

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the  
2 San Francisco Redevelopment Agency - FY2022-2023 Budget - Bond Issuance Not to  
3 Exceed \$99,680,000]

4 **Resolution approving the Fiscal Year (FY) 2022-2023 Budget of the Office of**  
5 **Community Investment and Infrastructure operating as the Successor Agency to the**  
6 **San Francisco Redevelopment Agency; and approving the Issuance by OCII of Bonds**  
7 **in an aggregate principal amount not to exceed \$99,680,000 for the purpose of**  
8 **financing a portion of 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; on January 24, 2022, the Oversight Board approved, by Resolution 3-2022, the  
25 ROPS for July 1, 2022 to June 30, 2023 ("ROPS 22-23"), which the California Department of

1 Finance ("DOF") approved on April 15, 2022. The ROPS lists, among other things, OCII's total  
2 outstanding debts or obligations and its expenditures for fiscal year 2022-23; and

3 WHEREAS, The Law and Ordinance No. 215-12 authorize the Successor Agency  
4 Commission (commonly known as the Commission on Community Investment and  
5 Infrastructure) to issue bonds to carry out enforceable obligations, subject to approval of the  
6 Oversight Board and DOF; and

7 WHEREAS, Consistent with the expenditures approved in the ROPS, the Successor  
8 Agency Commission approved, by Resolution No. 11-2022 (April 19, 2022), its annual budget  
9 for Fiscal Year ("FY") 2022-23 (the "Budget") and authorized the Executive Director to submit  
10 the Budget for review and approval to the Mayor and the Board of Supervisors; and

11 WHEREAS, OCII proposes to issue bonds to finance, in FY2022-23, a portion of its  
12 enforceable obligations, but has not yet received approval from the Oversight Board and DOF  
13 for this bond financing; and

14 WHEREAS, The Budget may require OCII to enter into loans and/or to issue, or to  
15 cause to be loaned and/or issued on its behalf by a public finance authority, bonds, notes, or  
16 other evidence of indebtedness (such loans, bonds, notes or other evidence of indebtedness  
17 being referred to as the "Bonds") in an aggregate principal amount not to exceed  
18 \$99,680,000, with a maximum interest rate of 7%, which will be repaid from and secured by  
19 the taxes allocated to and paid to OCII pursuant to the Law and to Section 16 of Article XVI of  
20 the California Constitution; and

21 WHEREAS, OCII hereby requests that the Board of Supervisors grant conditional  
22 approval for the issuance of the Bonds, subject to subsequent approval by the Successor  
23 Agency Commission, the Oversight Board and DOF; and

24 WHEREAS, The Former Agency and the City entered into Tax Increment Allocation  
25 Pledge Agreements for each of the Redevelopment Project Areas in Mission Bay North

1 (Board of Supervisors Resolution No. 884-98 (Oct. 30, 1998); Agency Resolution No. 188-98  
2 (Sep. 17, 2998)) and Mission Bay South (Board of Supervisors Resolution No. 887-98 (Nov.  
3 2, 1998); Agency Resolution No. 193-98 (Sept. 17, 2998)) (together the "Mission Bay  
4 Pledges") for the purpose of irrevocably pledging net available tax increment from these areas  
5 to pay for the costs of public infrastructure and affordable housing required in Mission Bay  
6 North and Mission Bay South Project Areas; and

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

14 WHEREAS, The Former Agency and the City entered into a Tax Increment Allocation  
15 Pledge Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard (Board of  
16 Supervisors Resolution No. 349-10 (Aug. 3, 2010); Agency Resolution No. 69-2010 (June 3,  
17 2010)) from the Candlestick Point area (Zone 1) of the Bayview Hunters Point Redevelopment  
18 Project Area and from the Hunters Point Shipyard Redevelopment Project Area (other than  
19 the Hunters Point Hill Residential District) ("Candlestick Point-Shipyard Phase 2 Pledge") for  
20 the purpose of pledging net available tax increment to pay for the costs of public infrastructure  
21 and affordable housing required in Zone 1 of the Bayview Hunters Point Redevelopment  
22 Project Area and the Hunters Point Shipyard Redevelopment Project Area Phase 2; and

23 WHEREAS, The total outstanding debts or obligations described in the ROPS and  
24 various enforceable obligations support the allocation of property tax revenues (formerly tax  
25

1 increment revenues) under the Mission Bay Pledges, the Transbay Pledge, and the  
2 Candlestick Point-Shipyards Phase 2 Pledge; and

3 WHEREAS, The Budget includes, among other things, the use of property tax  
4 revenues (formerly tax increment revenues) from various project areas of the Former Agency  
5 to pay for certain enforceable obligations consistent with the authority granted under Section  
6 34177.7 of the California Health and Safety Code and under Board of Supervisors Resolution  
7 No. 538-16 (Dec. 22, 2016); and

8 WHEREAS, In addition to the revenues included in the Budget, OCII may receive  
9 interest on bond proceeds; now, therefore, be it

10 RESOLVED, By the Board of Supervisors that it does hereby approve the Budget, as  
11 shown in Attachment "A" attached hereto and incorporated as if set forth in full herein; and. be  
12 it

13 FURTHER RESOLVED, The Board of Supervisors conditionally approves the issuance  
14 of the Bonds by OCII in the principal amount not to exceed \$99,680,000, which will be used in  
15 FY 2022-23 for the purpose of financing a portion of its Budget and related costs of issuance,  
16 and the application of a portion of the proceeds to reimburse OCII for amounts spent under its  
17 Budget prior to the issuance of the Bonds; provided, however, that the Successor Agency  
18 Commission, Oversight Board and DOF subsequently approve the issuance of the Bonds;  
19 and, be it

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

22  
23 Attachment A: OCII Proposed FY 2022-23 Budget  
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