

1 [Redevelopment Agency Budget and Bonds]

2

3 **Resolution approving the Budget of the Redevelopment Agency of the City and County**
4 **of San Francisco for fiscal year 2007-2008, approving the Issuance by the**
5 **Redevelopment Agency of Bonds in an aggregate principal amount of not to exceed**
6 **\$125,800,000 to finance a portion of redevelopment activities described in such**
7 **approved Budget for fiscal year 2007-2008; and approving additional General Fund**
8 **loans to the Redevelopment Agency in the aggregate amount of \$463,000, consisting of**
9 **a \$303,000 loan to complete a potential redevelopment plan for the Visitacion Valley**
10 **Survey Area and a \$160,000 loan for Bayview Hunters Point Survey Area C planning**
11 **costs.**

12 WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the
13 "Agency") is implementing various Redevelopment Plans in the City and County of San
14 Francisco (the "City") in accordance with the Community Redevelopment Law of the State of
15 California, California Health and Safety Code section 33000 et seq. (the "Law"); and

16 WHEREAS, Section 33606 of the Law provides for approval of the annual Budget of the
17 Agency by the Legislative Body of the City (the "Board of Supervisors"); and

18 WHEREAS, The Agency has submitted its annual budget for fiscal year 2007-2008 (the
19 "Budget") to the Board of Supervisors for approval; and

20 WHEREAS, The Agency has developed a financing program for the purposes of
21 financing a portion of its Budget which will require the Agency to enter into loans and/or to
22 issue and to refund, as necessary, or to cause to be loaned and/or issued and/or refunded on
23 its behalf by a public finance authority, tax allocation bonds, notes, or other evidence of
24 indebtedness (such loans, bonds, notes or other evidence of indebtedness being referred to
25 as the "Bonds") in an aggregate principal amount of not to exceed \$125,800,000 (a portion of

1 the proceeds of which may be used to reimburse the Agency for amounts spent under its
2 Budget prior to the issuance of the Bonds) and which will be repaid from and secured by the
3 taxes allocated to and paid to the Agency pursuant to the Law (and in particular but not limited
4 to Sections 33670 - 33674) and Section 16 of Article XVI of the California Constitution; and

5 WHEREAS, The Law provides that the issuance of the Bonds is subject to the approval
6 of the Board of Supervisors; and

7 WHEREAS, The Agency hereby requests that such approval be granted, and the Board
8 of Supervisors is agreeable to doing so, based on the terms and conditions contained in this
9 resolution; and

10 WHEREAS, The Agency and the City and County of San Francisco (the "City") entered
11 into the Mission Bay North Tax Increment Allocation Pledge Agreement and the Mission Bay
12 South Tax Increment Allocation Pledge Agreement, each dated as of November 16, 1998, for
13 the purpose of providing to said project areas tax increment based not on estimated property
14 values but on actual tax increment; and

15 WHEREAS, the Board of Supervisors has previously authorized a Loan Agreement
16 between the City and the Agency for the Bayview Hunters Point Redevelopment Project Area
17 and the Bayview Hunters Point Redevelopment Survey Area dated December 12, 2006, for a
18 loan of \$921,000 from the City's General Fund ("General Fund") and the Budget includes an
19 additional \$160,000 loan to be used for planning costs regarding the Bayview Hunters Point
20 Redevelopment Survey Area C approved by the Board of Supervisors on May 23, 2006,
21 pursuant to Ordinance No. 113-06; and

22 WHEREAS, the Board of Supervisors has previously authorized a Loan Agreement
23 between the City and the Agency for the Visitacion Valley Survey Area dated December 12,
24 2006, for a loan of \$531,000 from the General Fund and the Budget also includes a request
25 for an additional loan from the General Fund to the Agency in the amount of \$303,000 to

1 prepare a proposed redevelopment plan for the Visitacion Valley Redevelopment Survey Area
2 (“Visitacion Valley”) approved by the Board of Supervisors on June 7, 2005 pursuant to
3 Resolution No. 424-05; and

4 WHEREAS, the Board of Supervisors has adopted Ordinances No. 15-05 and Ordinance
5 No. 115-007, to enable the Agency to receive tax increment revenues for the exclusive
6 purpose of financing affordable housing activities within and without the redevelopment
7 project areas located in the City and County of San Francisco, in order to replace a portion of
8 the estimated 7,000 housing units removed by the Agency’s pre-1976 urban renewal
9 activities, and wishes to ensure that the Agency has sufficient funds to carry out such
10 affordable housing activities as described in the Budget; now, therefore, be it

