

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the
2 San Francisco Redevelopment Agency, FY2020-2021 Budget - Bond Issuance Not to Exceed
3 \$15,473,823]

4 **Resolution approving the FY2020-2021 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 \$15,473,823 for the purpose of financing a portion of**
8 **OCII’s enforceable obligations.**

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

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

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

1 WHEREAS, On January 27, 2020, the Oversight Board approved, by
2 Resolution 1-2020, the ROPS for July 1, 2020 to June 30, 2021 (“ROPS 20-21”), which the
3 California Department of Finance (“DOF”) approved on April 15, 2020, subject to several
4 adjustments; and

5 WHEREAS, The ROPS lists, among other things, OCII’s total outstanding debts or
6 obligations and its expenditures for FY2020-2021; and

7 WHEREAS, The Law and Ordinance No. 215-12 authorize the Successor Agency
8 Commission (“OCII Commission”) to issue bonds to carry out enforceable obligations, subject
9 to approval of the OCII’s Oversight Board and DOF; and

10 WHEREAS, Consistent with the expenditures approved in the ROPS, the Successor
11 Agency Commission (commonly known as the Commission on Community Investment and
12 Infrastructure) approved, by Resolution No. 14-2020 (June 16, 2020), its annual budget for
13 Fiscal Year (“FY”) 2020-2021 (the “Budget”) and authorized the Executive Director to submit
14 the Budget for review and approval to the Mayor and the Board of Supervisors; and

15 WHEREAS, OCII proposes to issue bonds to finance, in FY2020-2021, a portion of its
16 enforceable obligations, but has not yet received approval from the Oversight Board and DOF
17 for this bond financing; and

18 WHEREAS, The Budget may require OCII to enter into loans and/or to issue, or to
19 cause to be loaned and/or issued on its behalf by a public finance authority, bonds, notes, or
20 other evidence of indebtedness (such loans, bonds, notes or other evidence of indebtedness
21 being referred to as the “Bonds”) in an aggregate principal amount not to
22 exceed \$15,473,823, which will be repaid from and secured by the taxes allocated to and paid
23 to OCII pursuant to the Law and to Section 16 of Article XVI of the California Constitution; and

24
25

1 WHEREAS, OCII hereby requests that the Board of Supervisors grant conditional
2 approval for the issuance of the Bonds, subject to subsequent approval by the Successor
3 Agency 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
6 (Board of Supervisors Resolution No. 884-98 (Oct. 30, 1998); Agency Resolution No. 188-98
7 (Sep. 17, 1998)) and Mission Bay South (Board of Supervisors Resolution No. 887-98
8 (Nov. 2, 1998); Agency Resolution No. 193-98 (Sep. 17, 1998)) (together the “Mission Bay
9 Pledges”) for the purpose of irrevocably pledging net available tax increment from these areas
10 to pay for the costs of public infrastructure and affordable housing required in Mission Bay
11 North and Mission Bay South Project Areas; and

12 WHEREAS, The Former Agency and the City entered into the Transbay
13 Redevelopment Project Tax Increment Allocation and Sales Proceeds Pledge Agreement
14 (Board of Supervisors Ordinance No. 99-06 (May 19, 2006); Agency Resolution No. 13-2005
15 (Jan. 25, 2005)) for the purpose of irrevocably pledging net available tax increment and sales
16 proceeds from formerly State-owned parcels in the Transbay Redevelopment Project Area
17 (“Transbay Pledge”) to the Transbay Joint Powers Authority to pay for the costs of designing
18 and constructing the Transbay Terminal Project and affordable housing required in the
19 Transbay Redevelopment Project Area; and

20 WHEREAS, The Former Agency and the City entered into a Tax Increment Allocation
21 Pledge Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard (Board of
22 Supervisors Resolution No. 349-10 (Aug. 3, 2010); Agency Resolution No. 69-2010
23 (June 3, 2010)) from the Candlestick Point area (Zone 1) of the Bayview Hunters Point
24 Redevelopment Project Area and from the Hunters Point Shipyard Redevelopment Project
25 Area (other than the Hunters Point Hill Residential District) (“Candlestick Point-Shipyard

1 Phase 2 Pledge”) for the purpose of pledging net available tax increment to pay for the costs
2 of public infrastructure and affordable housing required in Zone 1 of the Bayview Hunters
3 Point Redevelopment Project Area and the Hunters Point Shipyard Redevelopment Project
4 Area Phase 2; and

5 WHEREAS, The total outstanding debts or obligations described in the ROPS and
6 various enforceable obligations support the allocation of property tax revenues (formerly tax
7 increment revenues) under the Mission Bay Pledges, the Transbay Pledge, and the
8 Candlestick Point-Shipyard Phase 2 Pledge; and

9 WHEREAS, The Budget includes, among other things, the use of property tax
10 revenues (formerly tax increment revenues) from various project areas of the Former Agency
11 to pay for certain enforceable obligations consistent with the authority granted under
12 Section 34177.7 of the California Health and Safety Code and under Board of Supervisors
13 Resolution No. 538-16 (Dec. 22, 2016); and

14 WHEREAS, In addition to the revenues included in the Budget, OCII may receive
15 interest on bond proceeds; and

16 WHEREAS, OCII serves as the administrator of certain Community Facilities Districts
17 (“CFDs”) listed in Exhibit A1 of the Budget and created under the provisions of the Community
18 Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing
19 with Section 53311) of the California Government Code (known as the “Mello-Roos Act”), is
20 obligated to receive revenues, make debt service payments and make other expenditures in
21 fulfillment of other obligations associated with the CFDs and has separately approved the
22 FY2020-2021 budget for the CFDs; now, therefore, be it

23 RESOLVED, By the Board of Supervisors that it does hereby approve the Budget, as
24 shown in Exhibit “A” attached hereto and incorporated as if set forth in full herein; and, be it

25

1 FURTHER RESOLVED, The Board of Supervisors conditionally approves the issuance
2 of the Bonds by OCII in the principal amount not to exceed \$15,473,823, which will be used in
3 FY2020-2021 for the purpose of financing a portion of its Budget and related costs of
4 issuance, and the application of a portion of the proceeds of which to reimburse the OCII for
5 amounts spent under its Budget prior to the issuance of the Bonds; provided, however, that
6 the Successor Agency Commission, Oversight Board and DOF subsequently approve the
7 issuance of the Bonds; and, be it

8 FURTHER RESOLVED, That OCII is authorized to accept and expend any pledged tax
9 increment from the project areas covered by the Mission Bay Pledges, the Transbay Pledge,
10 and the Candlestick Point-Shipyard Phase 2 Pledge that may be received during
11 FY2020-2021 in excess of amounts included in the Budget attached hereto as Exhibit "A," in
12 accordance with enforceable obligations, and subject to any approvals that are required from
13 OCII's Oversight Board and DOF; and, be it

14 FURTHER RESOLVED, That OCII is authorized to accept and expend any interest
15 earned on bond proceeds.

16

17 Exhibit A: OCII Proposed FY2020-2021 Budget

18

19

20

21

22

23

24

25