RESOLUTION NO. 215-2005

Adopted December 20, 2005

APPROVING A LOAN AGREEMENT WITH THE TRANSBAY JOINT POWERS AUTHORITY FOR THE IMPLEMENTATION OF THE TRANSBAY REDEVELOPMENT PLAN; TRANSBAY REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The Board of Supervisors of the City and County of San Francisco (the “Board”) adopted a Redevelopment Plan for the Transbay Redevelopment Project (the “Redevelopment Plan”) on June 21, 2005.

2. The Redevelopment Plan established a redevelopment project area for an approximately 40-acre area generally bounded by Mission Street in the north, Main Street in the east, Folsom Street in the south, and Second Street in the west (the “Project Area”). The Redevelopment Plan allows the Redevelopment Agency of the City and County of San Francisco (the “Agency”) to: 1) redevelop over 12 acres of vacant land as high-density, transit-oriented residential projects; 2) construct approximately 3,400 housing units of which approximately 1,200 would be affordable to very low- to moderate-income households; 3) enforce Development Controls and Design Guidelines to ensure new development provides a high-quality, livable community; 4) create streetscape and public open space improvements throughout the new project area; and 5) provide funding toward the construction of a new Transbay Terminal and Caltrain Downtown Extension.

3. The Transbay Joint Powers Authority, a joint powers authority duly created and organized under California Government Code Sections 6500 et seq. (the “TJPA”), intends to demolish the Transbay Terminal building and its associated ramps and construct a modern, publicly-owned, multimodal terminal on the same site with an underground train connection to existing rail lines terminating at Fourth and Townsend Streets in San Francisco (the “Transbay Terminal Project”). The Transbay Terminal Project will help to revitalize the Project Area and stimulate private investment. The Transbay Terminal Project is a public benefit and a central part of the Redevelopment Plan.

4. The Redevelopment Plan and the Transbay Terminal Project share the same purpose: to create a vibrant new downtown residential and commercial district centered on a major new regional transit hub. The Redevelopment Plan is vital to the financial feasibility and long-term success of the Transbay Terminal Project.

5. The Agency is responsible for all plan implementation activities, as well as for activities related to preparing certain publicly-owned parcels (the “State-Owned
Parcels") for disposition and development, the revenues from which will be used for the construction of the Transbay Terminal Project. Because funding is limited during the initial years of plan implementation and, even in later years, as the tax increment from the State-Owned Parcels in the Project Area will be applied to the cost of the Transbay Terminal Project, it is vital that a source of funds be available to fund certain Agency activities.

6. On January 25, 2005, the Agency approved the Transbay Redevelopment Project Implementation Agreement (the “Implementation Agreement”), which describes the specific actions by the Agency and the TJPA related to the implementation of the Redevelopment Plan (the “Implementation Activities”) and the activities related to the disposition of certain State-Owned Parcels that will generate funding for the Transbay Terminal Project. The Implementation Agreement includes a process for the TJPA to fund Agency activities, including the Implementation Activities during the initial years of the Project Area and activities related to the disposition of the State-Owned Parcels.

7. In order to fund the Agency’s activities under the Implementation Agreement, the TJPA and the Agency intend to enter into two separate agreements. All Agency costs related to the preparation, development, disposition, and monitoring of the State-Owned Parcels (the “Agency Administrative Fees”) will be paid by the TJPA through the Intergovernmental Agreement for Reimbursement of Redevelopment Agency Administrative Fees (the “Intergovernmental Agreement”), which agreement is being considered by the Commission pursuant to Resolution No. 214-2005, concurrently with this Resolution.

8. All costs, exclusive of Agency Administrative Fees, incurred by the Agency for general planning and implementation activities (the “Agency Costs”) from July 1, 2004, through June 30, 2009, will be loaned to the Agency by the TJPA through the Loan Agreement. The Loan Agreement provides for five (5) separate and discrete one-year loans to be paid quarterly during the five (5) year term of the Loan Agreement, ending with the payment of April 30, 2009, for a total aggregate amount not to exceed $2,500,000.00. No interest shall accrue to the loan amount.

9. On April 20, 2004, the Commission, by Resolution No. 45-2004, certified the Final Environmental Impact Statement/Environmental Impact Report (the “Final EIS/EIR”) for the Transbay Terminal/Caltrain Downtown Extension/Redevelopment Project as adequate, accurate, and objective and in compliance with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.) (“CEQA”) and the CEQA Guidelines (14 California Code of Regulations Sections 15000 et seq.). On April 22, 2004, the other co-lead agencies on the Final EIS/EIR, the City and County of San Francisco and the Peninsula Corridor Joint Powers Board, also certified the Final EIS/EIR.
10. The Commission has reviewed and considered the information in the Final EIS/EIR.

11. The Commission hereby finds that the Loan Agreement is part of the Transbay Redevelopment Project for purposes of compliance with CEQA.

12. In Resolution No. 11-2005, the Commission adopted findings that various actions related to the Transbay Redevelopment Project Area Plan were in compliance with CEQA. Said findings are on file with the Secretary of the Agency and are incorporated herein by reference. Said findings are in furtherance of the actions contemplated in this Resolution and are made part of this Resolution by reference herein.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to execute the Loan Agreement with the Transbay Joint Powers Authority, a joint powers authority duly created and organized under California Government Code Sections 6500 et seq., for the implementation of the Transbay Redevelopment Plan, substantially in the form lodged with the Agency General Counsel, and with any changes necessary as approved by the Executive Director, as long as such revisions do not alter the terms or intent of the Loan Agreement.

APPROVED AS TO FORM:

[Signature]
James B. Morales
Agency General Counsel