Exhibit A

Proposed

FY 2024-25 Budget

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1. Background

On February 1, 2012, the State of California dissolved the San Francisco Redevelopment Agency ("SFRA") along with all 400 redevelopment agencies in California under Cal. Health & Safety Code §§ 34170 et seq ("Dissolution Law"). Pursuant to the Dissolution Law and to Board of Supervisors ("BOS") Ordinance 215-12, the Successor Agency to the SFRA, commonly known as the Office of Community Investment & Infrastructure ("OCII"), has assumed the remaining obligations of the SFRA.

OCII is charged with completing work required under enforceable obligations approved by the California Department of Finance ("DOF"). Those enforceable obligations are: (1) the Projects described in BOS Ordinance No. 215-12 (Oct. 4, 2012) as the Mission Bay North and South Projects, the Transbay Project, and the Hunters Point Shipyard/Candlestick Point Project; (2) management of SFRA assets, existing economic development agreements such as loans, grants, or owner participation agreements, and other real property and assets of SFRA that must be wound down under the Dissolution Law; and (3) OCII's Retained Affordable Housing Obligations that are included in the Projects described above.

Governance

Ordinance 215-12 delegates the Board of Supervisors' authority as Successor Agency to the Successor Agency Commission. The Commission provides financial and policy oversight and exercises land use and design approval authority for the Projects. The Commission is comprised of five members appointed by the Mayor and confirmed by the Board of Supervisors, with two of the seats held by residents of the two supervisorial districts that contain the largest amounts of the Projects, i.e. Districts 6 and 10.

Dissolution Law requires that certain actions of a successor agency are subject to the review and approval of an Oversight Board ("OB"). The OB has a fiduciary duty to the holders of enforceable obligations with the former SFRA and to the taxing entities that are entitled to an allocation of property taxes. The OB reviews and approves OCII's expenditures and use of tax increment through the annual Recognized Obligation Payment Schedules. The OB also approves the issuance of bonds, transfers of property, and other matters related to the dissolution of SFRA. The Mayor appoints four of the seven members of the OB, subject to confirmation by the Board of Supervisors. One of those four members represents the "largest number of former redevelopment agency employees employed by the successor agency." Cal. Health & Safety Code § 34179 (a) (11). The remaining three members are representatives of affected taxing entities: the Bay Area Rapid Transit District, the San Francisco Unified School District, and the San Francisco Community College.

Dissolution Law establishes that OCII is a separate entity from the City and County of San Francisco ("CCSF"), as was the SFRA. However, under BOS Ordinance No. 215-12, the BOS, in its capacity as the legislative body for CCSF, must still approve OCII's annual budget (Cal

Health & Safety Code § 33606) and retains the authority to approve any modification to an enforceable obligation "that would decrease the commitment of property tax revenue for affordable housing or materially change the obligations to provide affordable housing." Ordinance No. 215-12, § 6 (a). OCII's budget is initially approved by the Commission and subsequently approved by the Mayor and Board of Supervisors.

2. Program Summary

OCII's primary activity is funding and facilitating delivery of affordable housing and infrastructure in the project areas of Mission Bay North and South, Transbay, and Hunters Point Shipyard/Candlestick Point. OCII's programmatic spending reflects this mission. Much of OCII staff time is spent on working closely with development partners and City agencies on land use plans and the associated permits and maps necessary to build these new communities. Additional details on OCII's staffing efforts related to that review, as well as information on FY 2024-25 programmatic goals for the delivery of public infrastructure (such as parks and open spaces), affordable housing units, and support of community benefits and workforce development can be found in the subsequent sections. Below are brief summaries OCII's three Projects, along with FY 2024-25 program highlights.

