

1 [Redevelopment Agency Budget]

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3 **Resolution approving an amendment to the budget of the Redevelopment Agency of**  
4 **the City and County of San Francisco for fiscal year 2009-2010 Budget to (1) authorize**  
5 **the expenditure in an amount not to exceed \$28.7 million for payment to the**  
6 **Educational Revenue Augmentation Fund; (2) authorize an increase in expenditures in**  
7 **an amount not to exceed \$156,000 for additional grant reimbursements from the U.S.**  
8 **Department of Commerce, Economic Development Administration (EDA); and (3)**  
9 **authorize an increase in expenditures in an amount not to exceed \$1,033,417 for**  
10 **additional Housing Opportunities for Persons with AIDS (HOPWA) funding; and (4)**  
11 **approving the issuance by the Redevelopment Agency of Bonds in an additional**  
12 **principal amount not to exceed \$28 million to finance a portion of redevelopment**  
13 **activities described in the approved Budget as amended for fiscal year 2009-2010 of**  
14 **which additional tax increment will be needed in FY 2010-2011 for such financing**  
15 **thereof.**

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17 WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the  
18 "Agency") is implementing various Redevelopment Plans and programs in the City and  
19 County of San Francisco (the "City") in accordance with the California Community  
20 Redevelopment Law California Health and Safety Code section 33000 et. seq. (the "Law");  
21 and,

22 WHEREAS, Section 33606 of the Law provides for approval of the annual budget of  
23 the Agency, and any amendments to the budget, by the legislative body of the City (the  
24 "Board of Supervisors"); and,

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1           WHEREAS, The Board of Supervisors approved the Agency's budget for the fiscal year  
2 2009-10 (the "Budget") and approved the issuance of bonds in the principal amount of not to  
3 exceed \$87.5 million for the purposes of financing a portion of the Budget ("Bonds") by  
4 Resolution No. 267-09; and,

5           WHEREAS, on July 24, 2009, the California Legislature enacted, in a special legislative  
6 session, Assembly Bill No. 26 (Statutes 2009, Chapter 21), which added Sections 33690 and  
7 33690.5 and required the Agency to make a payment estimated to be \$28.7 million in fiscal  
8 year 2009-10 for deposit into the Educational Revenue Augmentation Fund ("ERAF") of the  
9 City and County of San Francisco; and

10           WHEREAS, the Economic Development Administration of the U.S. Department of  
11 Commerce ("EDA") has recently authorized the reimbursement of certain costs associated  
12 with the Agency's implementation of EDA grants in an amount not to exceed \$ 156,000 and

13           WHEREAS, the Agency's Budget did not include \$1,033,417 in Housing Opportunities  
14 for Persons with AIDS ("HOPWA") funds that the Department of Housing and Urban  
15 Development will provide to the Agency over and above the amount described in the Budget;  
16 and

17           WHEREAS, The Agency wishes to amend its Budget for the fiscal year 2009-10 to (i)  
18 allocate \$28.7 million for payment to ERAF; (ii) increase expenditure authority by the amount  
19 of additional grant reimbursements received from the EDA; and (iii) increase expenditure  
20 authority by the amount of \$1,033,417 in additional HOPWA funds; and

21           WHEREAS, Section 33690 (b) of the Law authorizes the Agency to make its ERAF  
22 payment by using any funds that are legally available and not legally obligated for other uses,  
23 including but not limited to bond proceeds or other indebtedness; and

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1           WHEREAS, the Agency seeks to make the ERAF payment by financing a portion of its  
2 Budget, as amended, whereby the Agency will enter into loans and/or issue and refund, as  
3 necessary, or cause to be loaned and/or issued and/or refunded on its behalf by a public  
4 finance authority, tax allocation bonds, notes, or other evidence of indebtedness in an  
5 additional principal amount of not to exceed \$28 million, which will be repaid from and secured  
6 by the taxes allocated to and paid to the Agency pursuant to the Law (and in particular but not  
7 limited to Sections 33670-33674) and to Section 16 of Article XVI of the California  
8 Constitution; now, therefore, be it

9           RESOLVED, By the Board of Supervisors of the City and County of San Francisco that  
10 it does hereby approve the following amendments to the Budget, which are on file with the  
11 Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and are hereby declared to be a part of  
12 this Resolution as if set forth fully herein; (1) authorize an expenditure in an amount not to  
13 exceed \$28.7 million for payment to the ERAF; (2) increase expenditures in an amount not to  
14 exceed \$156,000 for additional grant reimbursements from the EDA; and (3) increase  
15 expenditures in an amount not to exceed \$1,033,417 for additional HOPWA funding; and be it

16           FURTHER RESOLVED, That the issuance of the Bonds by the Agency is approved in  
17 an additional principal amount of not to exceed \$28 million for the purposes of financing a  
18 portion of the Agency's Budget related to the ERAF payment; and be it

19           FURTHER RESOLVED, That the Agency is authorized to refund such Bonds if the sale  
20 of refunding Bonds produces a minimum net debt service savings (net of reserve fund  
21 earnings and other offsets) of at least 3% of the par value of Bonds that are refunded to  
22 achieve a more favorable debt to debt service coverage ratio.

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