RESOLUTION NO. 39-2005

Adopted April 5, 2005

DECLARING RESULTS OF SPECIAL ELECTION
IN COMMUNITY FACILITIES DISTRICT NO. 7
(HUNTERS POINT SHIPYARD PHASE ONE IMPROVEMENTS)
AND DIRECTING RECORDATION OF NOTICE OF SPECIAL TAX LIEN;
HUNTERS POINT SHIPYARD REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Commission (the “Commission”) of the Redevelopment Agency of the City and County of San Francisco (the "Agency") has adopted a resolution entitled “Adopting Environmental Findings Pursuant to the California Environmental Quality Act, Forming Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements), Authorizing the Levy of a Special Tax, and Preliminarily Establishing an Appropriations Limit for the CFD; Hunters Point Shipyard Redevelopment Project Area” (the “Resolution of Formation”), ordering the formation of the Agency’s Community Facilities District No. 7 (Hunters Point Phase One Improvements) (the “CFD”), authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD, all pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the “Act”).

2. This Commission has also adopted a resolution entitled “Determining Necessity to Incur Bonded Indebtedness of Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements); Hunters Point Shipyard Redevelopment Project Area” (the “Resolution Determining Necessity”), determining the necessity to incur bonded indebtedness in the maximum aggregate principal amount of $40,000,000 upon the security of the special tax to be levied within the CFD pursuant to the Act.

3. Under the provisions of the Resolution of Formation and the Resolution Determining Necessity, and pursuant to a resolution entitled “Calling a Special Election in Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements); Hunters Point Shipyard Redevelopment Project Area” (the “Election Resolution”) heretofore adopted by the Commission, the propositions of the levy of the special tax, the establishment of the appropriations limit and the incurring of the bonded indebtedness were submitted to the qualified electors of the CFD as required by the provisions of the Act.

4. Pursuant to the terms of the Election Resolution, which are by this reference incorporated herein, the special election has been held and the Secretary has on file a Canvass and Statement of Results of Election (the “Canvass”), a copy of which is attached hereto as Exhibit A.
5. The Commission has reviewed the Canvass and Statement of Results of Election.

**FINDINGS**

1. The Commission finds that the Canvass and Statement of Results of Election on file with the Secretary states that the issues presented at the special election were approved by the qualified electors of the District by more than two-thirds of the votes cast at the special election.

**RESOLUTION**

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

1. **Recitals.** The foregoing recitals are all true and correct.

2. **Issues Presented.** The issues presented at the special election were the levy of a special tax within the CFD, the incurring of a bonded indebtedness in the maximum aggregate principal amount of $40,000,000, and the approval of an annual appropriations limit of not to exceed $40,000,000 all pursuant to the Resolution of Formation and the Resolution Determining Necessity.

3. **Canvass and Issues Approved.** The Commission hereby approves the Canvass and finds that it shall be a permanent part of the record of its proceedings for the CFD. Pursuant to the Canvass, the issues presented at the special election were approved by the qualified electors of the CFD by more than two-thirds of the votes cast at the special election.

4. **Procedings Approved.** Pursuant to the voter approval, the CFD is hereby declared to be fully formed with the authority to levy the special taxes, to incur the approved bonded indebtedness and to have the established appropriations limit, all as heretofore provided in these proceedings and in the Act. It is hereby found that all prior proceedings and actions taken by the Commission with respect to the CFD were valid and in conformity with the Act.

5. **Notice of Tax Lien.** The Secretary is hereby directed to complete, execute and cause to be recorded in the office of the County Recorder of the City and County of San Francisco a notice of special tax lien in the form required by the Act, such recording to occur no later than 15 days following adoption by the Commission of this resolution.

**APPROVED AS TO FORM:**

[Signature]

James B. Morales
Agency General Counsel
CANVASS AND STATEMENT OF RESULT OF ELECTION

REDEVELOPMENT AGENCY OF
THE CITY AND COUNTY OF SAN FRANCISCO
Community Facilities District No. 7
(Hunters Point Phase One Improvements)
Hunters Point Shipyard Redevelopment Project Area

I hereby certify that on April 5, 2005, I canvassed the returns of the election held on April 5, 2005, in the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) (the “District”), and the total number of ballots cast in the District and the total number of votes cast for and against the measure are as follows, and the totals as shown for and against the measure are full, true and correct:

<table>
<thead>
<tr>
<th>Qualified Landowner</th>
<th>Votes Cast</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements)</td>
<td>67</td>
<td>67</td>
<td>X</td>
</tr>
</tbody>
</table>

BALLOT MEASURE: Shall the Redevelopment Agency of the City and County of San Francisco (the "Agency") incur an indebtedness and issue bonds in one or more series in a maximum aggregate principal amount not to exceed $40,000,000, with interest at a rate or rates not to exceed the maximum interest rate permitted by law at the time of sale of such bonds on behalf of Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) (the “CFD”), the proceeds of which bonds will be used for the specific purpose of acquiring and/or constructing certain facilities and paying for the costs of issuing the bonds and related expenses, subject to guaranteed annual audits; shall a special tax payable solely from lands within the CFD be levied annually, commencing in the Agency’s fiscal year 2005-06, upon lands within the CFD to pay for the principal and interest upon such bonds, and to pay the costs of facilities and the costs of the Agency in administering the CFD; and shall the annual appropriations limit of the CFD be established in the amount of $40,000,000?

EXHIBIT A
IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND this 5th day of April, 2005.

By: [Signature]

Secretary

EXHIBIT A