



Municipal Market Disclosure Information Cover Sheet

This Filing Applies to:

1. City of Sacramento Tourism Infrastructure District, Assessment Revenue Bonds (Convention Center Ballroom), Series 2019, \$50,465,000, Dated: August 22, 2019
785843AB9, 785843AC7, 785843AD5, 785843AE3, 785843AF0, 785843AG8, 785843AH6,
785843AJ2, 785843AK9, 785843AL7, 785843AM5, 785843AN3, 785843AP8, 785843AQ6,
785843AR4, 785843AS2, 785843AT0, 785843AU7, 785843AV5

TYPE OF FILING:

If information is also available on the Internet, give URL: www.dacbond.com

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)**Financial / Operating Data Disclosures****Rule 15c2-12 Disclosure**

- Annual Financial Information & Operating Data (Rule 15c2-12)
- Audited Financial Statements or ACFR (Rule 15c2-12)
- Failure to provide as required

Additional / Voluntary Disclosure

- Quarterly / Monthly Financial Information
- Change in Fiscal Year / Timing of Annual Disclosure
- Change in Accounting Standard
- Interim / Additional Financial Information / Operating Data
- Budget
- Investment / Debt / Financial Policy
- Information Provided to Rating Agency, Credit / Liquidity Provider or Other Third Party

- Consultant Reports
- Other Financial / Operating Data

Event Filing

Rule 15c2-12 Disclosure

- Principal / Interest Payment Delinquency
- Non-payment Related Default
- Unscheduled Draw on Debt Service Reserve Reflecting Financial Difficulties
- Unscheduled Draw on Credit Enhancement Reflecting Financial Difficulties
- Substitution of Credit or Liquidity Provider, or Its Failure to Perform
- Adverse Tax Opinion or Event Affecting the Tax-exempt Status of the Security
- Modification to the Rights of Security Holders
- Bond Call
- Defeasance
- Release, Substitution or Sale of Property Securing Repayment of the Security
- Rating Change
- Tender Offer / Secondary Market Purchases
- Merger / Consolidation / Acquisition and Sale of All or Substantially All Assets
- Bankruptcy, insolvency, receivership or similar event
- Successor, Additional or Change in Trustee
- Failure to Provide Event Filing Information as Required
- Financial Obligation - Incurrence and Agreement
- Financial Obligation - Event Reflecting Financial Difficulties

Additional / Voluntary Disclosure

- Amendment to Continuing Disclosure Undertaking
- Change in Obligated Person
- Notice to Investor Pursuant to Bond Documents
- Communication From the Internal Revenue Service
- Bid For Auction Rate or Other Securities
- Capital or Other Financing Plan
- Litigation / Enforcement Action
- Change of Tender Agent, Remarketing Agent or Other On-going Party
- Derivative or Other Similar Transaction
- Other Event-based Disclosures

Moody's Rating Affirmation dated March 30, 2022

Asset-Backed Securities Filing

Additional / Voluntary Disclosure

- Initial Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(1))
- Quarterly Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(2)(i))
- Annual Asset-Backed Securities Disclosure (SEC Rule 15Ga-1(c)(2)(ii))
- Other Asset-Backed Securities Disclosure (e.g. notice of termination of duty to file reports pursuant to SEC Rule 15Ga-1(c)(3))

Disclosure Dissemination Agent Contact:

Name: DAC

Address: 315 East Robinson Street

Suite 300

City: Orlando

State: FL

Zip Code: 32801-1674

Telephone: 407 515 - 1100

Fax: 407 515 - 6513

Email Address: emmaagent@dacbond.com

Relationship to Issuer: Dissemination Agent

Authorized By:

Name: Brian Wong

Title: Debt Manager

Entity: Sacramento, CA, City of

Digital Assurance Certification

Filing Certificate

DAC transmitted the Other Event-based Disclosures to EMMA/SID (if applicable) on behalf of Sacramento, CA, City of under their SEC Rule 15c2-12 Continuing Disclosure Agreement.