11 RESOLVED, By the Board of Supervisors of the City and County of San Francisco
12 pursuant to Health and Safety Code section 33334.2, subdivision (g), that it hereby finds and
13 declares that the Agency’s affordable housing activities and replacement of affordable
14 housing within the redevelopment project areas located within the City and County of San
15 Francisco and in other parts of the City and County of San Francisco, as described in the
16 Agency’s Budget, are of benefit to the adopted redevelopment project areas; and be it

17 FURTHER RESOLVED, By the Board of Supervisors of the City and County of San
18 Francisco that it does hereby approve the Budget of the Agency for fiscal year 2007-2008,
19 which Budget is incorporated herein and made a part hereof; and, be it

20 FURTHER RESOLVED, That the Agency report annually to the Board of Supervisors on
21 the percent completion for each of the project areas currently underway with the submission
22 of future annual budgets, and, be it

23 FURTHER RESOLVED, That the issuance of the Bonds by the Agency is approved in
24 the principal amount of not to exceed \$125,800,000, for the purpose of financing a portion of
25 the Agency’s Budget and to reimburse the Agency for amounts spent under its Budget prior to

1 the issuance of the Bonds; and the Agency is also authorized to refund such Bonds if the sale
2 of such refunding Bonds produces a minimum net debt service savings (net of reserve fund
3 earnings and other offsets) of at least 3% of the par value of Bonds that are refunded or that
4 achieves a more favorable debt to debt service coverage ratio; and be it

5 FURTHER RESOLVED, That the Controller is hereby authorized and directed to make
6 adjustments to the Agency's tax increment draw, as set forth in the Redevelopment Agency's
7 fiscal year 2007-2008 Budget, related solely to the Mission Bay North Redevelopment Project
8 adopted October 26, 1998 and Mission Bay South Redevelopment Project adopted November
9 2, 1998 for the purpose of providing to said project areas tax increment based not on
10 estimated property values but on actual tax increment recorded, as administered under the
11 Teeter Plan, including the net impact of all roll corrections, as required by each Project Area's
12 respective Tax Increment Allocation Pledge Agreement, each dated November 16, 1998 and
13 as approved by the City and Agency; and, be it

14 FURTHER RESOLVED, That the Controller of the City and County of San Francisco is
15 hereby authorized and urged in the name and on behalf of the City, to enter into the following
16 amendments to certain loan agreements with the Agency and provide loans from the
17 General Fund as follows: (1) a loan in the amount of \$160,000 pursuant to the First
18 Amendment to the Bayview Loan Agreement, to enable planning activities pertaining to the
19 potential addition of Bayview Hunters Point Redevelopment Survey Area C to the Bayview
20 Hunters Point Redevelopment Project Area, on file with the Clerk of the Board of Supervisors
21 in File No. _____, and (2) a loan in the amount of \$303,000 pursuant to the First
22 Amendment to the Visitacion Valley Loan Agreement for planning activities pertaining to a
23 potential redevelopment plan applicable to all or a portion of the Visitacion Valley
24 Redevelopment Survey Area, on file with the Clerk of the Board of Supervisors in File No.
25 _____, each as evidenced by the previously referenced First Amendment to the

1 Bayview Loan Agreement and the First Amendment to the Visitacion Valley Loan Agreement,
2 respectively, and the amended promissory notes to be executed by the Agency between the
3 City and the Agency; and the Controller of the City and County of San Francisco is hereby
4 authorized and directed to make such payments to the Agency from the General Fund,
5 subject to the terms and conditions contained in such Loan Agreements, as amended, which
6 loan amounts are included in the Redevelopment Agency's fiscal year 2007-2008 Budget;
7 and be it

8 FURTHER RESOLVED, That the Controller of the City and County of San Francisco is
9 hereby authorized and urged in the name and on behalf of the City, to take any and all steps
10 (including, but not limited to, approving amendments to the loan documentation that do not
11 increase the principal amounts of the loans or otherwise obligate the City to pay additional
12 money to the Agency from the General Fund) as the Controller of the City and County of San
13 Francisco deems necessary or appropriate in order to consummate, monitor and enforce the
14 loans pursuant to the amended Visitacion Valley Loan Agreement and the amended Bayview
15 Loan Agreement, or to otherwise effectuate the purpose and intent of the portion of this
16 resolution regarding such Loan Agreements, such determination to be conclusively evidenced
17 by the execution and delivery by the - Controller of the City and County of San Francisco of
18 any such documents.

19
20
21
22
23
24
25