Mission Bay North and South

The project areas of Mission Bay North and Mission Bay South, together referred to as Mission Bay, were established in 1998 to create a vibrant transit-oriented and mixed-use community that will result in 6,535 residential units (29 percent of which will be affordable), 5.2 million square feet of office and biotechnology space, 560,000 square feet of retail uses, a new University of California San Francisco ("UCSF") research campus and medical center including a 550-bed hospital, 18,000-seat event center, 129-room and 300-room hotels, library, school, police headquarters, and a local police and fire department. Mission Bay contains 49 acres of open space, approximately 41 of which are owned by the City and approximately eight of which are owned by UCSF. The master developer of the Mission Bay Project, FOCIL MB, is responsible for constructing public infrastructure and parks pursuant to two Owner Participation Agreements ("OPAs"). OCII reimburses the developer for constructed infrastructure. OCII is responsible for approving the land uses and designs of both the public and private development projects and directly funds affordable housing in Mission Bay, which is provided on specific sites contributed by FOCIL MB and identified in the OPAs. Completion of the Mission Bay Project is anticipated in five years and will result in construction of more than $900 million of new infrastructure, development of over $8 billion in private vertical development, and creation of 31,000 permanent jobs. The Mission Bay Redevelopment Plans will expire in late 2028.

To date 6,193 residential units, 4.1 million square feet of office and biotechnology space, 540,000 square feet of retail uses, a 289-bed hospital, an 18,000-seat event center, 68 percent of the UCSF

research campus and 33 acres of open space have been built. In FY 2024-25, OCII will continue to reimburse the master developer for completed infrastructure, including the Bayfront Park, using a combination of tax allocation bond proceeds, and property tax increment.

OCII will also monitor the construction and completion of 148 units of for sale affordable housing on Block 9A, continue to review designs and permits for open spaces and private commercial development, create public art in Park P2 using public art fees contributed by various developers, and explore the possible increase of residential density on the two remaining affordable housing sites in Mission Bay South.

Transbay

The Transbay Project was established in 2005 and is located primarily between Folsom and Howard Streets, east of 2nd Street, and west of Spear and Main Streets. A small portion of the Transbay Project extends south of Folsom Street along Essex Street to Harrison Street, and west of Harrison Street to Second Street. The Transbay Project consists of two zones. Zone 1 is under the land use authority of OCII and consists of twelve blocks of land, eleven of which were formerly owned by the State. Zone 2 is under the City Planning Department's jurisdiction and includes the Salesforce Transit Center and two former State-owned parcels. OCII is responsible for funding the design and construction of two new parks, streetscape improvements on Folsom Street, selling designated formerly State-owned parcels to fund construction of the Salesforce Transit Center, forming partnerships with for-profit and non-profit developers to build housing, and directly funding affordable housing. Thirty-five percent of all new housing units in the entire Transbay Project Area will be affordable. After the entirety of all the former State-owned and OCII parcels have been fully built out, the Transbay Project will have contributed approximately 3,900 residential units, 2.5 million square feet of office, 94,000 square feet of retail, and 9 acres of open space to the neighborhood.

In Zone 1, all of the office space is complete, and 2,196 residential units have been built. In FY 24-25, approximately 760 units in Zone 1 will be in the planning phase. These units consist of two projects, one of which will occupy the northern end of the former Transbay Temporary Bus Terminal site. The first is a large mixed-income residential project on Block 4, which requires amendments to the Redevelopment Plan and associated design controls to allow for maximum efficiency of the site. Second, one stand-alone affordable housing project subsidized by OCII is planned for Block 12. OCII has negotiated a development agreement with a development team for Block 4 and intends to release a request for proposals/qualifications to select a development team to begin predevelopment planning for Block 12, a future affordable housing site that will be constructed after the Caltrain rail tunnel is extended from its current terminus at the 4th and King Street station to the new Salesforce Transit Center. Since Block 12 sits atop the future rail extension's route, OCII is working with the TJPA to determine when OCII may be able to advance the Block 12 project. Still, early planning for the project is needed such that the eventual Block

12 developer can begin coordination work with the TJPA and OCII since the TJPA also needs to route critical train tunnel infrastructure through the development parcel.

