Any reimbursement to the City will only occur after the STID Bonds have been issued. The contracts to be awarded have been or will be entered into in compliance with the City's procurement policy.

Local Business Enterprise (LBE): Not applicable