[Office of Community Investment and Infrastructure, Operating as Successor Agency to the San Francisco Redevelopment Agency, FY2024-2025 Budget]

Resolution approving the Fiscal Year (FY) 2024-2025 Budget of the Office of Community Investment and Infrastructure ("OCII") operating as the Successor Agency to the San Francisco Redevelopment Agency.

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

WHEREAS, OCII is a legal entity separate from the City and County of San Francisco ("City") and the Board of Supervisors approves OCII's annual budget in accordance with California Health and Safety Code, Section 33606, and Ordinance No. 215-12; and

WHEREAS, The Law requires OCII to receive approval from the Oversight Board of the City and County of San Francisco ("Oversight Board") for its expenditures from the Redevelopment Property Tax Trust Fund (RPTTF), which consists of property tax increment generated from current and former redevelopment project areas; these expenditures are listed in the Recognized Obligation Payment Schedules ("ROPS"), which covers twelve-month fiscal periods; on January 24, 2024, the Oversight Board approved, by Resolution 01-2024, the ROPS for July 1, 2024, to June 30, 2025 ("ROPS 24-25"), which the California Department of Finance ("DOF") approved on April 12, 2024, subject to several adjustments, the ROPS lists,

among other things, OCII's total outstanding debts or obligations and its expenditures for fiscal year 2024-2025; and

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

WHEREAS, Consistent with the expenditures approved in the ROPS, the Successor Agency Commission approved, by Resolution No. 09-2024 (April 16, 2024), its annual budget for Fiscal Year ("FY") 2024-25 (the "Budget") and authorized the Executive Director to submit the Budget for review and approval to the Mayor and the Board of Supervisors; and

WHEREAS, The Former Agency and the City entered into Tax Increment Allocation Pledge Agreements for each of the Redevelopment Project Areas in Mission Bay North (Board of Supervisors Resolution No. 884-98 (Oct. 30, 1998); Agency Resolution No. 188-98 (Sep. 17, 1998)) and Mission Bay South (Board of Supervisors Resolution No. 887-98 (Nov. 2, 1998); Agency Resolution No. 193-98 (Sept. 17, 1998)) (together the "Mission Bay Pledges") for the purpose of irrevocably pledging net available tax increment from these areas to pay for the costs of public infrastructure and affordable housing required in Mission Bay North and Mission Bay South Project Areas; and

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

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

WHEREAS, The total outstanding debts or obligations described in the ROPS require the allocation of property tax revenues (formerly tax increment revenues) from the RPTTF; and

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

WHEREAS, The California Legislature enacted Senate Bill No. 593 (Stats. 2023, ch. 782) (codified at California Health and Safety Code, Section 34177.7 (a) (1) (C) et seq.) authorizing OCII to use a portion of the RPTTF that remains available for distribution to the City after payment of ROPS obligations for the funding of the replacement of 5842 units of affordable housing that the Former Agency destroyed and never replaced; and

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

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

Exhibit A: OCII Proposed FY 2024-25 Budget