In compliance with its infrastructure obligations, OCII will disburse funds, in FY 2024-25 through an existing contract with San Francisco Public Works ("SFPW") to close out payments on a major streetscape construction project on Folsom Street between Essex and Spear Streets that completed construction in FY 20-21.

Hunters Point Shipyard and Candlestick Point

The Hunters Point Shipyard/Candlestick Point Project is composed of approximately 770 acres along the southeastern waterfront of San Francisco. The San Francisco Board of Supervisors originally adopted the Shipyard Redevelopment Plan in 1997 and adopted the Bayview Hunters Point Redevelopment Plan in 2006. In 2010, the Board of Supervisors amended both redevelopment plans, and the Redevelopment Agency approved a Disposition and Development Agreement that included the Candlestick Point portion of the Bayview Hunters Point Redevelopment Plan and Phase 2 of the Hunters Point Shipyard. The Hunters Point Shipyard will be developed by different master developers under two separate disposition and development agreements: Lennar, which is developing Hunters Point Shipyard Phase 1, and FivePoint, which is developing Hunters Point Shipyard Phase 2/Candlestick Point. Together, the entire Hunters Point Shipyard/Candlestick Point Project will generate more than 12,100 units of housing (of which approximately one-third will be affordable), 326 acres of parks, over 4.8 million square feet of commercial space, and approximately $89 million of community benefits such as homeowner assistance, workforce development, job training, educational assistance, and contributions to South East Health Center.

In the Shipyard, OCII will focus on affordable housing, street construction and acceptance and parks management. To date, a total of 919 units have been built at Hunters Point Shipyard Phase 1 and Candlestick Point, including the first four phases of a revitalized Alice Griffith public housing development. In FY 2023-2024, OCII will continue to fund construction on three OCII funded affordable housing buildings, Blocks 52/54 and Block 56, which total approximately 185 units. A third-party Community Developer intends to begin construction 224 units on Block 1. OCII will continue to work with Lennar to facilitate the City's acceptance of streets at Hunters Point Shipyard Phase 1.

At Candlestick Point, OCII will work with the Developer on an updated last use plan with the intention of restarting infrastructure construction in 2025. Both Lennar and FivePoint have made monetary contributions in accordance with their Community Benefits Agreements. OCII will continue to execute contracts with to implement the various community benefits programs such as scholarships contractor assistance, downpayment assistance and other community development programs.

Year-Over-Year Comparison and Budget Summary

As shown in Exhibit 1, the proposed FY 2024-25 budget of $685.2 million represents a decrease of $27.4 million from the FY 2023-24 budget of $712.5 million. Of this amount, $379.2 million in uses is new budget authority and $306.0 million is Prior Period Authority carried forward from FY 2023-24. Prior Period Authority is expenditure carried forward from prior fiscal years, including affordable housing loans awarded but not drawn down and multi-year construction budgets.

Changes to current year revenue sources compared to FY 2023-24 are primarily due to a decrease in Fund Balance – Housing which reflects the use of affordable housing bond proceeds from bonds issued in a prior year and Fund Balance – Non-Housing which reflects the use of funds committed to infrastructure projects in prior year. These decreases are offset by an increase in Property Tax to pay for debt service and developer reimbursements and an increase in developer payments for affordable housing projects.

Changes to current year uses compared to FY 2023-24 are primarily due to a decrease in Other Debt due to the refunding of 2016D in prior year and a decrease in development infrastructure reimbursement requests, offset by a planned increase in debt service payments.

