

1 [Redevelopment Agency Budget.]

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3 **Resolution (1) authorizing the issuance of refunding and capital improvement bonds in**
4 **one or more series by the City and County of San Francisco Redevelopment Financing**
5 **Authority in an amount not to exceed \$90,000,000 to refinance indebtedness previously**
6 **issued in 1993 and 1996 and provide additional funds for affordable housing; (2)**
7 **approving an amendment to the budget of the Redevelopment Agency of the City and**
8 **County of San Francisco for fiscal year 2003-2004, by increasing the Agency’s tax**
9 **increment receipts in an amount not to exceed \$3,373,160 to provide funds for**
10 **payment of such amount to the Educational Revenue and Augmentation Fund,**
11 **authorizing the receipt of approximately \$10,000,000 from the sale of tax allocation**
12 **refunding and capital improvement revenue bonds and also increasing the Agency’s**
13 **expenditure authority in an amount not to exceed \$13,373,160 to enable the Agency’s**
14 **payment of \$3,373,160 to the Education Revenue and Augmentation Fund and**
15 **expenditure of bond proceeds in the amount of approximately \$10,000,000 for**
16 **affordable housing and related purposes; and (3) authorizing execution of a**
17 **Cooperation Agreement with the Redevelopment Agency of the City and County of San**
18 **Francisco that provides for the Agency’s payment of \$1,912,094 to the City and County**
19 **of San Francisco from the proceeds of bonds to be issued in 2004, such amount to**
20 **constitute the Agency’s deposit towards the purchase of one or more underutilized**
21 **sites to be conveyed to the Agency for affordable housing.**

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23 WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the
24 “Agency”) is implementing various Redevelopment Plans and programs in the City and

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1 County of San Francisco (the “City”) in accordance with the California Community
2 Redevelopment Law (the “CRL”); and

3 WHEREAS, The Board of Supervisors previously authorized the formation of the City
4 and County of San Francisco Redevelopment Financing Authority (the “Authority”), a joint
5 powers agency formed by the Agency and the City to issue certain bonds; and,

6 WHEREAS, The Authority issued certain bonds in 1993 and 1996 to fund
7 redevelopment activities, and the Agency has previously entered into loans relating to the
8 payment of such previously issued bonds; and,

9 WHEREAS, In order to effect economic savings due to lower interest rates, the Agency
10 desires to refund certain existing indebtedness to the Authority by repaying a portion of the
11 Authority’s 1993 Series B Tax Allocation Refunding Revenue Bonds, all of the Authority’s
12 1993 Series C Tax Allocation Revenue Bonds and all of the Authority’s 1996 Series C
13 Taxable Tax Allocation Revenue Bonds (collectively the “Prior Bonds”) through the issuance
14 of bonds (“the 2004 Bonds”) to refund such Prior Bonds and provide additional funds in the
15 approximate amount of \$10,000,000 for the Agency’s Low and Moderate Income Housing
16 Fund, which the Agency must use for development of housing affordable by low-income and
17 moderate-income persons (“Affordable Housing”), and which the Agency must report to the
18 Board as to the use of such funds on specific Affordable Housing developments; and the
19 Agency wishes to enter into loans related to the issuance of the 2004 Bonds, each
20 indebtedness to mature no later than the maturity dates of the indebtedness being
21 refinanced; and,

22 WHEREAS, The Board of Supervisors’ approved the issuance of the Authority’s Prior
23 Bonds as permitted by the applicable CRL provisions then in effect, and such approval
24 included authorization for the Agency’s loans related thereto and the Authority’s refinancing of
25 such indebtedness if economic savings could be achieved; and,

1 WHEREAS, Section 33606 of the CRL provides for approval by the Board of
2 Supervisors, in its role as the Agency’s Legislative Body, of the Agency’s annual budget (the
3 “Budget”) and any amendments to the Budget; and,

4 WHEREAS, The Board of Supervisors approved the Agency’s Budget for fiscal year
5 2003-2004 by adoption of Resolution No. 604-03; and,

