

RESOLUTION NO. 177-2003

Adopted December 2, 2003

**APPROVING AN AMENDMENT TO THE BUDGET OF THE
REDEVELOPMENT AGENCY OF THE CITY AND
COUNTY OF SAN FRANCISCO FOR FISCAL YEAR 2003-04
BY INCREASING THE AGENCY'S TAX INCREMENT
RECEIPTS IN THE AMOUNT OF \$3,373,160 AND
EXPENDITURE AUTHORITY IN AN AMOUNT NOT TO
EXCEED \$13,400,000, AUTHORIZING A COOPERATION
AGREEMENT WITH THE CITY AND COUNTY OF SAN
FRANCISCO, AND AUTHORIZING THE AGENCY TO
INCREASE ITS ANNUAL STATEMENT OF
INDEBTEDNESS IN THE AMOUNT OF \$3,373,160; ALL
REDEVELOPMENT PROJECT AREAS**

BASIS OF RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (the "Agency") is implementing various Redevelopment Plans and programs in the City and County of San Francisco (the "City") in accordance with the California Community Redevelopment Law (the "CRL").
2. Section 33606 of the CRL provides for approval of the annual budget of the Agency, and any amendments to the budget, by the Legislative Body of the City (the "Board of Supervisors").
3. The Board of Supervisors approved the Agency's budget for fiscal year 2003-04 by Resolution No. 447-03.
4. The Agency wishes to amend its Budget for fiscal year 2003-04 to permit the receipt of additional tax increment in the amount of \$3,373,160 and to increase the expenditure authority of the Agency in an amount not to exceed \$13,400,000 for the purpose of enabling the Agency to (1) make its fiscal year 2003-04 deposit of \$3,373,160 to the Education Revenue Augmentation Fund ("ERAF") pursuant to the CRL, (2) pay the City an amount not to exceed \$1,900,000 as prepayment for the future purchase of underutilized properties owned by the City for development of housing affordable by persons of low-income and moderate-income ("Affordable Housing"), and (3) authorize the use of additional funds to be generated by the sale of the City and County of San Francisco Redevelopment Financing Authority 2004 Series A Tax Allocation Refunding and Capital Improvement Revenue Bonds (hereafter referred to as the "Bonds") for Affordable Housing.

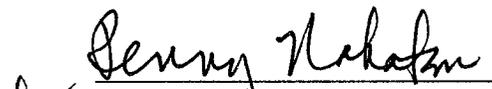
5. The Agency also wishes to enter into a Cooperation Agreement with the City that obligates the Agency to utilize a portion of the additional proceeds to be generated by the Bonds to purchase underutilized sites owned by the City, with the City's consent, for development of Affordable Housing and for other redevelopment purposes consistent with the CRL. The Agency's obligation to the City pursuant to the Cooperation Agreement is contingent upon the successful completion of the sale of the Bonds and such not take effect if sale of the Bonds is not completed.
6. The Agency also wishes to amend the Agency's Statement of Indebtedness dated September 19, 2003, to reflect the receipt of the additional tax increment and corresponding ERAF obligation in the amount of \$3,373,160.
7. The Agency further recognizes that the actions taken pursuant to this resolution are subject to the approval of the Mayor's Office and the Board of Supervisors of the City and County of San Francisco.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that it does hereby authorize the following:

- (1) An amendment to the fiscal year 2003-04 Budget of the Agency that permits the receipt of additional tax increment in the amount of \$3,373,160 and increases the Agency's expenditure authority in an amount not exceed \$13,400,000;
- (2) Execution of a Cooperation Agreement with the City and County of San Francisco in a form to be approved by the Agency General Counsel that obligates the Agency to utilize additional proceeds that will be made available by the sale of the Bonds in an amount not to exceed \$1,900,000 to purchase underutilized sites owned by the City, with the City's consent, for the development of Affordable Housing and other redevelopment purposes; and
- (3) An amendment of the Agency's Statement of Indebtedness dated September 19, 2003, to reflect the receipt of additional tax increment in the amount of \$3,373,160 and the corresponding ERAF obligation authorized by this Resolution and hereafter authorized by the Board of Supervisors.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel