**CITY AND COUNTY OF**
**SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY**

**RESOLUTION NO. 1-2016**

**APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF REDEMPTION AGREEMENTS RELATING TO CERTAIN BONDS PREVIOUSLY ISSUED BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY; AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (MISSION BAY NORTH REDEVELOPMENT PROJECT AREA)**

## BASIS FOR RESOLUTION

1. The City and County of San Francisco and the Redevelopment Agency of the City and County of San Francisco (the "Former Redevelopment Agency") entered into a Joint Exercise of Powers Agreement dated as of July 11, 1989 (the "Agreement"), establishing the City and County of San Francisco Redevelopment Financing Authority (the "Authority") for the purpose of issuing its bonds to be used to provide financial assistance to the Former Redevelopment Agency.

2. Pursuant to California Assembly Bill No. 1X26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) ("AB 26") and the California Supreme Court's decision in California Redevelopment Association v. Matosantos, No. 5194861, all redevelopment agencies in the State of California (the "State"), including the Former Redevelopment Agency, were dissolved by operation of law as of February 1, 2012, and their non-affordable housing assets and obligations were transferred to certain designated successor agencies, and the Board of Supervisors of the City and County of San Francisco named the successor agency to the Former Redevelopment Agency the "Successor Agency to the Redevelopment Agency of the City and County of San Francisco" (the "Successor Agency").

3. Under Section 34178(b)(3) of the California Health and Safety Code (the "Code"), which was added by AB 26, the Former Redevelopment Agency's rights and duties under the Agreement have been assumed by the Successor Agency, and, accordingly, pursuant to the Agreement and said Section 34178(b)(3), the Commission of the Successor Agency has succeeded the Commission of the Former Redevelopment Agency as the Board of Directors of the Authority.

4. Prior to the adoption of the Dissolution Act, the Authority, pursuant to the Marks-Roos Bond Pooling Act of 1985, being Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law"), issued the following revenue bonds (the "Prior Bonds").

(i) $16,230,000 aggregate principal amount of City and County of San Francisco Redevelopment Financing Authority 2005 Series D Tax Allocation Revenue Bonds (Mission Bay North Redevelopment Project); and,

(ii) $34,510,000 principal amount of City and County of San Francisco Redevelopment Financing Authority 2006 Series B Tax Allocation Revenue Bonds (Mission Bay North Redevelopment Project – Infrastructure); and,

(iii) $25,715,000 aggregate principal amount of City and County of San Francisco Redevelopment Financing Authority 2009 Series C Tax Allocation Revenue Bonds (Mission Bay North Redevelopment Project); and,

(iv) $27,335,000 aggregate principal amount of City and County of San Francisco Redevelopment Financing Authority 2011 Series C Tax Allocation Revenue Bonds (Mission Bay North Redevelopment Project).

5. The proceeds of the Prior Bonds were loaned to the Former Redevelopment Agency pursuant to the following Loan Agreements (the "Existing Loan Agreements"):

(i) Loan Agreement dated as of July 1, 2005 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority; and,

(ii) Loan Agreement dated as of August 1, 2006 among the Former Redevelopment Agency, The Bank of New York Trust Company, N.A., as trustee, and the Authority; and,

(iii) Loan Agreement dated as of September 1, 2009 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority; and,

(iv) Loan Agreement dated as of March 1, 2011 among the Former Redevelopment Agency, U.S. Bank National Association, as trustee, and the Authority.

6. In order to refinance the Prior Bonds and the Existing Loan Agreements, under the authority of Section 34177.5(a)(1) of the Code and Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law"), the Successor Agency has determined, with the approval of the Oversight Board of the Successor Agency and the California Department of Finance, which approvals have been obtained, to issue its refunding bonds (the "2016 Series A Bonds") captioned "2016 Series A Tax Allocation Refunding Bonds (Mission Bay North Redevelopment Project)".

7. The Authority desires to facilitate the refunding of the Prior Bonds and the refinancing of the Existing Loan Agreements and, to such end, has reviewed the forms of the Redemption Agreements (the "Redemption Agreements") relating to the Prior Bonds and the Existing Loan Agreements by and among, the Authority, the Successor Agency and the trustees for the Prior Bonds.

8. The Successor Agency, with the assistance of its disclosure counsel, its bond counsel, its financial advisor, its fiscal consultant and the underwriters of the 2016 Series A Bonds,

has caused to be prepared a form of Official Statement describing the 2016 Series A Bonds and containing material information relating to the 2016 Series A Bonds.

9. The approval of the issuance of the 2016 Series A Bonds to refund existing indebtedness is exempt from environmental review under the California Environmental ACT ("CEQA") because (i) it is not a project with the potential for causing a significant effect on the environment, CEQA Guidelines § 15061 (b) (3); (ii) it is a government fiscal activity that does not involve any commitment to any specific project with a potentially significant physical impact on the environment, CEQA Guidelines § 15378 (b) (4); and (iii) it constitutes an administrative activity that will not result in direct or indirect physical changes in the environment, CEQA Guidelines § 15378 (b) (5).

**RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** by the Board of Directors of the City and County of San Francisco Redevelopment Financing Authority that:

**Section 1. Redemption Agreements.** The Authority hereby approves the Redemption Agreements, drafts of which are lodged with the Secretary to the Authority, and authorizes the Executive Director or the Treasurer, as designees of the Chair of the Authority, and their respective designees, each acting alone, to execute the Redemption Agreements in substantially the form lodged with the Secretary to the Authority, with such additions thereto or changes therein as are recommended or approved by such officer, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Redemption Agreements by the Executive Director or the Treasurer.

**Section 2. Official Action.** The Executive Director, Treasurer, the Secretary, and any and all other officers and designees of the Authority are authorized and directed, for and in the name and on behalf of the Authority, to do any and all things and take any and all actions, including the execution and delivery of any and all certificates, requisitions, agreements, notices, consents, and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the transactions referred to herein.

**APPROVED AS TO FORM:**

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Financing Authority Secretary