

**RESOLUTION NO. 67-2006**

*Adopted May 16, 2006  
(4 Ayes, 2 Nays, 1 absent)*

**AUTHORIZING THE ENGAGEMENT OF UBS SECURITIES LLC,  
A DELAWARE LIMITED LIABILITY COMPANY, AND  
BACKSTROM McCARLEY BERRY & CO., LLC, A CALIFORNIA LIMITED  
LIABILITY COMPANY, AS THE UNDERWRITERS FOR THE ANTICIPATED  
ISSUANCE OF THE 2006 TAX ALLOCATION BONDS BY THE  
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN  
FRANCISCO**

**BASIS FOR RESOLUTION**

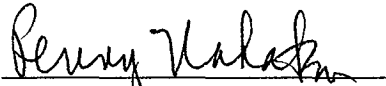
1. The Redevelopment Agency of the City and County of San Francisco (the "Agency") wishes to sell one or more series of bonds secured by tax increment revenues (the "2006 TABs") to fund a portion of its budget for fiscal year 2005/06.
2. The sale of the 2006 TABs requires the hiring of one or more investment banking firms, also referred to as underwriters, to provide such services as the preparation financing plans and documents, obtain credit enhancement, market the bonds, and purchase the 2006 Bonds that will ultimately be sold to investors.
3. Agency staff issued a Request for Proposals ("RFP") on December 22, 2005 to solicit proposals from qualified investment firms that may be interested in providing investment banking services in connection with the issuance of the 2006 TABs.
4. Seventeen (17) investment banking firms responded to the RFP and a panel of three Agency staff, a consultant, and an employee of the San Francisco International Airport (the "New Panel") reviewed and evaluated each proposal, except the proposals submitted by Estrada Hinojosa and Cabrera Capital Markets, Inc. which did not wished to be considered by the New Panel.
5. The New Panel recommends the engagement of UBS Securities LLC (sometimes "UBS") as senior manager and Backstrom McCarley Berry & Co., LLC (sometimes "Backstrom") as co-manager to provide investment banking services in connection with the Agency's 2006 TABs as described in the engagement letter agreement submitted by UBS and Backstrom.
6. The engagement letter states that payments to UBS and Backstrom for their services as co-managers will be based on the fee proposal submitted by UBS and such compensation will be made from the proceeds of the 2006 TABs.

7. Staff will separately request the Agency to authorize issuance of the 2006 TABs.

**RESOLUTION**

**ACCORDINGLY, IT IS RESOLVED** by the Redevelopment Agency of the City and County of San Francisco authorizes the Executive Director to enter into an engagement letter agreement for underwriting services, substantially in the form lodged with the Agency General Counsel, with UBS Securities LLC, a Delaware limited liability company, as senior manager, and Backstrom McCarley Berry & Co., LLC, a California limited liability company, as co-manager to provide investment banking services related to the issuance of the 2006 TABs.

**APPROVED AS TO FORM:**



James B. Morales  
Agency General Counsel

for