

RESOLUTION NO. 92-2008

Adopted September 2, 2008

**DECLARING RESULTS OF SPECIAL ELECTION TO AMEND AND RESTATE
THE RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX,
INCREASE THE AUTHORIZED PRINCIPAL AMOUNT OF BONDED
INDEBTEDNESS AND INCREASE THE ANNUAL APPROPRIATIONS LIMIT
FOR REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF
SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 7
(HUNTERS POINT SHIPYARD PHASE ONE IMPROVEMENTS);
HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA**

BASIS FOR RESOLUTION

1. The Commission of the Redevelopment Agency of the City and County of San Francisco (the "Agency") has conducted proceedings under and pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the California Government Code (the "Act"), to form Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) (the "CFD"), to authorize the levy of a special tax (the "Special Tax") upon the land within the CFD, and to issue bonds secured by the Special Tax, the proceeds of which are to be used to finance certain public improvements, all as described in those proceedings.
2. The Rate and Method of Apportionment of Special Tax for the CFD (the "Rate and Method") was approved by the Commission pursuant to Resolution No. 36-2005, adopted by the Commission on April 5, 2005 (the "Resolution of Formation"), and is attached as Exhibit B to the Amended and Restated Notice of Special Tax Lien recorded in the Office of the Recorder of the City and County of San Francisco on May 26, 2005 as Document No. 2005H961494.
3. Pursuant to Resolution No. 37-2005, adopted by the Commission on April 5, 2005, entitled "Determining Necessity to Incur Bonded Indebtedness of Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) - Hunters Point Shipyard Redevelopment Project Area," the Commission declared the necessity to incur bonded indebtedness in the maximum principal amount of \$40,000,000 within the boundaries of the CFD for the purpose of financing the costs of all or a portion of the authorized facilities ("Facilities").

4. At an election of the qualified electors in the CFD held on April 5, 2005, the qualified electors approved the incurring of bonded indebtedness in the maximum principal amount of \$40,000,000 and an annual appropriations limit of \$40,000,000.
5. On April 20, 2005, pursuant to an Indenture of Trust dated as of April 5, 2005 (the "Indenture"), the Agency issued its \$34,500,000 initial principal amount Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) Variable Rate Demand Special Tax Bonds, 2005 Series A (the "2005 Bonds").
6. The Agency has been asked by owners of property in the CFD to (i) amend and restate the Rate and Method in order to reflect the current development plan within the territory of the CFD, (ii) increase the maximum principal amount of authorized bonded indebtedness for the CFD to \$65,000,000, and (iii) increase the annual appropriations limit to \$65,000,000.
7. On July 15, 2008, the Commission adopted a resolution entitled "Considering Amendment and Restatement of the Rate and Method of Apportionment of Special Tax and Increases in the Authorized Principal Amount of Bonded Indebtedness and the Annual Appropriations Limit for Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements)" (the "Resolution of Consideration"), pursuant to which the Commission (i) approved the proposed amended and restated Rate and Method (the "Amended and Restated Rate and Method") in the form attached as Exhibit A to the Resolution of Consideration, (ii) declared the intention of the Commission, acting as the legislative body for the CFD, to cause bonds of the City to be issued for the CFD pursuant to the Act to finance in whole or in part the construction and/or acquisition of the Facilities in the aggregate principal amount of not to exceed \$65,000,000 (which amount shall include the initial principal amount of the 2005 Bonds but shall not include the principal amount of fixed interest rate bonds issued for the purpose of refunding the variable rate 2005 Bonds), an increase from the existing maximum bonded indebtedness limit of \$40,000,000, (iii) approved an increased annual appropriations limit of \$65,000,000, and (iv) set a public hearing for September 2, 2008.
8. Pursuant to the Indenture, the proposed increase in the maximum principal amount of authorized bonded indebtedness will be effective on the date that is 30 days after the Agency has given written notice to owners of the 2005 Bonds of the proposed increase in the amount of authorized bonded indebtedness and notifying them that they have the right to demand purchase of their 2005 Bonds.