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Exhibit 1: Proposed FY 2024-25 Budget Compared to FY 2023-24 Budget, *Millions**

	FY 23-24 Budget	FY 24-25 Budget	YOY Difference
Sources			
Property Tax Increment - TAB Debt Service	$ 60.4	$ 72.9	$ 12.6
Property Tax Increment - Debt Portfolio	$ -	$ -	$ -
Property Tax Increment - Mission Bay	$ 27.1	$ 38.9	$ 11.9
Property Tax Increment - HPS2/CP	$ 1.8	$ 1.9	$ 0.1
Property Tax Increment - State Owned TBY	$ 33.7	$ 33.2	$ (0.5)
Property Tax Increment - Other	$ 14.9	$ 9.3	$ (5.6)
Property Tax Increment - Residual	$ -	$ 0.3	$ 0.3
Property Tax Increment - ACA	$ 3.5	$ 3.8	$ 0.4
Subtotal Property Tax Increment	**$ 141.3**	**$ 160.4**	**$ 19.1**
New Bonds - Housing	$ 24.0	$ -	$ (24.0)
New Bonds - Infra	$ 103.9	$ 64.0	$ (39.9)
Subtotal New Bonds	**$ 127.9**	**$ 64.0**	**$ (63.9)**
Developer Payments	$ 22.4	$ 104.6	$ 82.2
Subtotal Developer Payments	**$ 22.4**	**$ 104.6**	**$ 82.2**
Rent & Lease Revenue	$ 0.4	$ 0.4	$ -
Payments from Other Gov Entities	$ 0.4	$ 0.0	$ (0.4)
Special Tax	$ -	$ 1.1	$ 1.1
Hotel Tax	$ 4.7	$ 4.7	$ 0.0
Subtotal Other	**$ 5.5**	**$ 6.2**	**$ 0.7**
Fund Balance - Housing	$ 75.6	$ 23.2	$ (52.4)
Fund Balance - Non-Housing	$ 66.4	$ 20.8	$ (45.6)
Subtotal Fund Balance	**$ 142.1**	**$ 44.0**	**$ (98.0)**
Prior Period Authority - Housing	$ 215.6	$ 231.4	$ 15.8
Prior Period Authority - Non-Housing	$ 57.9	$ 74.6	$ 16.7
Subtotal Prior Period Authority	**$ 273.5**	**$ 306.0**	**$ 32.5**
Total Sources	**$ 712.5**	**$ 685.2**	**$ (27.4)**
Uses			
Uses - Operations			
Operational Salaries and Benefits	$ 9.9	$ 10.3	$ 0.3
Affordable Housing Services	$ 1.4	$ 1.3	$ (0.1)
Rent	$ 0.9	$ 0.9	$ -
Retiree Health and Pension Costs	$ 3.5	$ 3.9	$ 0.4
Auditing & Accounting Services	$ 0.3	$ 0.3	$ 0.0
Legal Services	$ 1.5	$ 1.4	$ (0.0)
Planning & Infrastructure Rvw	$ 5.0	$ 5.0	$ -
Real Estate Development Services	$ 0.2	$ 0.0	$ (0.2)
Workforce Development Services	$ 0.2	$ 0.2	$ 0.0
Other Professional Services	$ 10.7	$ 7.9	$ (2.8)
Grants to Community-Based Organizations	$ 1.5	$ 1.3	$ (0.2)
Payments to Other Public Agencies	$ 0.4	$ 0.4	$ -
Other Current Expenses	$ 2.4	$ 2.3	$ (0.0)
Subtotal Uses - Operations	**$ 37.8**	**$ 35.3**	**$ (2.5)**
Uses - Non-Operations			
Affordable Housing Loans	$ 116.0	$ 111.5	$ (4.5)
Replacement Housing	$ -	$ 0.7	$ 0.7
Development Infrastructure	$ 146.2	$ 98.8	$ (47.4)
Pass-through to TJPA	$ 33.7	$ 33.2	$ (0.5)
Debt Service - OCII TAB Bonds	$ 90.6	$ 110.0	$ 19.3
Public Art	$ 1.0	$ 1.0	$ (0.1)
Other Debt	$ 52.7	$ 4.7	$ (48.1)
Subtotal Uses - Non-Operations	**$ 440.3**	**$ 359.8**	**$ (80.4)**
Prior Period Authority - Housing	$ 215.6	$ 231.4	$ 15.8
Prior Period Authority - Non-Housing	$ 18.9	$ 58.7	$ 39.7
Subtotal Prior Period Authority	**$ 234.5**	**$ 290.1**	**$ 55.6**
Total Uses	**$ 712.5**	**$ 685.2**	**$ (27.4)**
Sources vs. Uses	$ -	$ -	$ -

