

AMENDED IN COMMITTEE

6/16/16

FILE NO. 160644

RESOLUTION NO. 314-16

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the  
2 San Francisco Redevelopment Agency - FY2016-2017 Budget - Bond Issuance Not to  
3 Exceed \$185,000,000]

4 **Resolution approving the FY2016-2017 Budget of the Office of Community Investment**  
5 **and Infrastructure (OCII), operating as the Successor Agency to the San Francisco**  
6 **Redevelopment Agency; and approving the Issuance by OCII of Bonds in an aggregate**  
7 **principal amount not to exceed \$185,000,000, which will be used in conjunction with a**  
8 **portion of the bonding authority authorized but unissued in the FY2015-2016 budget,**  
9 **for the purpose of financing a portion of enforceable obligations.**

10  
11 WHEREAS, The Successor Agency to the Redevelopment Agency of the City and  
12 County of San Francisco, commonly known as the Office of Community Investment and  
13 Infrastructure (OCII), is implementing enforceable obligations of the Redevelopment Agency  
14 of the City and County of San Francisco (Former Agency) in accordance with the Community  
15 Redevelopment Law, Cal. Health & Safety Code, Sections 33000 et seq., as amended by the  
16 Redevelopment Dissolution Law, Cal. Health & Safety Code, Sections 34170 et seq. (the  
17 "Law"), and with San Francisco City and County Board of Supervisors ("Board of Supervisors")  
18 Ordinance No. 215-12; and

19 WHEREAS, OCII, a legal entity separate from the City and County of San Francisco  
20 ("City"), is subject to the Board of Supervisors' approval of the OCII's annual budget in  
21 accordance with Cal. Health and Safety Code, Section 33606; and

22 WHEREAS, The Law requires OCII to receive approval from OCII's Oversight Board  
23 and the California Department of Finance ("DOF") for its expenditures as listed in Recognized  
24 Obligation Payment Schedules ("ROPS") that cover twelve month fiscal periods; and the  
25

1 Oversight Board and DOF have approved the ROPS for July 1, 2016, June 30, 2017, ("ROPS  
2 16-17"); and

3 WHEREAS, The Law and Ordinance No. 215-12 authorize the Successor Agency  
4 Commission ("OCII Commission") to issue bonds to carry out enforceable obligations, subject  
5 to approval of the OCII's Oversight Board and DOF; and

6 WHEREAS, Consistent with the expenditures approved in the ROPS, the OCII  
7 Commission approved on May 3, 2016, by Resolution No. 19-2016 its annual budget for  
8 FY2016-2017 (the "Budget"), and submitted it to the Mayor and Board of Supervisors for  
9 review and approval; and

10 WHEREAS, OCII proposes to issue bonds to finance, in FY2016-2017, a portion of its  
11 enforceable obligations, but has not yet received approval from the Oversight Board and DOF  
12 for this bond financing; and

13 WHEREAS, The OCII FY2015-2016 Budget contained authority to issue \$186,000,000  
14 in bonds and OCII issued only \$45,000,000 in bonds but has a need to use a portion of the  
15 FY2015-2016 authorized and unissued bonding authority in FY2016-2017 for a bond issuance  
16 that is estimated to be \$75,000,000; and

17 WHEREAS, The Budget may require OCII to enter into loans and/or to issue, or to  
18 cause to be loaned and/or issued on its behalf by a public finance authority, bonds, notes, or  
19 other evidence of indebtedness (such loans, bonds, notes or other evidence of indebtedness  
20 being referred to as the "Bonds") in an aggregate principal amount not to exceed  
21 \$185,000,000 which will be repaid from and secured by the taxes allocated to and paid to  
22 OCII pursuant to the Law and to Section 16 of Article XVI of the California Constitution; and

23 WHEREAS, In addition to the activities programmed in the FY2016-2017 Budget, OCII  
24 may have opportunities to refund existing debt at lower interest rates to reduce debt service  
25 costs; and

1           WHEREAS, The OCII hereby requests that the Board of Supervisors grant conditional  
2 approval for the issuance of the Bonds, subject to subsequent approval by the OCII  
3 Commission, the Oversight Board and DOF; and

4           WHEREAS, The Former Agency and the City entered into Tax Increment Allocation  
5 Pledge Agreements for each of the Redevelopment Project Areas in Mission Bay North and  
6 Mission Bay South (Resolution Nos. 884-98 and 887-98) for the purpose of pledging net  
7 available tax increment from these Redevelopment Project Areas to pay for the costs of public  
8 infrastructure and affordable housing; and

