

**RESOLUTION NO. 14-2003**

**Adopted January 28, 2003**

**AUTHORIZING THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO TO ENTER INTO LOAN AGREEMENTS WITH SAN FRANCISCO FINANCING AUTHORITY IN THE COMBINED AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$144,600,000 RELATING TO THE ISSUANCE OF THREE SERIES OF TAX ALLOCATION REVENUE BONDS BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY, APPROVING THE OFFICIAL STATEMENTS AND BOND PURCHASE CONTRACTS RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO**

**BASIS FOR RESOLUTION**

1. The City and County of San Francisco and the Redevelopment Agency of the City and County of San Francisco (the "Agency") entered into a Joint Exercise of Powers Agreement dated as of July 11, 1989, 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 Agency.
2. Pursuant to the Marks-Roos Local Pooling Act of 1985 (the "Law"), the Authority proposes to issue up to three series of bonds designated as the "2003 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)" (the "Series A Bonds"), "2003 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)" (the "Series B Bonds") and 2003 Series C Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)" (the Series C Bonds" and, together with the Series A Bonds and the Series B Bonds, the "Bonds") for purposes of enabling the Agency to finance its redevelopment activities.
3. The Bonds will be repaid from, and secured by, payments made to the Authority by the Agency pursuant to various Loan Agreements, substantially in the form lodged with Agency General Counsel.
4. The Authority and the Agency propose to sell the Bonds to Banc of America Securities LLC, E.J. De La Rosa & Co., Inc., Jackson Securities, Inc. and Ramirez & Co., Inc. (collectively, the "Underwriters"), pursuant to three Bond Purchase Contracts among the Authority, the Agency and a representative of the Underwriters, one relating to each series of Bonds (each, a "Bond Purchase Contract"), and in connection with the sale of the Bonds, the Authority and the Agency will prepare or cause to be prepared one or more Official Statements relating to the Bonds.

## FINDINGS AND DETERMINATIONS

5. Proceeds of the Bonds will be used for, among other things, the construction, acquisition and/or financing of certain public capital improvements and other authorized redevelopment activities pursuant to an approved budget of the Agency. The issuance of the Bonds and the loan of the proceeds thereof to the Agency will result in demonstrable savings in effective interest rate, bond preparation, bond underwriting and bond issuance costs, will generate employment benefits from undertaking redevelopment activities in a timely fashion, and will provide more efficient delivery of redevelopment services to residential and commercial development. In accordance with Sections 6586 and 6586.5 of the California Government Code, the Agency finds therefore that this financing represents a significant public benefit within the meaning of that Section.

6. This approving resolution and findings are being considered after a public hearing held by the Agency, notice of which was published in a newspaper of general circulation within the City and County of San Francisco once at least five (5) days prior to such hearing.

## RESOLUTION

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

**Section 1. Approval of Loans.** The Agency authorizes and approves the borrowing from the Authority pursuant to loan agreements with respect to one or more loan agreements (the "Loan Agreements") to accomplish the redevelopment activities contemplated in connection with the issuance of the Bonds. The Loan Agreements are approved substantially in the form lodged with the Agency General Counsel and provided to the Agency, with any additions or changes therein deemed necessary or advisable by the Executive Director, the Deputy Executive Director, Program and Project Management, or the Deputy Executive Director, Finance and Administration, and the execution thereof shall be conclusive evidence of the approval of any such changes or additions. The proceeds of the loans will be used by the Agency for financing its redevelopment activities. The Executive Director or the Deputy Executive Director, Finance and Administration are authorized to execute the final form of the Loan Agreements for and in the name and on behalf of the Agency. The Agency hereby authorizes the delivery and performance of the Loan Agreements for borrowings in a combined aggregate principal amount not to exceed \$144,600,000.

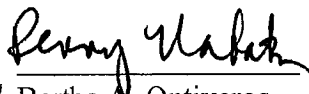
**Section 2. Official Statements.** The Agency hereby approves the use of one or more Official Statements describing the Bonds, a draft of which is lodged with the Agency General Counsel and provided to the Agency, and authorizes and directs the Executive Director or the Deputy Executive Director, Finance and Administration, in consultation with the Agency General Counsel, to make such additions and changes as are necessary to describe the Bonds and the current financial condition and other affairs of the Agency accurately and completely. Distribution of the final Official Statements by the Underwriters to all purchasers of the Bonds is hereby approved. In addition, distribution of preliminary Official Statements to all potential purchasers of the Bonds is

hereby approved, and, prior to the distribution of the preliminary Official Statements, the Executive Director or the Deputy Executive Director, Finance and Administration, each acting alone, are authorized and directed, on behalf of the Agency, to deem the preliminary Official Statements "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934. The final Official Statements will be executed in the name and on behalf of the Agency by the Executive Director or the Deputy Executive Director, Finance and Administration, each of whom acting alone, are authorized to execute the final Official Statements on behalf of the Agency.

**Section 3. Sale of the Bonds.** The Agency authorizes the sale of the Bonds through a private, negotiated sale to the Underwriters. The Agency authorizes the Executive Director or the Deputy Executive Director, Finance and Administration to take any and all actions necessary to sell the Bonds subject to the terms, conditions and restrictions set forth in this Resolution and subject to the terms and conditions set forth in the Bond Purchase Contracts. The average coupon rate payable with respect to the Bonds shall not exceed eight percent (8%) per annum and the underwriters' discount (excluding original issue discount) shall not exceed seventy-five one hundredths percent (.75%) of the par amount of the Bonds. The form, terms and provisions of the Bond Purchase Contracts now before the Agency are in all respects approved, and the Executive Director or the Deputy Executive Director, Finance and Administration are hereby authorized and empowered, either alone or in combination, to execute and deliver the Bond Purchase Contracts, including counterparts thereof, in the name and on behalf of the Agency. The Bond Purchase Contracts, as executed and delivered, shall be in substantially the form now before this meeting and hereby approved, with such changes therein as shall be approved by the officer or officers executing the same and by the Agency General Counsel or her designee; the execution thereof shall constitute conclusive evidence of the Agency's approval of any and all changes or revisions therein from the forms of the Bond Purchase Contracts now before this meeting.

**Section 4. Official Actions.** The President, the Vice-President, the Executive Director, the Deputy Executive Director, Finance and Administration, the Secretary, the Agency General Counsel and any and all other officers of the Agency are hereby authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions, including the execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents (including, without limitation, one or more undertakings to provide continuing disclosure, one or more tax certificates or agreements relating to the Bonds, and one or more agreements providing for the investment of proceeds of the Bonds), which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds and the making of the loans pursuant to the Loan Agreements.

**APPROVED AS TO FORM:**

*for*   
Bertha A. Ontiveros  
Agency General Counsel