**Dollar amounts will be slightly off due to rounding.*

As shown in Exhibit 2, in FY 2024-25 OCII proposes to expend $536.9 million, or 78.4 percent of its budget, on direct program spending including $342.9 million on affordable housing, $0.7 million on replacement housing, $170.4 million on infrastructure and other non-housing activities, $21.0 million on project management and costs, and $1.9 million on community development and workforce activities. OCII will fund these activities using primarily PPA, property tax, and developer payments. OCII will also fund a smaller portion of its budget with fund balance, which reflects funds received in a prior year that OCII is budgeting for the first time in FY 2024-25.

Exhibit 2: Proposed FY 2024-25 Budget Programmatic Summary, *Millions

Sources	Property Tax	Developer Payments	New Bonds - Housing	New Bonds - Infra	Rent & Lease Revenue	Fund Balance	Prior Period Authority	Other	Total	*Percent*
Uses										
Direct Program Spending										
Affordable Housing	$ -	$ 93.5	$ -	$ -	$ -	$ 18.0	$ 231.4	$ -	$ 342.9	*50.1%*
Replacement Housing	$ 0.3	$ -	$ -	$ -	$ -	$ 0.4	$ -	$ -	$ 0.7	*0.1%*
Infrastructure & Other Non-Housing	$ 7.3	$ 8.1	$ -	$ 64.0	$ -	$ 16.4	$ 74.5	$ -	$ 170.4	*24.9%*
Project Mgmt & Operations	$ 12.8	$ 2.8	$ -	$ -	$ -	$ 4.2	$ -	$ 1.1	$ 21.0	*3.1%*
Comm Dev & Workforce	$ -	$ 0.2	$ -	$ -	$ -	$ 1.8	$ 0.0	$ -	$ 1.9	*0.3%*
Direct Programmatic Subtotal	**$ 20.4**	**$ 104.6**	**$ -**	**$ 64.0**	**$ -**	**$ 40.9**	**$ 306.0**	**$ 1.1**	**$ 536.9**	*78.4%*
Indirect Program Spending										
Debt	$ 106.8	$ -	$ -	$ -	$ -	$ 3.2	$ -	$ 4.7	$ 114.7	*16.7%*
TJPA Pass-through	$ 33.2	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 33.2	*4.8%*
Other	$ -	$ -	$ -	$ -	$ 0.4	$ -	$ -	$ -	$ 0.4	*0.1%*
Indirect Programmatic SubTotal	**$ 140.0**	**$ -**	**$ -**	**$ -**	**$ 0.4**	**$ 3.2**	**$ -**	**$ 4.7**	**$ 148.2**	*21.6%*
Total	**$ 160.4**	**$ 104.6**	**$ -**	**$ 64.0**	**$ 0.4**	**$ 44.0**	**$ 306.0**	**$ 5.8**	**$ 685.2**	*100.0%*
	23.4%	*15.3%*	*0.0%*	*9.3%*	*0.1%*	*6.4%*	*44.7%*	*0.8%*	*100.0%*	

**Dollar amounts will be slightly off due to rounding.*

In order to support the delivery of these direct programmatic activities, the Proposed FY 2024-25 Budget includes funding for indirect program expenditures, such as project management and operations, debt, and Transbay Joint Powers Authority ("TJPA") Pass-through obligation, which is a pass-through of pledged property tax to the TJPA. Exhibit 2 shows a total of $148.2 million budgeted to these indirect programmatic expenditures, which are primarily supported through property tax.