9. The public hearing was held on this date, and the proposed amendment and restatement of the Rate and Method, the proposed annual appropriations limit and the proposed increase in the maximum principal amount of bonded indebtedness were not opposed by more than 50% of the owners of land within the CFD.
10. Government Code Section 53338 authorizes the holding of a special election of the qualified electors in the CFD on the issue of (i) amending and restating the Rate and Method, (ii) increasing the maximum principal amount of authorized bonded indebtedness for the CFD to \$65,000,000 (which amount shall include the initial principal amount of the 2005 Bonds but shall not include the principal amount of fixed interest rate bonds issued for the purpose of refunding the variable rate 2005 Bonds), and (iii) increasing the annual appropriations limit to \$65,000,000.
11. Following the public hearing, the Commission, acting as the legislative body of the CFD, adopted a resolution entitled "Calling Special Election To Amend and Restate the Rate and Method of Apportionment of Special Tax, Increase the Authorized Principal Amount of Bonded Indebtedness and Increase the Annual Appropriations Limit for Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements)" calling for a special landowner election of the qualified electors within the CFD to be held on September 2, 2008.
12. The special election was held on September 2, 2008, and the ballots were submitted to the Secretary of the Agency as the official conducting the election.
13. The Secretary of the Agency has completed a Canvass and Statement of Results of Election (the "Canvass"), a copy of which is attached as Exhibit "A", and the Commission hereby approves the Canvass.
14. The proposed action is not a Project as defined by the California Environmental Quality Act Guidelines Section 15378, and would not independently result in a significant physical effect on the environment.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco as follows:

- Section 1. The issues presented at the September 2, 2008 special election were the approval of an Amended and Restated Rate and Method of Apportionment of Special Tax, a proposed increase in the annual appropriations limit and a proposed increase in the maximum principal amount of bonded indebtedness.

Section 2. Pursuant to said Canvass on file with the Secretary of the Agency, the issues presented at the special election were approved by the qualified electors within the CFD by more than two-thirds (2/3) of the votes cast at the special election.

Section 3. It is hereby found that all prior proceedings and actions taken by this Commission with respect to the CFD were valid and in conformity with the Act.

Section 4. This Resolution shall take effect upon its adoption.

APPROVED AS TO FORM:


for James B. Morales
Agency General Counsel

EXHIBIT A

CANVASS AND STATEMENT OF RESULTS OF ELECTION

**Redevelopment Agency of the City and County of San Francisco
Community Facilities District No. 7
(Hunters Point Shipyard Phase One Improvements)**

I hereby certify that on September 2, 2008, I canvassed the returns of the election held on September 2, 2008, in the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements), and the total number of ballots cast and the total number of votes cast for and against the measure are as follows, and the totals as shown for and against the measure are full, true and correct:

	Qualified Landowner Votes	Votes Cast	YES	NO
Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) Special Election – September 2, 2008	67	_____	_____	_____

BALLOT MEASURE: Shall (i) the Rate and Method of Apportionment of Special Tax for the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) (the "CFD") be amended and restated as set forth in the form of Amended and Restated Rate and Method of Apportionment of Special Tax attached as Exhibit A to the resolution entitled "Considering Amendment and Restatement of the Rate and Method of Apportionment of Special Tax and Increases in the Authorized Principal Amount of Bonded Indebtedness and the Annual Appropriations Limit for Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements)" adopted by the Commission of the Redevelopment Agency of the City and County of San Francisco on July 15, 2008 (the "Resolution of Consideration"), which Amended and Restated Rate and Method of Apportionment of Special Tax I have read and understand, (ii) the annual appropriations limit be increased to \$65,000,000, and (iii) the maximum principal amount of bonded indebtedness to be incurred by the Agency on behalf of the CFD for the purpose of acquiring and/or constructing the public facilities authorized to be

financed by the CFD be increased to \$65,000,000 (which amount shall include the \$34,500,000 initial principal amount of bonds issued by the Agency in 2005 but shall not include the principal amount of fixed interest rate bonds issued to refund such outstanding 2005 bonds)?

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND THIS 2nd DAY OF September, 2008.

By: _____
Secretary of the Agency