

RESOLUTION NO. 89-2009

Adopted August 4, 2009

AUTHORIZING THE EXECUTION OF A LOAN AGREEMENT RELATING TO YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1 FOR BOTH FISCAL YEAR 2008-09 AND FISCAL YEAR 2009-10 IN CONNECTION WITH THE ISSUANCE BY THE CITY AND COUNTY OF SAN FRANCISCO FINANCING AUTHORITY OF NOT TO EXCEED \$25,000,000 AGGREGATE PRINCIPAL AMOUNT OF 2009 SERIES B TAX ALLOCATION REVENUE BONDS (SAN FRANCISCO REDEVELOPMENT PROJECTS); AND AUTHORIZING AND APPROVING OTHER MATTERS PROPERLY RELATING THERETO (BAYVIEW HUNTERS POINT REDEVELOPMENT PROJECT AREA – PROJECT AREA B, SOUTH OF MARKET REDEVELOPMENT PROJECT AREA, TRANSBAY REDEVELOPMENT PROJECT AREA AND YERBA BUENA CENTER APPROVED REDEVELOPMENT PROJECT AREA D-1)

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”), and an Indenture of Trust described below, the Authority proposes to issue a series of bonds designated as the “2009 Series B Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)” (the “Bonds”) for the purpose of enabling the Authority to make loans to the Agency and thereby allowing the Agency to finance and refinance certain redevelopment activities of the Agency for the following Redevelopment Project Areas: Bayview Hunters Point Redevelopment Project Area - Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area, and Yerba Buena Center Approved Redevelopment Project Area D-1.
3. The Bonds will be repaid from, and secured by, payments made to the Authority by the Agency pursuant to various Loan Agreements (hereinafter defined).

4. The Authority and the Agency propose to sell the Bonds by negotiated sale and, in connection with the sale of the Bonds, the Authority and the Agency have prepared or caused to be prepared an Official Statement and a Bond Purchase Agreement relating to the Bonds.
5. The Bonds are being issued to finance and refinance certain public capital improvements located within the jurisdiction of the Agency and within the boundaries of the Agency's redevelopment project areas described in paragraph 2 above, and are being issued to finance a portion of the Agency's 2008-09 budget.
6. Following publication of a notice thereof, at least five days prior thereto in a newspaper of general circulation in this City, this Agency has held a public hearing, pursuant to Government Code Section 6586.5, on the proposed financings.
7. The sale and issuance of the Bonds are Agency fiscal activities that are not Projects as defined by the California Environmental Quality Act ("CEQA") Guidelines Section 15378(b)(4), will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA.
8. Pursuant to Resolution No. 66-2009 of the Agency adopted on June 16, 2009 ("Resolution No. 66-2009), the Agency has heretofore approved the issuance of the Bonds by the Authority and the execution and delivery of the loan agreements (collectively, the "Loan Agreements") in an initial aggregate principal amount of not to exceed \$25,000,000 with respect to some or all of the following redevelopment project areas of the Agency Bayview Hunters Point Redevelopment Project Area - Project Area B, South of Market Redevelopment Project Area, Transbay Redevelopment Project Area and Yerba Buena Center Approved Redevelopment Project Area D-1.

FINDINGS

1. The Commission has heretofore found that the Board of Supervisors of the City and County of San Francisco, by its Resolution No. 336-08, adopted on July 22, 2008, approved the incurring of not to exceed \$202,824,283 of debt for the purpose of financing the Agency's redevelopment activities in fiscal year 2008-09.
2. The Commission finds that the Board of Supervisors of the City and County of San Francisco, by its Resolution No. 267-09, adopted on June 30, 2009, approved the incurring not to exceed \$87,500,000 of debt for the purpose of financing the Agency's redevelopment activities in fiscal year 2009-10

3. The YBC Loan Agreement will be executed and delivered pursuant to the authority set forth in both Resolution No. 336-08 and Resolution No. 267-09 of the Board of Supervisors of the City and County of San Francisco.
4. The Commission finds that the use of the Authority to accomplish the borrowings will result in significant public benefits accruing from such borrowings, including demonstrable savings in effective interest rates and financing costs associated with the issuance of the Bonds.
5. The Commission intends that this Resolution supplement Resolution No. 66-2009 and that Resolution No. 66-2009 remain in full force and effect, as so supplemented.

RESOLUTION

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

Section 1. Approval of YBC Loan Agreement. The Redevelopment Agency of the City and County of San Francisco (the “Agency”) authorizes and approves (i) borrowing for both its fiscal year 2008-09 budget and its fiscal year 2009-10 budget with respect to the Yerba Buena Center Approved Redevelopment Project Area D-1, and (ii) borrowing for its fiscal year 2008-09 budget with respect to the Bayview Hunters Point Redevelopment Project Area - Project Area B, the South of Market Redevelopment Project Area, and the Transbay Redevelopment Project Area, and (iii) approves the execution and delivery of loan agreements with respect thereto with the City and County of San Francisco Redevelopment Financing Authority (the “Authority”) and U.S. Bank National Association, as trustee (the “Loan Agreements”).

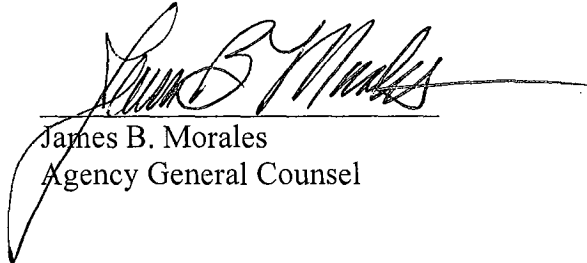
Section 2. The Agency hereby authorizes the delivery and performance of the Loan Agreements for borrowings in an initial aggregate principal amount not to exceed \$25,000,000. The financings through the Authority, as contemplated in the Loan Agreements, are hereby approved.

Section 3. Resolution No. 66-2009. Except as supplemented hereby, Resolution No. 66-2009 shall remain in full force and effect.

Section 4. Official Actions. 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, the making of the loans pursuant to the Loan Agreements, all as described herein.

APPROVED AS TO FORM:

A handwritten signature in black ink, appearing to read "James B. Morales", is written over a horizontal line. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

James B. Morales
Agency General Counsel