9           WHEREAS, The Former Agency and the City entered into the Transbay  
10 Redevelopment Project Tax Increment Allocation and Sales Proceeds Pledge Agreement  
11 (Ordinance No. 99-06, May 19, 2006) for the purpose of pledging net available tax increment  
12 and sales proceeds from formerly State-owned parcels in the Transbay Redevelopment  
13 Project Area to the Transbay Joint Powers Authority to pay for the costs of developing the  
14 Transbay Transit Center Project; and

15           WHEREAS, The Former Agency and the City entered into a Tax Increment Allocation  
16 Pledge Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard for the  
17 purpose of pledging net available tax increment to pay for the costs of public infrastructure  
18 and affordable housing (Resolution No. 349-10, Aug. 3, 2010); and

19           WHEREAS, In addition to the revenues included in the FY2016-2017 Proposed  
20 Budget, OCII may receive interest on bond proceeds; and

21           WHEREAS, OCII anticipates the transfer of Yerba Buena Gardens ("YBG") and  
22 Shoreview Park to the City, as required under the Law and approved by the DOF in the Long  
23 Range Property Management Plan; and

24           WHEREAS, This transfer will include restricted Community Development Block Grant  
25 funds; and

1           WHEREAS, OCII serves as the administrator of certain Community Facilities Districts  
2 (“CFDs”) listed in Table A1 of the OCII Proposed FY2016-2017 Budget, created under the  
3 provisions of the Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of  
4 Division 2 of Title 5 (commencing with Section 53311) of the California Government Code  
5 (known as the “Mello-Roos Act”), and is obligated to receive revenues, make debt service  
6 payments and make other expenditures in fulfillment of other obligations associated with the  
7 CFDs; now, therefore, be it

8           RESOLVED, By the Board of Supervisors that it does hereby approve the OCII  
9 FY2016-2017 Budget, as such Budget is shown in Exhibit “A” attached hereto and  
10 incorporated as if set forth in full herein; and, be it

11           FURTHER RESOLVED, The Board of Supervisors conditionally approves the issuance  
12 of the Bonds by OCII in the principal amount not to exceed \$185,000,000 for the purpose of  
13 financing a portion of its Budget and related costs of issuance, and the application of a portion  
14 of the proceeds of which to reimburse the OCII for amounts spent under its Budget prior to the  
15 issuance of the Bonds; provided, however, that the OCII Commission, Oversight Board and  
16 DOF subsequently approve the issuance of the Bonds; and, be it

17           FURTHER RESOLVED, That OCII is authorized to accept and expend any pledged tax  
18 increment from the Mission Bay North and South Project Areas and from the project areas  
19 covering Candlestick Point and Phase 2 of the Hunters Point Shipyard and any pledged tax  
20 increment and sales proceeds from formerly state-owned parcels in the Transbay Project  
21 Area that may be received during FY2016-2017 in excess of amounts included in the OCII  
22 FY2016-2017 Budget attached hereto as Exhibit “A,” in accordance with enforceable  
23 obligations, and subject to any approvals that are required from OCII’s Oversight Board and  
24 DOF; and, be it

1           FURTHER RESOLVED, That OCII is authorized to transfer to the City, concurrent with  
2 the transfer of the real property asset identified in the Long-Range Property Management  
3 Plan, the restricted Community Development Block Grant funds associated with those assets,  
4 including those amounts that may be received in excess of amounts included in the Budget.

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City and County of San Francisco

Tails  
Resolution

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

File Number: 160644

Date Passed: July 19, 2016

Resolution approving the FY2016-2017 Budget of the Office of Community Investment and Infrastructure (OCII), operating as the Successor Agency to the San Francisco Redevelopment Agency; and approving the Issuance by OCII of Bonds in an aggregate principal amount not to exceed \$185,000,000, which will be used in conjunction with a portion of the bonding authority authorized but unissued in the FY2015-2016 budget, for the purpose of financing a portion of enforceable obligations.

June 16, 2016 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

June 16, 2016 Budget and Finance Committee - RECOMMENDED AS AMENDED

July 12, 2016 Board of Supervisors - CONTINUED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

July 19, 2016 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

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I hereby certify that the foregoing Resolution was ADOPTED on 7/19/2016 by the Board of Supervisors of the City and County of San Francisco.

*Peggy Neenan*  
for **Angela Calvillo**  
Clerk of the Board

*[Signature]*  
\_\_\_\_\_  
Mayor

*7/29/2016*  
\_\_\_\_\_  
Date Approved