

RESOLUTION NO. 92-2006

Adopted July 18, 2006

AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 RELATING TO THE ISSUANCE OF 2006 SERIES B TAX ALLOCATION REVENUE BONDS (MISSION BAY NORTH REDEVELOPMENT PROJECT - INFRASTRUCTURE) BY THE CITY AND COUNTY OF SAN FRANCISCO REDEVELOPMENT FINANCING AUTHORITY, APPROVING THE FINAL OFFICIAL STATEMENT RELATING TO THE BONDS, AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO; MISSION BAY NORTH REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION

1. The City and County of San Francisco and the Redevelopment Agency of the City and County of San Francisco (the "Agency") entered into a Joint Exercise of Powers Agreement dated as of July 11, 1989, establishing the City and County of San Francisco Redevelopment Financing Authority (the "Authority") for the purpose of issuing its bonds to be used to provide financial assistance to the Agency.
2. Pursuant to the Marks-Roos Bond Pooling Act of 1985, being Article 4 of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law"), the Authority proposes to issue a series of bonds designated as the 2006 Series B Tax Allocation Revenue Bonds (Mission Bay North Redevelopment Project - Infrastructure) (the "Bonds") for the purpose of enabling the Authority to make a loan to the Agency and thereby allowing the Agency to finance certain redevelopment activities of the Agency for the Mission Bay North Redevelopment Project.
3. The Bonds will be repaid from, and secured by, payments made to the Authority by the Agency pursuant to the Loan Agreement (hereinafter defined).
4. In connection with the offering of such Bonds, the Authority and the Agency will prepare or cause to be prepared an Official Statement and a Bond Purchase Contract providing for the sale of the Bonds.
5. The Bonds are being issued to finance certain public capital improvements located within the jurisdiction of the Agency and within or of benefit to the Mission Bay North Redevelopment Project Area.

6. Following publication of a notice thereof, at least five days prior thereto in a newspaper of general circulation in this City, the Agency has held a public hearing, pursuant to Government Code Section 6586.5, on the proposed financing.

FINDINGS

1. The Commission finds that the Board of Supervisors of the City and County of San Francisco, by its Resolution No. 580-05, adopted on July 19, 2005, approved the issuance of not to exceed \$118,000,000 of bonds for the purpose of financing the Agency's redevelopment activities described in the approved budget for fiscal year 2005-06, and the Bonds are being issued pursuant to such approval.
2. The Commission finds that, by reason of the adoption of the redevelopment plan for the Mission Bay North Redevelopment Project, and as contemplated by the Mission Bay North Interagency Cooperation Agreement, dated as of November 16, 1998 (the "Cooperation Agreement"), between the Agency and the City and County of San Francisco, the Agency has land use jurisdiction over the development of the North Plan Area (as defined in the Cooperation Agreement), including public capital improvements that provide infrastructure to support, or in conjunction with, the development project contemplated by the North OPA (as defined in the Cooperation Agreement), including land use jurisdiction over the public capital improvements to be financed with proceeds of the Bonds.
3. The Commission finds and determines that the use of the Authority to accomplish the financing will result in significant public benefits accruing from such borrowing, including demonstrable savings in effective interest rates and financing costs associated with the issuance of the Bonds.
4. The sale of the Bonds does not constitute a project subject to the California Environmental Quality Act ("CEQA") and is therefore exempt from CEQA; however, the improvements and activities to be financed by the sale of the Bonds will be or have been reviewed to determine CEQA applicability prior to approval of such improvements and activities.

