

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the
2 San Francisco Redevelopment Agency - Budget and Bonds Amendment - Mission Bay South
3 Project Area - Not to Exceed \$135,000,000 - FY2015-2016]

4 **Resolution approving an amendment to the FY2015-2016 budget of the Office of**
5 **Community Investment and Infrastructure, operating as the Successor Agency to the**
6 **San Francisco Redevelopment Agency, by increasing the Successor Agency’s bond**
7 **proceeds by \$135,000,000, authorizing expenditures in an amount not to exceed**
8 **\$135,000,000, and approving the issuance of bonds in an additional principal amount**
9 **not to exceed \$135,000,000 to finance enforceable obligations in the Mission Bay South**
10 **Project Area.**

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

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

22 WHEREAS, OCII is a legal entity separate from the City and County of San Francisco,
23 but is subject to the Board of Supervisor’s authority over the proposed indebtedness to be
24 incurred by the agency, which includes the amount but not the terms of the proposed
25 indebtedness, in accordance with Cal. Health and Safety Code § 33606; and

1 WHEREAS, The Board of Supervisors approved, by Resolution No. 278-15 (July 30,
2 2015), OCII’s budget for the FY 2015-2016 (the “Budget”) and its issuance of bonds in the
3 principal amount of not to exceed \$51 million for the purpose of financing a portion of the
4 Budget; and

5 WHEREAS, The Law and Ordinance No. 215-12 authorize the Successor Agency
6 Commission (also known as the Commission on Community Investment and Infrastructure
7 "CCII") to issue, subject to approval by the Oversight Board and DOF, bonds to carry out
8 enforceable obligations that satisfy the statutory criteria under Cal. Health and Safety Code §
9 34177.5; and

10 WHEREAS, OCII has an enforceable obligation under the Mission Bay South Owner
11 Participation Agreement (“OPA”) to reimburse the costs of public infrastructure that has been
12 constructed and accepted by the City, the Owner, under the OPA, has made expenditures on
13 public infrastructure in the Mission Bay South Redevelopment Project Area (“Project Area”),
14 and has requested that OCII issue bonds to fund the costs of reimbursement; and

15 WHEREAS, OCII seeks to finance, in FY2015-2016, a portion of its enforceable
16 obligations to reimburse public infrastructure costs in the in Project Area. The financing
17 program may require OCII to enter into loans and/or to issue and to refund, as necessary, or
18 to cause to be loaned and/or issued and/or refunded on its behalf by a public finance
19 authority, bonds, notes, or other evidence of indebtedness (such loans, bonds, notes or other
20 evidence of indebtedness being referred to as the "Bonds") in an aggregate principal amount
21 not to exceed \$135,000,000 for the purpose of financing a portion of the Budget and related
22 costs of issuance, which will be repaid from and secured by the taxes allocated to and paid to
23 OCII pursuant to the Law (and in particular but not limited to Sections 33670 - 33674) and to
24 Section 16 of Article XVI of the California Constitution; and

25

1 WHEREAS, On October 20, 2015, OCII approved (i) Resolution 62-2015 authorizing
2 the Executive Director to submit to the Mayor’s Office and the Board of Supervisors a request
3 to increase by \$135,000,000 the Bond Proceeds to be received by the Successor Agency and
4 to increase Successor Agency expenditure authority by \$135,000,000; and (ii) Resolution
5 Nos. 64-2015 and 65-2015 authorizing, subject to approval by the Oversight Board and DOF,
6 issuance of \$45,000,000 and \$90,000,000, respectively, in new money tax allocation bonds
7 for the Project Area; and

8 WHEREAS, OCII hereby requests that the Board of Supervisors approve (i) an
9 amendment to the OCII Budget for the FY 2015-2016 to permit the receipt and expenditure of
10 additional bond proceeds in the amount of \$135,000,000 for the purpose of fulfilling its
11 enforceable obligations; and (ii) subject to approval of the Oversight Board and the DOF, the
12 issuance of Bonds in the amount of \$135,000,000; now, therefore, be it

13 RESOLVED, By the Board of Supervisors that it does hereby approve an increase in
14 the Successor Agency’s FY 2015-2016 Budget by \$135,000,000 in bond proceeds and
15 approves an increase in the Successor Agency’s expenditure authority by \$135,000,000 to
16 fulfill its enforceable obligations under the OPA; and, be it

17 FURTHER RESOLVED, The Board of Supervisors conditionally approves the issuance
18 of Bonds by OCII in the principal amount not to exceed \$135,000,000 for the purpose of
19 financing a portion of its Budget and related costs of issuance, and the application of a portion
20 of the proceeds of which to reimburse the OCII for amounts spent under its Budget prior to the
21 issuance of the Bonds; provided, however, that the Oversight Board and DOF subsequently
22 approve the issuance of the Bonds; and, be it

23 FURTHER RESOLVED, The Board of Supervisors requests that the Executive Director
24 explore alternative financing or timing structures to the planned subordinate private placement
25 should market conditions or the property rolls change prior to issuance; and, be it

1 FURTHER RESOLVED, The Board of Supervisors requests that the Executive Director
2 refund all outstanding Series 2015D bonds in conformance with OCII's debt policy.

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