

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 \$13,400,000 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 \$1,900,000 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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1 WHEREAS, The Redevelopment Agency of the City and County of San  
2 Francisco (the "Agency") is implementing various Redevelopment Plans and programs  
3 in the City and County of San Francisco (the "City") in accordance with the California  
4 Community Redevelopment Law (the "CRL"); and,

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

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

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

23 WHEREAS, The Board of Supervisors' approved the issuance of the Authority's Prior  
24 Bonds as permitted by the applicable CRL provisions then in effect, and such approval  
25 included authorization for the Agency's loans related thereto and the Authority's refinancing of  
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  
5 fiscal year 2003-2004 by adoption of Resolution No. 604-03; and,

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7           WHEREAS, The Agency wishes to amend its Budget for fiscal year 2003-04  
8 to permit the receipt of additional tax increment in the amount of \$ 3,373,160 (sometimes  
9 referred to as the “Additional Tax Increment”), that the Agency will utilize to make a CRL  
10 required payment to the Education Revenue and Augmentation Fund in the same amount  
11 (the “ERAF Obligation”), and to increase the Agency’s expenditure authority by an amount  
12 not to exceed \$90,000, to enable the Agency to pay the ERAF Obligation and use funds in the  
13 approximate amount of \$10,000,000 to be generated from the sale of the 2004 Bonds for  
14 Affordable Housing and for other redevelopment purposes consistent with the CRL; and,

15           WHEREAS, The Agency wishes to enter into a Cooperation Agreement with  
16 the City that obligates the Agency to utilize a portion of the funds expected to become  
17 available for Affordable Housing from the sale of the 2004 Bonds, in an amount not to exceed  
18 \$1,900,000, to pay such amount to the City, conditioned on the sale of the 2004 Bonds as a  
19 deposit towards the Agency’s purchase of one or more underutilized sites owned by the City,  
20 with the City’s consent, for development of Affordable Housing and for other redevelopment  
21 purposes consistent with the CRL; now, therefore, be it

22           RESOLVED, By the Board of Supervisors of the City and County of San  
23 Francisco that it does hereby approve the issuance of the 2004 Bonds by the Authority and  
24 the making of loans to the Agency related thereto in an aggregate principal amount not to  
25 exceed \$90,000,000 in order to reduce existing debt service and generate funds in the  
amount of approximately \$10,000,000 for Affordable Housing activities, provided that the 2004  
Bonds and loans mature no later than the maturity dates of the indebtedness being refinanced

1 and also hereby authorizes the execution of documents and other actions necessary for the  
2 issuance of the 2004 Bonds; and, be it

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

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

14 FURTHER RESOLVED, That an amendment to the fiscal year 2003-2004 Budget of  
15 the Agency is hereby approved, for the purpose of authorizing the Agency to: (a) receive  
16 Additional Tax Increment in an amount not to exceed \$3,373,160, and increases the  
17 Agency's expenditure authority by an amount not to exceed \$13,400,000 to enable the  
18 Agency to pay the fiscal year 2003-2004 ERAF Obligation in the amount of \$3,373,160 and  
19 permit the use of funds in the approximate amount of \$10,000,000 expected to be generated  
20 from the sale of the 2004 Bonds for Affordable Housing; and (b) subject to the sale of the  
21 2004 Bonds, to pay the City an amount not to exceed \$1,900,000 as the Agency's  
22 prepayment of a deposit which the City will apply towards the cost of the Agency's acquisition  
23 of one or more underutilized properties owned by the City, with the City's consent, for  
24 development of Affordable Housing and other purposes authorized by the CRL; and, be it

25 FURTHER RESOLVED, That the execution by the Mayor of a Cooperation Agreement  
with the Agency is also authorized, in substantially the form approved as to form by the Office

1 of the City Attorney, that requires the Agency to pay the City an amount not to exceed  
2 \$1,900,000 as a deposit towards the Agency's purchase of one or more City-owned sites to  
3 be identified by the City, which City staff determines to be underutilized, and obligates the City  
4 to apply such payment as the Agency's deposit towards the purchase price of such site.  
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