RESOLUTION APPROVING, UNDER SECTIONS 34177.5(a)(1), 34177.5(f) AND 34180(b) OF THE CALIFORNIA HEALTH AND SAFETY CODE, THE ISSUANCE OF REFUNDING TAX ALLOCATION BONDS BY THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, AND RELATED ACTIONS; VARIOUS PROJECT AREAS

WHEREAS, Prior to the dissolution of the Redevelopment Agency of the City and County of San Francisco (the "Former Redevelopment Agency"), the Former Redevelopment Agency entered into the loan agreements set forth on Exhibit A hereto and incorporated herein (collectively, the "Existing Loan Agreements"), and the City and County of San Francisco Redevelopment Financing Authority (the "Authority") issued the bonds set forth on Exhibit A hereto and incorporated herein (collectively, the "Prior Bonds"), to finance and refinance redevelopment activities of the Former Redevelopment Agency; and,

WHEREAS, Section 34177.5(a)(1) of the California Health and Safety Code (the "Code") provides that a successor agency may issue bonds or incur other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency to provide savings to the successor agency, provided that the conditions set forth in that section (the "Savings Parameters") are met; and,

WHEREAS, Section 34177.5(b) of the Code authorizes a successor agency to issue such refunding bonds pursuant to Article 11 (commencing with Section 53580) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code (the "Refunding Law"); and,

WHEREAS, Sections 34177.5(f) and 34180(b) of the Code provide that the actions authorized under the foregoing Sections of the Code are subject to the approval of the applicable oversight board; and,

WHEREAS, To take advantage of current bond market conditions and to provide debt service savings, the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (the "Successor Agency") has determined to refund certain of the Prior Bonds (the "Refunded Bonds") and refinance the related Existing Loan Agreements set forth on Exhibit B hereto and incorporated herein (the "Refunded Loan Agreements"), under the authority of Section 34177.5(a)(1) of the Code and the Refunding Law; and,

WHEREAS, In order to refund the Refunded Bonds and refinance the Refunded Loan Agreements, on September 12, 2014, the Commission on Community Investment and Infrastructure (also known as the "Successor Agency Commission") adopted Resolution No. 83-2014 (the "Successor Agency Resolution"), a copy of which is
WHEREAS, The 2014 Bonds will be payable from “Pledged Tax Revenues” (as defined in the Indenture described below) on a basis subordinate to the Successor Agency’s repayment obligations under the Existing Loan Agreements that will remain outstanding after the issuance of the 2014 Bonds; and,

WHEREAS, To determine that the issuance of the 2014 Bonds, the refunding of the Refunded Bonds and the refinancing of the Refunded Loan Agreements comply with the Savings Parameters, the Successor Agency has caused its financial advisors, Public Financial Management, Inc. and Kitahata & Company, to prepare an analysis of the potential savings that will accrue to the Successor Agency and to applicable taxing entities as a result of the use of the proceeds of the 2014 Bonds to prepay the Refunded Loan Agreements and, thereby, to refund the Refunded Bonds (the “Debt Service Savings Analysis”), a copy of which is attached to this Resolution as Exhibit E hereto and incorporated herein; and,

WHEREAS, A copy of the Successor Agency Resolution has been submitted to the Administrative Officer and the Auditor-Controller of the City and County of San Francisco and the California Department of Finance, as required by Section 34180(j) of the Code; and,

WHEREAS, The approval of the issuance of the 2014 Bonds as authorized by the Successor Agency is an Oversight Board fiscal oversight activity that does not constitute a “Project” 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 is not subject to environmental review under CEQA; and,

WHEREAS, This Oversight Board now desires to approve the issuance of the 2014 Bonds, the refunding of the Refunded Bonds and the refinancing of the Refunded Loan Agreements by the Successor Agency, and the other actions of the Successor Agency contemplated by the Successor Agency Resolution; now therefore, be it

RESOLVED, That this Oversight Board, as authorized by Sections 34177.5(f) and 34180(b) of the Code, approves the issuance of the 2014 Bonds under Section 34177.5(a)(1) of the Code, the refunding of the Refunded Bonds, the refinancing of the Refunded Loan Agreements, and the other actions contemplated by the Successor Agency Resolution, attached hereto as Exhibit C; and be it further
RESOLVED, That this Oversight Board approves the Successor Agency's execution and delivery of the Indenture of Trust, attached as Exhibit D hereto and incorporated herein, pursuant to which the 2014 Bonds will be issued; and be it further

RESOLVED, That this Oversight Board directs the Successor Agency to undertake the refunding proceedings and makes the following determinations upon which the Successor Agency will rely in undertaking the refunding proceedings and the issuance of the 2014 Bonds:

(a) The Successor Agency is authorized, as provided in Section 34177.5(f) of the Code, to recover its costs related to the issuance of the 2014 Bonds from the proceeds of the 2014 Bonds, including the cost of reimbursing its administrative staff for time spent with respect to the authorization, issuance, sale and delivery of the 2014 Bonds.

(b) The application of proceeds of the 2014 Bonds by the Successor Agency to the refunding and defeasance of the Refunded Bonds and the refinancing of the Refunded Loan Agreements, and the payment by the Successor Agency of costs of issuance of the 2014 Bonds, as provided in Section 34177.5(a) of the Code, shall be implemented by the Successor Agency promptly upon sale and delivery of the 2014 Bonds.

I hereby certify that the foregoing resolution was adopted by the Oversight Board at its meeting of September 22, 2014.

[Signature]
Board Secretary