

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the
2 San Francisco Redevelopment Agency, Interim Budget - FY2017-2018]

3 **Resolution approving an Interim Budget of the Office of Community Investment and**
4 **Infrastructure, operating as the Successor Agency to the San Francisco**
5 **Redevelopment Agency, for FY2017-2018.**

6
7 WHEREAS, The Successor Agency to the Redevelopment Agency of the City and
8 County of San Francisco, commonly known as the Office of Community Investment and
9 Infrastructure (OCII), is implementing enforceable obligations of the Redevelopment Agency
10 of the City and County of San Francisco (Former Agency) in accordance with the Community
11 Redevelopment Law, Cal. Health & Safety Code, Sections 33000 et seq., as amended by the
12 Redevelopment Dissolution Law, Cal. Health & Safety Code, Sections 34170 et seq. (the
13 “Law”), and with San Francisco City and County Board of Supervisors (“Board of Supervisor’s)
14 Ordinance No. 215-12 (Oct 4, 2012); and

15 WHEREAS, OCII, is a legal entity separate from the City and County of San Francisco
16 (“City”), but the Law requires the Board of Supervisors’ to approve OCII’s annual interim
17 budget in accordance with Cal. Health and Safety Code, Section 33606; and

18 WHEREAS, The Law requires OCII to receive approval from the Oversight Board of the
19 City and County of San Francisco (“Oversight Board”) for its expenditures as listed in
20 Recognized Obligation Payment Schedules (“ROPS”), which covers twelve month fiscal
21 periods; and

22 WHEREAS, On January 23, 2017, the Oversight Board approved, by
23 Resolution 1-2017, the ROPS for July 1, 2017 to June 30, 2018 (“ROPS 17-18”), which was
24 subsequently reviewed and approved, subject to several adjustments by the California
25 Department of Finance ; and

1 WHEREAS, OCII is seeking, through a meet and confer process, to resolve some of
2 DOF’s reductions in expenditure authority related to the transfer of real property to the City
3 and County of San Francisco; and

4 WHEREAS, Consistent with the expenditures approved in the ROPS, the Successor
5 Agency Commission (commonly known as the Commission on Community Investment and
6 Infrastructure) approved, by Resolution No. 17-2017 (May 2, 2016), its annual interim budget
7 for fiscal year 2017-2018 (the “Interim budget”); and authorized the Executive Director to
8 submit the Interim budget for review and approval to the Mayor and the Board of Supervisors;
9 and

10 WHEREAS, The Former Agency and the City entered into Tax Increment Allocation
11 Pledge Agreements for each of the Redevelopment Project Areas in Mission Bay North and
12 Mission Bay South (Resolution Nos. 884-98 and 887-98) (“Mission Bay Pledges”) for the
13 purpose of pledging net available tax increment from these areas to pay for the costs of public
14 infrastructure and affordable housing; and

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

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

1 WHEREAS, The Interim budget includes, among other things, the use of property tax
2 revenues (formerly tax increment revenues) from various project areas of the former
3 Redevelopment Agency of the City and County of San Francisco to pay for certain
4 enforceable obligations consistent with the authority granted under Section 34177.7 of the
5 California Health and Safety Code and under Board of Supervisors Resolution No. 538-16
6 (Dec. 22, 2016).

7 WHEREAS, In addition to the revenues included in the Interim budget, OCII may
8 receive interest on bond proceeds; and

9 WHEREAS, OCII anticipates the transfer of Yerba Buena Gardens (“YBG”) to the City,
10 as required under the Law and approved by the DOF in the Long Range Property
11 Management Plan. This transfer will include restricted Community Development Block Grant
12 funds; and

13 WHEREAS, OCII serves as the administrator of certain Community Facilities Districts
14 (“CFDs”) listed in Exhibit A1 of the Interim budget, created under the provisions of the
15 Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5
16 (commencing with Section 53311) of the California Government Code (known as the “Mello-
17 Roos Act”), and is obligated to receive revenues, make debt service payments and make
18 other expenditures in fulfillment of other obligations associated with the CFDs; now, therefore,
19 be it

20 RESOLVED, By the Board of Supervisors that it does hereby approve the Interim
21 budget, as shown in Exhibit “A” attached hereto and incorporated as if set forth in full herein;
22 and be it

23 FURTHER RESOLVED, That OCII is authorized to accept and expend any pledged tax
24 increment from the project areas covered by the Mission Bay Pledges, the Transbay Pledge,
25 and the Candlestick Point-Shipyard Phase 2 Pledge that may be received during Fiscal Year

1 2017-2018 in excess of amounts included in the Interim budget attached hereto as Exhibit "A,"
2 in accordance with enforceable obligations, and subject to any approvals that are required
3 from OCII's Oversight Board and DOF.

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25