

1 [Redevelopment Agency Bonds]

2

3 **Resolution approving the Issuance by the Redevelopment Agency of Bonds in an**
4 **aggregate principal amount of not to exceed \$202,824,283 to finance a portion of**
5 **redevelopment activities described in such approved Budget for fiscal year 2008-2009**

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

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

12 WHEREAS, The Agency has submitted its annual budget for fiscal year 2008-2009 (the
13 "Budget") to the Board of Supervisors for approval; and

14 WHEREAS, The Agency has developed a financing program for the purposes of
15 financing a portion of its Budget which will require the Agency to enter into loans and/or to
16 issue and to refund, as necessary, or to cause to be loaned and/or issued and/or refunded on
17 its behalf by a public finance authority, tax allocation bonds, notes, or other evidence of
18 indebtedness (such loans, bonds, notes or other evidence of indebtedness being referred to
19 as the "Bonds") in an aggregate principal amount of not to exceed \$202,824,283 (a portion of
20 the proceeds of which may be used to reimburse the Agency for amounts spent under its
21 Budget prior to the issuance of the Bonds) and which will be repaid from and secured by the
22 taxes allocated to and paid to the Agency pursuant to the Law (and in particular but not limited
23 to Sections 33670 - 33674) and Section 16 of Article XVI of the California Constitution; and

24 WHEREAS, \$5,000,000 of the Budget is contingent on the Board of Supervisors'
25 subsequent approval an amendment to the Western Addition A-2 Redevelopment Plan for the

1 purpose of implementing Sections 33333.7 (Senate Bill No. 2113) and 33333.8 of the
2 California Health and Safety Code, which authorize the Agency to use additional tax
3 increment for the exclusive purpose of developing affordable housing;

4 WHEREAS, if the Board of Supervisors does not approve the above-described
5 amendment, the Agency will delete approximately \$5,000,000 from its housing budget, will
6 spend the remaining housing funds in the manner described in the fiscal year 2008-2009
7 Budget, and will reduce the amount of the Bonds to be issued by \$5,000,000 plus the pro-rata
8 share of costs of issuance and other financing costs associated with said Bonds.

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

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

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

19 WHEREAS, The Agency and the City and the Transbay Joint Powers Authority (the
20 "TJPA") entered into the Transbay Redevelopment Project Tax Increment Allocation and
21 Sales Proceeds Pledge Agreement dated as of January 31, 2008 for the purpose of financing
22 development of the Transbay Terminal Project, such financing including, but not limited to, the
23 irrevocable pledge of all Net Tax Increment, as defined in said agreement, to the TJPA; and

24 WHEREAS, the Board of Supervisors has adopted Ordinances No. 15-05 and
25 Ordinance No. 115-007, to enable the Agency to receive tax increment revenues for the

1 exclusive purpose of financing affordable housing activities within and without the
2 redevelopment project areas located in the City and County of San Francisco, in order to
3 replace a portion of the estimated 7,000 housing units removed by the Agency's pre-1976
4 urban renewal activities, and wishes to ensure that the Agency has sufficient funds to carry
5 out such affordable housing activities as described in the Budget; now, therefore, be it

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

12 FURTHER RESOLVED, By the Board of Supervisors of the City and County of San
13 Francisco that it does hereby approve the Budget of the Agency for fiscal year 2008-2009,
14 which Budget is incorporated herein and made a part hereof; and, be it

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

18 FURTHER RESOLVED, That the issuance of the Bonds by the Agency is approved in
19 the principal amount of not to exceed \$202,824,283, for the purpose of financing a portion of
20 the Agency's Budget and to reimburse the Agency for amounts spent under its Budget prior to
21 the issuance of the Bonds; and the Agency is also authorized to refund such Bonds if the sale
22 of such refunding Bonds produces a minimum net debt service savings (net of reserve fund
23 earnings and other offsets) of at least 3% of the par value of Bonds that are refunded or that
24 achieves a more favorable debt to debt service coverage ratio; and, be it

25

1 FURTHER RESOLVED, That the Controller is hereby authorized and directed to make
2 adjustments to the Agency's tax increment draw, as set forth in the Redevelopment Agency's
3 fiscal year 2008-2009 Budget, related to the Mission Bay North Redevelopment Project
4 adopted October 26, 1998 and Mission Bay South Redevelopment Project adopted November
5 2, 1998 for the purpose of providing to said project areas tax increment based not on
6 estimated property values but on actual tax increment recorded, as administered under the
7 Teeter Plan, including the net impact of all roll corrections, as required by each Project Area's
8 respective Tax Increment Allocation Pledge Agreement, each dated November 16, 1998 and
9 as approved by the City and Agency; and, be it

10 FURTHER RESOLVED, That the Controller is hereby authorized and directed, to the
11 extent certain State-Owned Parcels generate net tax increment, to make adjustments to the
12 Agency's tax increment draw, as set forth in the Redevelopment Agency's fiscal year 2008-
13 2009 Budget, pursuant to the Transbay Redevelopment Project Tax Increment Allocation and
14 Sales Proceeds Pledge Agreement dated as of April 14, 2006 for the purpose of providing to
15 the TJPA Net Tax Increment, as defined in said agreement, based not on estimated property
16 values but on actual Net Tax Increment recorded, as administered under the Teeter Plan,
17 including the net impact of all roll corrections.

18
19
20
21
22
23
24
25