Transmission Details: P21191258

| | |
|---|--|
| Date & Time Stamp: | 04/05/2022 |
| Document: | Other Event-based Disclosures: Moody's Rating Affirmation dated March 30, 2022 |
| DAC Bond Coversheet: | Yes |
| Transmitted to: | MSRB-EMMA |
| Total CUSIPs associated with this Filing: | 19 |
| Filing made on Series: | 2019 |

Codes: P (Prerefunded), R (Refunded), U (Unrefunded), E (Escrowed), A (Advance Refunding), D (Defeased), T (Tendered), V (Derivatives), UD (Undetermined), NLO (No Longer Outstanding)

Red: Original CUSIPs - filing missed · **Blue:** Non-Original CUSIPs - filing missed · **Green:** Outstanding CUSIPs - filing made · **Black:** Inactive CUSIPs

1. Issue: City of Sacramento Tourism Infrastructure District, Assessment Revenue Bonds (Convention Center Ballroom), Series 2019, \$50,465,000, Dated: August 22, 2019

CUSIP: 785843AB9, 785843AC7, 785843AD5, 785843AE3, 785843AF0, 785843AG8, 785843AH6, 785843AJ2, 785843AK9, 785843AL7, 785843AM5, 785843AN3, 785843AP8, 785843AQ6, 785843AR4, 785843AS2, 785843AT0, 785843AU7, 785843AV5

No missing CUSIPs for this bond issue

915 I Street, HCH 3rd Floor
Sacramento CA 95814

John Colville ~ City Treasurer

Phone 916-808-5168
Fax 916-808-5171

Via Email

**ADDITIONAL (VOLUNTARY) DISCLOSURE
RATING AFFIRMED**

Dated: April 5, 2022

NOTICE IS HEREBY GIVEN that on March 30, 2022, Moody's Investors Service ("Moody's") affirmed the long-term rating of the 2019 Sacramento Tourism Infrastructure District Assessment Revenue Bonds at "**A2**" and revised the outlook from *negative* to *stable*.

City of Sacramento



Brian Wong
Debt Manager

Attachment: Moody's Rating Action Report dated March 30, 2022

Rating Action: Moody's affirms A2 rating on Sacramento Tourism Infrastructure District No. 2018-04, CA's assessment bonds; outlook revised to stable from negative

30 Mar 2022

New York, March 30, 2022 -- Moody's Investors Service has affirmed the A2 rating on the Sacramento Tourism Infrastructure District (STID) No. 2018-04's assessment bonds issued on its behalf by the City of Sacramento (Aa2 stable). The STID has \$49.6 million outstanding assessment bonds. The outlook was revised to stable from negative.

RATINGS RATIONALE

The A2 rating on the bonds reflects the underlying economic strength of the assessment district, which includes all of the City of Sacramento (Aa2 stable) and neighboring unincorporated areas of Sacramento County (A1 stable) primarily to the east. While the assessment district was newly established in 2018, it is nearly contiguous with a tourism marketing district formed in 2012, which has a track record of collecting similar assessments, and prior to the coronavirus outbreak, was experiencing robust growth in travel and tourism. Revenue per Available Room has fully recovered to pre-pandemic levels, supported in part by recent construction of new hotel rooms, as well as full recovery of occupancy rates.

The A2 rating further reflects the limited nature of the assessments pledged to repay the bonds, which are economically sensitive. The assessment district was formed by lodging businesses in the Sacramento area for the purpose of funding a second ballroom at the city's convention center through a 1% assessment on lodging revenues. The rating incorporates the solid historical demand for hotel rooms, as demonstrated by the rapid growth in assessments collected in the overlapping tourism marketing district, as well as projected demand resulting in notable new hotel construction. The rating further incorporates favorable debt structuring and legal provisions, which are key credit features.

Coverage for the bonds from current revenue provided 0.7 times in fiscal 2021, requiring very modest general fund support from the city of Sacramento, but is expected to provide 1.0 times coverage in fiscal 2022. The city's support of the district's bond debt service is a governance factor driving this rating action. The district has a surplus revenue account funded to 50% of maximum annual debt service (MADS) equal to \$1.4 million available to pay debt service, but which has not been used to do so.

RATING OUTLOOK

Revision of the outlook to stable reflects our view that the recovery of assessment revenues will be sufficient to maintain the credit profile of the bonds in the near term. While there is a very small amount of bond authorization outstanding, the lien is essentially closed and the city of Sacramento, while not legally obligated to provide for any shortfall in debt service coverage or to fund the authorized project without additional bonds under the district's authorization, has ample resources available to do so.

