

## **RESOLUTION NO. 91-2002**

**Adopted June 11, 2002**

### **DECLARING THE INTENTION TO REIMBURSE EXPENDITURES FROM THE PROCEEDS OF OBLIGATIONS TO BE ISSUED BY THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO**

#### **BASIS FOR RESOLUTION**

1. The Redevelopment Agency of the City and County of San Francisco (the "Agency") proposes to undertake various redevelopment activities, as set forth in its budget for Fiscal Year 2001-2002 (the "2001-2002 Budget"), and to issue debt to finance a portion of such redevelopment activities, also as provided in the 2001-2002 Budget, and to use a portion of the proceeds of such debt to reimburse expenditures made in connection with such redevelopment activities for the project prior to the issuance of the debt.
2. United States Internal Revenue Service Tax Regulations section 1.150-2 provides, generally, that proceeds of tax-exempt debt are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure.
3. The Agency has heretofore made such declaration in its annual budget and issued tax-exempt debt during the fiscal year during which such budget was in effect.
4. Since the Agency may not issue the tax-exempt debt provided for in the 2001-2002 Budget until Fiscal Year 2002-2003, the Agency desires to restate its intention to so issue such tax-exempt debt to fund the redevelopment activities contemplated in the 2002-2002 Budget and to reimburse the expenditures referenced therein and herein.
5. It is in the public interest and for the public benefit that the Agency confirms its official intent, as heretofore provided in its 2002-2002 Budget, to reimburse the expenditures referenced therein and herein.

## RESOLUTION

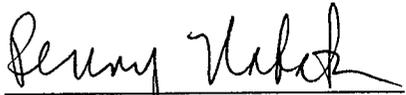
ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that:

**Section 1.** The Agency intends to issue obligations, the interest on which is excluded from gross income for federal income tax purposes (the "Obligations") for the purpose of paying a portion of the costs of the redevelopment activities described in its 2001-2002 Budget (the "Project").

**Section 2.** The Agency hereby confirms, as provided in the 2001-2002 Budget, that it reasonably expects (i) to pay certain costs of the Project prior to the date of issuance of the Obligations and (ii) to use a portion of the proceeds of the Obligations for reimbursement of expenditures for the Project that are paid before the date of issuance of the Obligations.

**Section 3.** The maximum principal amount of the Obligations is reasonably expected not to exceed \$60,000,000.

APPROVED AS TO FORM:



*for*  
Bertha A. Ontiveros  
Agency General Counsel