

RESOLUTION NO. 62 - 2009

Adopted June 16, 2009

INTENTION TO ANNEX TERRITORY (BLOCK X-4) TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO COMMUNITY FACILITIES DISTRICT NO. 5 (MISSION BAY MAINTENANCE DISTRICT) AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN; MISSION BAY SOUTH 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 conducted proceedings to establish the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (Mission Bay Maintenance District) (the "District") pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act").
2. Under Article 3.5 of the Act, the Commission, as the legislative body for the District, is empowered with the authority to annex territory to the District.
3. On April 17, 2001, pursuant to Resolution No. 61-2001, the Agency entered into an Owner Participation Agreement ("OPA") with Esprit de Corp., which later changed its corporate name to ECOR-SF, INC. ("Esprit"), for the development of 409 and 499 Illinois Street, also known as Block X-4 (the "Property") in the Mission Bay South Redevelopment Project Area. Esprit transferred its obligations under the OPA for the Property to ECOR-SF Holdings, Inc. on August 15, 2002. ECOR-SF Holdings, Inc. then sold the Property and transferred its obligations to X-4 Dolphin, LLC, a Delaware Limited Liability Company (the "Owner") on July 8, 2005.
4. Pursuant to Article 6.7 of the OPA, the Owner must petition the Agency to annex the Property into the District.
5. The Commission has received a Petition (including waiver) from X-4 Dolphin, LLC requesting that the Property be annexed to the District, and the Commission now desires to undertake proceedings to annex the Property to the District.
6. The proposed annexing of the Property and levying of special taxes on this Property will contribute to the financing of activities in the District. The activities are described in Exhibit A to Resolution No. 217-99, adopted by the Commission on December 21, 1999, and include the ongoing operation, maintenance and repair of Mission Bay Open Space Parcels. These activities would have no resultant significant impacts on the physical environment, and are activities that are exempt from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Sections 15301(h), 15302(c), and 15061(b)(3).

FINDING

The Commission finds that public convenience and necessity require that the Property be annexed to the District.

RESOLUTION

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

1. The name of the District is "Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (Mission Bay Maintenance District)."
2. The territory included in the existing District is as shown on the first amended map thereof filed on January 7, 2000 at 9:13:15 a.m. in Book Z of Maps of Assessment and Community Facilities Districts at Page 131 (Document No. 2000-G715661-00), in the Office of the County Recorder of the City and County of San Francisco. The territory now proposed to be annexed to the District is as shown on the Annexation Map No. 1 to the District, on file with the Secretary of the Agency, the boundaries of which territory are hereby preliminarily approved and to which map reference is hereby made for further particulars. The Secretary of the Agency is hereby directed to cause to be recorded said Annexation Map No. 1 to the District, showing the territory to be annexed, in the Office of the County Recorder of the City and County of San Francisco within fifteen (15) days of the date of adoption of this Resolution.
3. The services to be financed by the District and pursuant to the Act consist of those services (the "Services") described in Exhibit A to Resolution No. 217-99, adopted by the Commission on December 21, 1999 (the "Resolution of Formation"), which Resolution of Formation is, by this reference, incorporated herein. It is presently intended that the Services will relate to the existing territory in the District and the territory proposed to be annexed to the District.
4. Except to the extent that funds are otherwise available to the District to pay for the Services, a special tax sufficient to pay the costs thereof, secured by a continuing lien against all non-exempt real property in the District (including the property being annexed thereto), will be levied annually within the District and collected in the same manner as ordinary *ad valorem* property taxes, or in such other manner as the Commission or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the special tax among the parcels of real property within the District, as now in existence and following the annexation proposed herein, in sufficient detail to allow each landowner within the territory proposed to be annexed to the District to estimate the probable maximum amount such owner will have to pay, are described in Exhibit B to the Resolution of Formation.

5. Tuesday, July 21, 2009, at 4:00 o'clock p.m., in the regular meeting place of the Commission, Room 416, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, is hereby appointed and fixed as the time and place when and where the Commission, as legislative body for the District, will conduct a public hearing on the annexation of territory to the District and consider and finally determine whether the public interest, convenience and necessity require said annexation of territory to the District and the levy of said special tax therein.
6. The Secretary of the Agency is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper of general circulation in the area of the District. The publication shall be completed at least seven days before the date set for the hearing. The notice shall be substantially in the form attached hereto as Exhibit A.

APPROVED AS TO FORM:

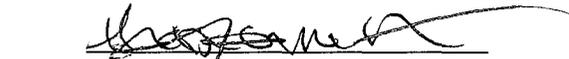

James B. Morales
Agency General Counsel

EXHIBIT A

NOTICE OF PUBLIC HEARING

Redevelopment Agency of the City and County of San Francisco
Community Facilities District No. 5
(Mission Bay Maintenance District)
Annexation No. 1

Notice is hereby given by the Commission (the "Commission") of the Redevelopment Agency of the City and County of San Francisco (the "Agency") with respect to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (Mission Bay Maintenance District) (the "CFD"), that on June 16, 2009, the Commission of the Agency, as the legislative body for the CFD, adopted a resolution of Intention to Annex Territory to the Redevelopment Agency of the City and County of San Francisco Community Facilities District No. 5 (Mission Bay Maintenance District) and to Authorize the Levy of Special Taxes Therein (the "Resolution of Intention"). Reference is hereby made to the Resolution of Intention, on file with the Secretary of the Agency, for further particulars. The following is a summary of the provisions of the Resolution of Intention.

Pursuant to the Resolution of Intention, the Commission found that the public convenience and necessity require that certain territory, as more particularly described in the Resolution of Intention, be annexed to the existing CFD, all as provided in Article 3.5 of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the California Government Code (the "Act"). The Resolution of Intention provides that the special taxes heretofore caused to be levied in the CFD shall be levied in the territory proposed to be annexed, subject to public hearing and landowner election proceedings as specified in the Act.

Notice is further given that Tuesday, July 21, 2009, at the hour of 4:00 o'clock p.m., in the regular meeting place of the Commission, Room 416, City Hall, 1 Dr. Carlton B. Goodlett Place, San Francisco, California, are the time and place when and where the Commission, as the legislative body for the CFD, will conduct a public hearing on the annexation of the territory described in the Resolution of Intention to the CFD, and finally consider and determine whether the public convenience and necessity require the annexation of said territory to the CFD and the levy of special taxes therein.

Notice is further given that at the hearing the testimony of all interested persons for and against the annexation of said territory to the CFD, or the levying of special taxes within the territory proposed to be annexed, will be heard.

Dated as of _____, 2009

By: /s/ Gina E. Solis
Secretary,
Redevelopment Agency of the
City and County of San Francisco