

RESOLUTION NO. 98-2006

Adopted August 1, 2006

AUTHORIZING THE EXECUTION OF THE BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA AND SURVEY AREA LOAN AGREEMENT IN AN AMOUNT NOT TO EXCEED \$921,000, AND LIMITATIONS ON THE EXPENDITURE OF THE LOAN AMOUNT, FOR IMPLEMENTATION AND PLANNING ACTIVITIES, WITH THE CITY AND COUNTY OF SAN FRANCISCO; BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA

BASIS FOR RESOLUTION


1. On May 23, 2006, the San Francisco Board of Supervisors (the "Board"), approved the Bayview Hunters Point Redevelopment Plan (the "Redevelopment Plan"), following the Redevelopment Agency of the City and County of San Francisco's (the "Agency") Commission adoption of the Redevelopment Plan pursuant to Resolution No. 32-2006 on March 7, 2006.
2. The Redevelopment Plan creates an approximately 1,500-acre Bayview Hunters Point ("BVHP") Redevelopment Project Area (the "Project Area"), consisting of the approximately 137-acre from the existing Hunters Point Redevelopment Project Area ("Project Area A") and an approximately 1,361 acre area from the existing Bayview Hunters Point Redevelopment Survey Area ("Project Area B"), both located in the southeast quadrant of the City and County of San Francisco (the "City"), generally bounded by Cesar Chavez Street to the North, US 101 to the West, San Mateo County to the South, and the San Francisco Bay to the East. The remaining area in the Bayview Hunters Point Redevelopment Survey Area, following the removal of Project Area B, consists of 53 acres ("Survey Area C").
3. The Agency has incurred administrative, personnel, consultant and other costs for planning activities for the Project Area prior to the Board's approval of the Redevelopment Plan, as well as planning costs for Survey Area C and will continue to incur implementation costs for the Project Area ("Implementation Costs") and planning costs for Survey Area C ("Planning Costs") (together, "Planning and Implementation Costs") following the approval of the Redevelopment Plan. The Agency currently has no income from tax increment and other assessments within the recently approved Project Area and will have insufficient income from tax increment to cover such Implementation Costs upon the approval of the Redevelopment Plan and for several years after the approval of the Redevelopment Plan, in addition to no tax increment for Planning Costs in Survey Area C (the "Project Area Interim Years").
4. The City wishes to ensure that the Agency is able to carry out its planning and implementation activities for the Project Area and Survey Area C and the Board, on

July 11, 2006, approved a loan agreement to loan the Agency,, from the City's General Fund, a total aggregate amount of \$921,000, which amount includes \$651,000 for Project Area Implementation Costs and \$270,000 for Planning Costs in Survey Area C (together, the "Project Area Loan Amount"), subject to the terms and conditions as included in the Bayview Hunters Point Redevelopment Project Area and Survey Area Loan Agreement, for fiscal year 2006/07 to cover the Agency's Planning and Implementation Costs for the Project Area and Survey Area C, during the Project Area Interim Years. Notwithstanding the execution of the Bayview Loan Agreement, the Agency will not expend any of the loan proceeds for implementation of the Bayview Hunters Point Redevelopment Plan (the "Plan") until all challenge periods under the California Community Redevelopment Law have expired, and in no case, will any loan proceeds be used for implementation of the Plan at least 90 days from May 23, 2006, the date of the Board of Supervisors adoption of the Plan.

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 Bayview Hunters Point Redevelopment Project Area and Survey Area Loan Agreement in an amount not to exceed \$921,000, and limitations on the expenditure of the loan amount, for implementation and planning activities, with the City and County of San Francisco, substantially in the form lodged with the Agency General Counsel; Bayview Hunters Point Redevelopment Project Area.

APPROVED AS TO FORM:


James B. Morales
Agency General Counsel