6 WHEREAS, The Agency wishes to amend its Budget for fiscal year 2003-04 to permit
7 the receipt of additional tax increment in the amount of \$ 3,373,160 (sometimes referred to as
8 the “Additional Tax Increment”), that the Agency will utilize to make a CRL required payment
9 to the Education Revenue and Augmentation Fund in the same amount (the “ERAF
10 Obligation”), and to increase the Agency’s expenditure authority by an amount not to exceed
11 \$13,373,160, to enable the Agency to pay the ERAF Obligation and use funds in the
12 approximate amount of \$10,000,000 to be generated from the sale of the 2004 Bonds for
13 Affordable Housing and for other redevelopment purposes consistent with the CRL; and,

14 WHEREAS, The Agency wishes to enter into a Cooperation Agreement with the City
15 that obligates the Agency to utilize a portion of the funds expected to become available for
16 Affordable Housing from the sale of the 2004 Bonds, in an amount not to exceed \$1,912,094,
17 to pay such amount to the City, conditioned on the sale of the 2004 Bonds as a deposit
18 towards the Agency’s purchase of one or more underutilized sites owned by the City, with the
19 City’s consent, for development of Affordable Housing and for other redevelopment purposes
20 consistent with the CRL. A copy of the Cooperation Agreement is on file with the Clerk of the
21 Board of Supervisors in File No. , which Agreement is hereby declared to be a part of this
22 resolution as if set forth fully herein; now, therefore, be it

23 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
24 does hereby approve the issuance of the 2004 Bonds by the Authority and the making of
25 loans to the Agency related thereto in an aggregate principal amount not to exceed

1 \$90,000,000 in order to reduce existing debt service and generate funds in the amount of
2 approximately \$10,000,000 for Affordable Housing activities, provided that the 2004 Bonds
3 and loans mature no later than the maturity dates of the indebtedness being refinanced and
4 also hereby authorizes the execution of documents and other actions necessary for the
5 issuance of the 2004 Bonds; and, be it

6 FURTHER RESOLVED, That for the purpose of Section 33333.6(h) of the CRL, the
7 refinancing of the loans financed with the Authority's Prior Bonds to achieve debt savings was
8 provided for in the applicable documents and authorized by the Board of Supervisors when
9 those loans and the Prior Bonds were approved and authorized in 1993 and 1996,
10 respectively; and, be it

11 FURTHER RESOLVED, That for the purpose of preserving the amount of unallocated
12 tax revenue established under the approved redevelopment plans for the India Basin
13 Industrial Park Redevelopment Project Area and the Hunters Point Redevelopment Project
14 Area, the reallocation of a portion of the amount payable under the existing loans for those
15 Project Areas to the Rincon Point-South Beach Redevelopment Project Area is hereby
16 approved; and, be it

17 FURTHER RESOLVED, That an amendment to the fiscal year 2003-2004 Budget of
18 the Agency is hereby approved, for the purpose of authorizing the Agency to: (a) receive
19 Additional Tax Increment in an amount not to exceed \$3,373,160, and increases the
20 Agency's expenditure authority by an amount not to exceed \$13,373,160 to enable the
21 Agency to pay the fiscal year 2003-2004 ERAF Obligation in the amount of \$3,373,160 and
22 require the use of funds in the approximate amount of \$10,000,000 expected to be generated
23 from the sale of the 2004 Bonds for Affordable Housing and the submission of a written report
24 to the Board on the expenditure of such funds on specific Affordable Housing developments
25 within 180 days after all such funds have been expended; and (b) subject to the sale of the

1 2004 Bonds, to pay the City an amount not to exceed \$1,912,094 as the Agency's
2 prepayment of a deposit which the City will apply towards the cost of the Agency's acquisition
3 of one or more underutilized properties owned by the City, with the City's consent, for
4 development of Affordable Housing and other purposes authorized by the CRL; and, be it
5 FURTHER RESOLVED, That the execution by the Mayor of a Cooperation Agreement
6 with the Agency is also authorized, in substantially the form on file with the Clerk of the Board
7 of Supervisors in File No. , that requires the Agency to pay the City an amount not to
8 exceed \$1,912,094 as a deposit towards the Agency's purchase of one or more City-owned
9 sites to be identified by the City, which City staff determines to be underutilized, and obligates
10 the City to apply such payment as the Agency's deposit towards the purchase price of such
11 site.

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