RESOLUTION

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

Section 1. Approval of Loan. The Redevelopment Agency of the City and County of San Francisco (the "Agency") authorizes and approves a borrowing from the City and County of San Francisco Redevelopment Financing Authority (the "Authority") pursuant to a loan agreement with respect to the Mission Bay North Redevelopment Project in connection with the issuance by the Authority of the Bonds (the "Loan Agreement") to

accomplish the financing contemplated by the issuance of the Bonds. The Loan Agreement is approved in the form lodged with the Agency General Counsel. The Loan Agreement shall be executed by either the Executive Director or the Deputy Executive Director, Finance and Administration, each of whom is authorized to execute the Loan Agreements on behalf of the Agency in such form together with any additions or changes therein deemed necessary or advisable by the Executive Director or the Deputy Executive Director, Finance and Administration, including their respective designees, after consultation with the Agency General Counsel, and the execution thereof shall be conclusive evidence of the approval of any such changes or additions. Loan Agreement may provide for a loan in an aggregate principal amount not to exceed \$40,000,000.

The proceeds of the loan will be used by the Agency to finance its redevelopment activities within or of benefit to the Mission Bay North Redevelopment Project Area, consistent with the Board of Supervisors' approval described in paragraph 1 under "Findings" above. The financing through the Authority, as contemplated by the Loan Agreement, is hereby approved.

Section 2. Official Statement. The Agency hereby approves the use of an Official Statement describing the Bonds (the "Official Statement"), a draft of which is lodged with the Agency General Counsel, and authorizes and directs either the Executive Director or the Deputy Executive Director, Finance and Administration, in consultation with the Agency General Counsel, to make such additions and changes as are necessary to describe the Bonds and the current financial condition and other affairs of the Agency accurately and completely. Distribution of the Official Statement in preliminary form is hereby approved, and, prior to the distribution of the preliminary Official Statement, either the Executive Director or the Deputy Executive Director, Finance and Administration, each of whom is so authorized, shall, on behalf of the Agency, deem the preliminary Official Statement "final" pursuant to Rule 15c2-12 under the Securities Exchange Act of 1934. The final Official Statement shall be executed in the name and on behalf of the Agency by either the Executive Director or the Deputy Executive Director, Finance and Administration, each of whom is authorized to execute the final Official Statement on behalf of the Agency. Distribution of the final Official Statement by the Underwriters (as defined below) is hereby approved.

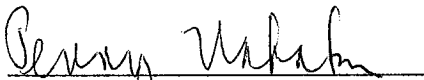
Section 3. Sale of the Bonds. The Bond Purchase Contract (the "Purchase Contract") among the Authority, the Agency and UBS Securities LLC and Backstrom McCarley Berry & Co., LLC (collectively, the "Underwriters"), is hereby approved in the form lodged with the Agency General Counsel. Either the Executive Director or the Treasurer, both of whom are hereby authorized to do so, shall accept the offer of the Underwriters to purchase the Bonds contained in the Purchase Contract (provided that the aggregate initial amount of the Bonds sold thereby is not in excess of \$40,000,000, the net interest cost of the Bonds is not in excess of 6.00% per annum and the underwriters' discount, without regard to any original issue discount, is not in excess of 1.00% of the aggregate initial amount of the Bonds) and to execute and deliver the Purchase Contract in said form, with such additions thereto or changes therein as are recommended or approved by the officer of the Agency executing the same upon consultation with the Agency General

Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Purchase Contract by the Agency.

Section 4. Disclosure Certificate. The Continuing Disclosure Certificate (the "Disclosure Certificate") to be executed by the Agency is hereby approved substantially in the form lodged with the Agency General Counsel. The Executive Director and the Treasurer are each hereby authorized to execute and deliver the Disclosure Certificate in said form, with such additions thereto or changes therein as are recommended or approved by such officer upon consultation with the Agency General Counsel, the approval of such additions or changes to be conclusively evidenced by the execution and delivery of the Disclosure Certificate by the Executive Director or the Treasurer.

Section 5. Official Actions. The President, the Vice-President, the Executive Director, the Deputy Executive Director, Finance and Administration, the Secretary, the Agency General Counsel, and any and all other officers and designees of the Agency are authorized and directed, for and in the name and on behalf of the Agency, to do any and all things and take any and all actions, including the execution and delivery of any and all certificates, requisitions, agreements, notices, consents, and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Bonds and the making of the loan pursuant to the Loan Agreement.

APPROVED AS TO FORM:



for James B. Morales
Agency General Counsel