Exhibit 3 shows the total Proposed FY 2024-25 Budget by Project Area and Cost Center. The column headers describe Operations, Debt, and OCII's major active projects: Hunters Point Shipyard Phase 1 and Phase 2 / Candlestick Point ("Hunters Point Shipyard / Candlestick Point") or ("HPS/CP"), Mission Bay North ("MBN"), Mission Bay South ("MBS"), and Transbay ("TBY"). Expenditures unrelated to the major active project areas, Operations, or Debt are rolled up and shown in the Other column. Exhibit 3 integrates the proposed budget for affordable housing into the appropriate project area, according to each project's location.

Exhibit 3: Proposed FY 2024-25 Budget by Project Area/Cost Center, *Millions**

	Operations	Debt	HPS / CP	MBN	MBS	TBY	Other	Total
Sources								
Property Tax Increment - TAB Debt Service	$ -	$ 72.9	$ -	$ -	$ -	$ -	$ -	$ 72.9
Property Tax Increment - Debt Portfolio	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Property Tax Increment - Mission Bay	$ -	$ 33.8	$ -	$ -	$ 5.1	$ -	$ -	$ 38.9
Property Tax Increment - HPS2/CP	$ -	$ -	$ 1.9	$ -	$ -	$ -	$ -	$ 1.9
Property Tax Increment - State Owned TBY	$ -	$ -	$ -	$ -	$ -	$ 33.2	$ -	$ 33.2
Property Tax Increment - Other	$ 6.2	$ 0.4	$ 0.7	$ -	$ -	$ 2.0	$ -	$ 9.3
Property Tax Increment - Residual	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.3	$ 0.3
Property Tax Increment - ACA	$ 3.8	$ -	$ -	$ -	$ -	$ -	$ -	$ 3.8
Subtotal Property Tax Increment	**$ 10.1**	**$ 107.1**	**$ 2.6**	**$ -**	**$ 5.1**	**$ 35.2**	**$ 0.3**	**$ 160.4**
New Bonds - Housing	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
New Bonds - Infra	$ -	$ -	$ -	$ -	$ -	$ 64.0	$ -	$ 64.0
Subtotal New Bonds	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 64.0**	**$ -**	**$ 64.0**
Developer Payments	$ -	$ -	$ 10.3	$ 0.0	$ 0.2	$ 94.1	$ -	$ 104.6
Subtotal Developer Payments	**$ -**	**$ -**	**$ 10.3**	**$ 0.0**	**$ 0.2**	**$ 94.1**	**$ -**	**$ 104.6**
Rent & Lease Revenue	$ -	$ -	$ 0.4	$ -	$ -	$ -	$ -	$ 0.4
Payments from Other Gov Entities	$ 0.0	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.0
Special Tax	$ 1.1	$ -	$ -	$ -	$ -	$ -	$ -	$ 1.1
Hotel Tax	$ -	$ 4.7	$ -	$ -	$ -	$ -	$ -	$ 4.7
Subtotal Other	**$ 1.1**	**$ 4.7**	**$ 0.4**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 6.2**
Fund Balance - Housing	$ 0.4	$ 3.4	$ 4.0	$ -	$ 8.0	$ 7.0	$ 0.4	$ 23.2
Fund Balance - Non-Housing	$ 0.1	$ -	$ 1.8	$ 10.0	$ 7.0	$ 0.7	$ 1.2	$ 20.8
Subtotal Fund Balance	**$ 0.5**	**$ 3.4**	**$ 5.8**	**$ 10.0**	**$ 15.0**	**$ 7.7**	**$ 1.7**	**$ 44.0**
