

## **RESOLUTION NO. 68-2003**

*Adopted May 13, 2003*

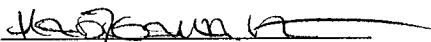
### **EXPRESSING THE INTENTION TO ANNEX TERRITORY AS ANNEXATION NO. 3 TO COMMUNITY FACILITIES DISTRICT NO. 1 (SOUTH BEACH) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN; RINCON POINT-SOUTH BEACH REDEVELOPMENT PROJECT AREA**

#### **BASIS FOR RESOLUTION**

1. Pursuant to Resolution No. 186-88, adopted August 30, 1988, the Agency established Community Facilities District No. 1 (South Beach) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311 of the California Government Code. The CFD was amended by Resolution No. 205-99, adopted December 7, 1999, to annex certain territory into the CFD ("Annexation No. 1").
2. The territory included in the original CFD is as shown on the map filed in Book 4 of Maps of Assessment and Community Facilities Districts at Page 20 on August 10, 1988, in the office of the Recorder of the City and County of San Francisco (the "Recorder's Office"). The territory annexed as Annexation No. 1 is shown on the Amended Annexation Map No. 1 to the CFD, filed in the Recorder's Office on November 18, 1999.
3. A second annexation of certain parcels located on Block 3774, Lots 1 and 62 at the southwest corner of First and Bryant Streets (the "Condominium Parcels") was initiated on November 9, 1999, by the adoption of Resolution No. 173-99 ("Annexation No. 2"). Following a public hearing and a special election, on October 3, 2000, of the registered voters residing within the 30 condominium units on the Condominium Parcels, the annexation failed as the action did not receive the required approval of more than two-thirds of the voters voting in the special election.
4. The Owner Participation Agreement for the development of 200 Brannan and the Disposition and Development Agreement for 1 Federal ((respectively, Lots 18 and 24 in Assessor's Block 3774, and collectively the "Parcels") provides that the owner of the Parcels, LNR-Lennar Brannan Street, LLC, a California Limited Liability Company (the "Owner") will petition the Agency to annex the Parcels into the CFD. The Owner is now requesting the annexation to the CFD. The Parcels would be added into the territory of the CFD as Annexation No. 3.

5. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax sufficient to pay the costs thereof is intended to be levied annually within the CFD, and collected in the same manner as ordinary *ad valorem* property taxes. The proposed rate and method of apportionment of the special tax among the parcels of real property within the CFD, as now in existence and following the annexation proposed herein, in sufficient detail to allow each landowner within the territory proposed to be annexed to the CFD to estimate the maximum amount such owner will have to pay, are described in Exhibit B attached to the Resolution of Formation, which by this reference is incorporated herein.
  
6. June 17, 2003, at 5:00 o'clock p.m., in the regular meeting place of this Agency, located at City Hall, #1 Dr. Carlton B. Goodlett Place, San Francisco, California, is hereby appointed and fixed as the time and place when and where this Agency, as legislative body for the CFD, will conduct a public hearing on the annexation of territory to the CFD and consider and finally determine whether the public interest, convenience and necessity require said annexation of territory to the CFD and the levy of said special tax therein.
  
7. The Agency Secretary is hereby directed to cause notice of said public hearing to be given by publication one time in a newspaper of general circulation in the area of the CFD. The publication of said notice shall be completed at least seven days before the date herein set for said hearing. The Agency Secretary shall also cause a copy of said notice and a copy of the Resolution of Formation to be mailed to each landowner within the territory proposed to be annexed, which notice and resolution shall be mailed at least fifteen days before the date of said hearing. Said notice shall be substantially in the form specified in Section 53339.4 of the Act and may be in summary form.

**APPROVED AS TO FORM:**

  
Bertha A. Ontiveros  
Agency General Counsel