

1 [Recommending Approval of Seismic Safety Improvement Financing By The ABAG Finance  
2 Authority for Nonprofit Corporations in accordance with State law.]

3 **Resolution recommending approval of the issuance and sale of revenue bonds by the**  
4 **ABAG Finance Authority for Nonprofit Corporations in an aggregate principal amount**  
5 **not to exceed \$30 million for the improvement, including seismic safety improvements,**  
6 **to two buildings located at 690 Market (Assessor's Block 0311, Lot 006) and 938-942**  
7 **Market Street (Assessor's Block 341, Lot 005) (collectively, the "Buildings"), and**  
8 **making findings.**  
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10 WHEREAS, Representatives of the Hunter Group, acting through 690A HTC LLC,  
11 690B HCT LLC, and 942 HCT LLC (the "Property Owner") have requested that the ABAG  
12 Finance Authority for Nonprofit Corporations, a joint exercise of powers agency established  
13 under the laws of the State of California (the "Authority") to consider the establishment of a  
14 community facilities district (a "CFD") under the Mello-Roos Community Facilities Act of 1982,  
15 as amended (the "Act") and the issuance of bonds by the CFD to finance seismic safety and  
16 related improvements (the "Improvements") to two buildings located at 690 Market and 942  
17 Market Street (the "Buildings") in the City and County of San Francisco ("City"); and,  
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19 WHEREAS, The Authority has proposed to establish the CFD and issue and sell its  
20 revenue bonds in an aggregate principal amount not to exceed \$30 million (the "Bonds") for  
21 the purpose of making a loan to Property Owner; and

22 WHEREAS, the City is a member of the Authority,

23 WHEREAS, the project to be financed with proceeds of the bonds includes the  
24 renovation and construction of the building at 690 Market Street, including enhancing the  
25 seismic safety of the building (the "690 Market Project") and the renovation and construction

1 of the building at 942 Market Street, including enhancing the seismic safety of the building  
2 (the "942 Market Project") (collectively, the "Projects");

3 WHEREAS, The Authority's "Guidelines for Issuance" require that the member of the  
4 Authority in whose jurisdiction the Property is located adopt a resolution recommending  
5 approval of the project and the financing of the Improvements by a CFD created and  
6 governed by the Board of Directors of the Authority (acting through its Executive Committee),  
7 prior to final consideration of the financing by the Authority;

8 WHEREAS, It is in the public interest and for the public benefit that this Board  
9 recommend approval of the issuance of the Bonds; and

10 WHEREAS, The Planning Department has completed environmental review of the 690  
11 Market Project as required by CEQA in a negative declaration finalized on February 11, 2004.  
12 The Board of Supervisors has reviewed and considered the Negative Declaration for the 690  
13 Project, a copy of which is on file with the Clerk of the Board of Supervisors in File No.  
14 \_\_\_\_\_, which is incorporated by reference herein..

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16 WHEREAS, The Planning Department has completed environmental review of the 942  
17 Project as required by CEQA in a negative declaration finalized on \_\_\_\_\_, 2004. The  
18 Board of Supervisors has reviewed and considered the Negative Declaration for the 942  
19 Project, a copy of which is on file with the Clerk of the Board of Supervisors in File No.  
20 \_\_\_\_\_, which is incorporated by reference herein.

21 WHEREAS, The Board of Supervisors of the City (the "Board") now desires to  
22 recommend the approval of the financing of the Improvements by a CFD governed by the  
23 Board of Directors of the Authority in order to satisfy the Guidelines for Issuance by the  
24 Authority and so that the financing of the Improvements can be completed and work related to  
25 the improvements commences as soon as practicable; and

1           WHEREAS, The City will have no obligation whatsoever with respect to the formation  
2 or administration of the CFD, or the issuance or repayment of the Bonds; now, therefore, be it

3           RESOLVED, That this Board hereby finds and declares the above recitals are true and  
4 correct; and, be it

5           FURTHER RESOLVED, That this Board hereby recommends the approval of the  
6 establishment of a CFD by the Board of Directors of the Authority and the issuance of the  
7 Bonds by the CFD to finance the Improvements to the Property; and, be it

8           FURTHER RESOLVED, That the approval of the formation of a CFD by the Board of  
9 Directors of the Authority and the issuance of the Bonds to the CFD to finance the  
10 Improvements is neither an approval of the underlying credit issues of the proposed financing  
11 nor an approval of the financial structure of the Bonds.  
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