Prior Period Authority - Housing	$ -	$ -	$ 72.8	$ -	$ 27.5	$ 131.1	$ -	$ 231.4
Prior Period Authority - Non-Housing	$ -	$ -	$ 0.0	$ -	$ 16.4	$ 51.6	$ 6.6	$ 74.6
Subtotal - Prior Period Authority	**$ -**	**$ -**	**$ 72.9**	**$ -**	**$ 43.9**	**$ 182.7**	**$ 6.6**	**$ 306.0**
Total Sources	**$ 11.7**	**$ 115.2**	**$ 91.9**	**$ 10.0**	**$ 64.2**	**$ 383.7**	**$ 8.5**	**$ 685.2**
Uses								
Uses - Operations								
Allocated Staff & Operating Expenses	$ (9.3)	$ 0.5	$ 3.6	$ 0.0	$ 2.5	$ 1.4	$ 1.2	$ (0.0)
Operational Salaries and Benefits	$ 10.3	$ -	$ -	$ -	$ -	$ -	$ -	$ 10.3
Affordable Housing Services	$ 1.3	$ -	$ -	$ -	$ -	$ -	$ -	$ 1.3
Rent	$ 0.9	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.9
Retiree Health and Pension Costs	$ 3.9	$ -	$ -	$ -	$ -	$ -	$ -	$ 3.9
Auditing & Accounting Services	$ 0.3	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.3
Legal Services	$ 0.3	$ -	$ 1.1	$ -	$ -	$ 0.0	$ -	$ 1.4
Planning & Infrastructure Rvw	$ 0.0	$ -	$ 5.0	$ -	$ -	$ -	$ -	$ 5.0
Real Estate Development Services	$ -	$ -	$ 0.0	$ -	$ -	$ -	$ -	$ 0.0
Workforce Development Services	$ 0.1	$ -	$ 0.1	$ -	$ -	$ -	$ -	$ 0.2
Other Professional Services	$ 1.5	$ -	$ 1.6	$ -	$ 3.6	$ 1.2	$ -	$ 7.9
Grants to Community-Based Organizations	$ -	$ -	$ 1.3	$ -	$ -	$ -	$ -	$ 1.3
Payments to Other Public Agencies	$ -	$ -	$ 0.4	$ -	$ -	$ -	$ -	$ 0.4
Other Current Expenses	$ 2.3	$ -	$ -	$ -	$ -	$ -	$ -	$ 2.3
Subtotal Uses - Operations	**$ 11.7**	**$ 0.5**	**$ 13.0**	**$ 0.0**	**$ 6.1**	**$ 2.7**	**$ 1.2**	**$ 35.3**
Uses - Non-Operations								
Affordable Housing Loans	$ -	$ -	$ 4.0	$ -	$ 7.0	$ 100.5	$ -	$ 111.5
Replacement Housing	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.7	$ 0.7
Development Infrastructure	$ -	$ -	$ 1.5	$ 10.0	$ 22.6	$ 64.6	$ -	$ 98.8
Pass-through to TJPA	$ -	$ -	$ -	$ -	$ -	$ 33.2	$ -	$ 33.2
Debt Service - OCII TAB Bonds	$ -	$ 110.0	$ -	$ -	$ -	$ -	$ -	$ 110.0
Public Art	$ -	$ -	$ -	$ -	$ 1.0	$ -	$ -	$ 1.0
Other Debt	$ -	$ 4.7	$ -	$ -	$ -	$ -	$ -	$ 4.7
Subtotal Uses - Non-Operations	**$ -**	**$ 114.7**	**$ 5.5**	**$ 10.0**	**$ 30.6**	**$ 198.3**	**$ 0.7**	**$ 359.8**
Prior Period Authority - Housing	$ -	$ -	$ 72.8	$ -	$ 27.5	$ 131.1	$ -	$ 231.4
Prior Period Authority - Non-Housing	$ -	$ -	$ 0.5	$ -	$ -	$ 51.6	$ 6.6	$ 58.7
Subtotal Uses - Prior Period Authority	**$ -**	**$ -**	**$ 73.3**	**$ -**	**$ 27.5**	**$ 182.7**	**$ 6.6**	**$ 290.1**
Total Uses	**$ 11.7**	**$ 115.2**	**$ 91.9**	**$ 10.0**	**$ 64.2**	**$ 383.7**	**$ 8.5**	**$ 685.2**
Sources vs. Uses	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