FACTORS THAT COULD LEAD TO AN UPGRADE OF THE RATING

- Substantial growth in debt service coverage
- Trend of robust economic growth

FACTORS THAT COULD LEAD TO A DOWNGRADE OF THE RATING

- Return to a decline of pledged assessment revenue
- Substantial new debt beyond the contemplated potential third lien
- Depletion of the district's debt service and surplus revenue reserves, not offset by the city
- Use of the debt service reserve surety

LEGAL SECURITY

The STID bonds are secured by a first pledge of and lien on all of the pledged revenues from assessments on the lodging businesses in the district, excluding vacation rentals, although any assessments paid by vacation rental owners are also available for payment of debt service. Parity bonds are permitted for refunding outstanding bonds. Subordinate obligations are permitted for other tourism infrastructure projects approved by the tourism district committee in accordance with the STID Management District Plan. There is an additional bonds test (ABT) for bonds of 1.15 times MADS. The debt service reserve account was funded at closing at the lesser of the three-prong test with a surety. Additionally, a surplus revenue account was cash funded at 50% of MADS and any draws will be replenished over time from excess revenues.

PROFILE

The Sacramento Tourism Infrastructure District No. 2018-04 was formed through petition by lodging businesses located within the district and approval by the City of Sacramento to provide specific benefits to payors, by providing funding for the construction of a second ballroom as part of the Sacramento Convention Center and other infrastructure project and marketing designed to increase room night sales for assessed lodging businesses. The Tourism District was formed pursuant to the Property and Business Improvement District Law of 1994, as augmented by an ordinance adopted by the City Council pursuant to its charter powers. The assessment rate is 1% of total room revenues of lodging businesses within the district, with collections beginning in September 2019. Assessments on lodging businesses located outside of the city but within the district are collected and remitted to the city by Sacramento County. In 2019, the district had over 100 lodging businesses (excluding vacation rentals) with about 11,000 rooms.

Sacramento is located at the confluence of the Sacramento and American rivers in the northern Central Valley, 75 miles northeast of San Francisco (Aaa negative). The city encompasses 99 square miles and has over 500,000 residents as of 2018, making it the sixth largest city in the state. It was incorporated in 1849 and is the California (Aa2 stable) state capital and the seat of Sacramento County (A1 stable). The full-service city is governed by a nine-member city council including an elected mayor.

METHODOLOGY

The principal methodology used in this rating was US Public Finance Special Tax Methodology published in January 2021 and available at https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBM_1260087. Alternatively, please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found at: https://www.moodys.com/researchdocumentcontentpage.aspx?docid=PBC_79004.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the ratings tab on the issuer/entity page for the respective issuer on www.moodys.com.

The rating has been disclosed to the rated entity or its designated agent(s) and issued with no amendment resulting from that disclosure.

This rating is solicited. Please refer to Moody's Policy for Designating and Assigning Unsolicited Credit Ratings available on its website www.moodys.com.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at http://www.moody's.com/researchdocumentcontentpage.aspx?docid=PBC_1288235.

At least one ESG consideration was material to the credit rating action(s) announced and described above.

The Global Scale Credit Rating on this Credit Rating Announcement was issued by one of Moody's affiliates outside the EU and is endorsed by Moody's Deutschland GmbH, An der Welle 5, Frankfurt am Main 60322, Germany, in accordance with Art.4 paragraph 3 of the Regulation (EC) No 1060/2009 on Credit Rating Agencies. Further information on the EU endorsement status and on the Moody's office that issued the credit rating is available on www.moody's.com.

The Global Scale Credit Rating on this Credit Rating Announcement was issued by one of Moody's affiliates outside the UK and is endorsed by Moody's Investors Service Limited, One Canada Square, Canary Wharf, London E14 5FA under the law applicable to credit rating agencies in the UK. Further information on the UK endorsement status and on the Moody's office that issued the credit rating is available on www.moody's.com.

Please see www.moody's.com for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the ratings tab on the issuer/entity page on www.moody's.com for additional regulatory disclosures for each credit rating.

Lori Trevino
Lead Analyst
REGIONAL_WEST
Moody's Investors Service, Inc.
405 Howard Street
Suite 300
San Francisco 94105
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Nicholas Lehman
Additional Contact
REGIONAL_NE
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

Releasing Office:
Moody's Investors Service, Inc.
250 Greenwich Street
New York, NY 10007
U.S.A
JOURNALISTS: 1 212 553 0376
Client Service: 1 212 553 1653

MOODY'S
INVESTORS SERVICE

© 2022 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY

ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any

contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from \$1,000 to approximately \$5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY100,000 to approximately JPY550,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.