INFORMATIONAL MEMORANDUM

TO: Agency Commissioners
FROM: Tiffany Bohee
Executive Director
SUBJECT: City and County of San Francisco Redevelopment Financing Authority

At the January 21, 2014 Commission meeting, the Commission, acting as the City and County of San Francisco Redevelopment Financing Authority ("Authority"), will be requested to approve the issuance of tax allocation revenue bonds. The following background information is provided for the benefit of Commissioners who may not be familiar with the background of the Authority.

The Financing Authority was created by a joint exercise of powers agreement dated July 11, 1989 (the "JPA Agreement"), executed by the City and County of San Francisco ("City") and the former San Francisco Redevelopment Agency ("SFRA"). The JPA Agreement was amended on June 1, 1994. Copies of the JPA Agreement, the amendment, and the JPA bylaws are attached.

The City and County of San Francisco Redevelopment Financing Authority is a public entity separate and apart from the City and the Agency. The Financing Authority is administered by a Board of Directors consisting of seven (7) directors, and the Commissioners of the Agency are the Board of Directors of the Financing Authority.

Under AB 26, the Successor Agency stepped into the role of the SFRA with respect to the Financing Authority. The Commissioners of the Successor Agency act in place of the former SFRA commission under the authority of Board of Supervisors Ordinance No. 215-12.

The Financing Authority provides a vehicle for the Agency to sell bonds through a negotiated sale when market conditions indicate that this would be advantageous. Under Sections 33640 et seq. of the Health and Safety Code, bonds issued by redevelopment agencies (and, by implication, successor agencies) are required to be sold by competitive sale. However, the Mark-Roos Local Bond Act of 1985 (Section 6584 et seq. of the Government Code) contains a provision (Section 6589) that allows joint powers authorities, such as the Financing Authority, to enter into purchase contracts with a local agency to sell bonds to the authority on a negotiated basis, notwithstanding any other provision of law. The primary purpose of the Financing Authority, as set forth in the JPA Agreement is to facilitate financings for the SFRA (now the Successor Agency).
The bylaws of the Financing Authority (attached) state that the Chairman and Vice Chairman shall be elected at the first annual meeting of the Board of Directors in each calendar year.

(Originated by Leo Levenson, Deputy Executive Director, Finance and Administration)

Tiffany Bohas
Executive Director

Attachments:

1. First Amendment to Joint Exercise of Powers Agreement City and County of San Francisco Redevelopment Financing Authority, June 1, 1994
2. Joint Exercise of Powers Agreement City and County of San Francisco Redevelopment Financing Authority, July 11, 1989
3. Amended By-Laws of the City and County of San Francisco Redevelopment Financing Authority
4. Resolution No. 3-2007 Amending By-Laws of the City and County of San Francisco Redevelopment Financing Authority