**Dollar amounts will be slightly off due to rounding.*

As shown in Exhibit 3, Transbay expenditures are the largest cost center in OCII's budget, reflecting the planned expenditure on designing and constructing Under-ramp and Block 3 parks and the affordable housing loans. Debt is the second largest expenditure area, primarily reflecting planned debt service payments and the refunding of the 2016D bond.

3. Land Use and Infrastructure

OCII's Projects are developed in accordance with land uses approved through a variety of regulatory documents including Redevelopment Plans, design and zoning control documents, as well as phased development applications ("Major Phases" or "Sub Phases"). The design and construction of infrastructure, including streets, utilities, parks and open spaces must be in compliance with applicable City laws and OCII regulatory documents. OCII staff work closely with other City agencies, developers, and a variety of professional consultants to review and ultimately approve the land uses and designs. Below is a summary of the major land use reviews OCII will undertake in FY 2024-25.

FY 2024-25 Land Use Approvals and Planning

Mission Bay

Mission Bay is the most mature of OCII's Projects. The major land use approvals in Mission Bay are complete, along with the majority of the infrastructure. In FY 2020-21 Alexandria Real Estate ("ARE") received entitlements to build a 170,000 square foot office and life science building at 1450 Owens and the Golden State Warriors received entitlements to develop a hotel and residential project. In FY 2024-25, ARE will complete construction of their project. The Golden State Warriors continue to assess the current development environment before moving forward with their hotel project. In FY 2024-25, OCII will be working with the San Francisco Arts Commission to create public art in Park P2 with the public art fees paid by various developers pursuant to the Redevelopment Plan requirements. Additionally, OCII will pursue potential actions for additional housing entitlement along with additional entitlements and plan approvals for the expansion of Gladstone Institutes Gladstone Institutes, a non-profit biomedical research organization, was Mission Bay's first biotech development and completed its 195,000 square foot building in 2004.

Transbay

Transbay is comparable to an infill style of development, rather than a master developed project on vacant land. As such, the existing infrastructure and streetscape network of downtown primarily supports the developments in the Transbay Project. OCII will utilize an existing contract with a third-party design consultant to finalize schematic designs for Under-ramp Park. As this park will be owned by the TJPA, OCII will seek final design approvals from the TJPA Board of Directors as well as the OCII Commission and utilize an existing contract with SFPW to prepare the project for construction bidding. OCII will begin construction of streetscape and utility

improvements related to the Block 3 Park and Infrastructure project and finalize the park's design in FY 2024-25. OCII will utilize existing contracts with SFPW to begin construction of the early infrastructure work and finalize the design this park. OCII will disburse existing new construction loans for Blocks 2E and 2W for a total of 335 units of affordable senior and family housing.

Hunters Point Shipyard/Candlestick Point

The Hunters Point Shipyard/Candlestick Point developments are comprised of two distinct projects, Hunters Point Shipyard Phase 1 and Hunters Point Shipyard Phase 2/Candlestick Point. Hunters Point Shipyard Phase 1 is composed of two areas, Hilltop and Hillside. The majority of the infrastructure for the Hilltop portion of Phase 1 is complete. In FY 2024-25, the Developer will continue the public acceptance process of the streets in Hilltop. The Developer will also continue to build out all the infrastructure in Hillside. Development at Hunters Point Shipyard Phase 2 is delayed while the U.S. Navy concludes environmental re-testing of several parcels. The schedule for development at Candlestick Point is to be determined. In FY 2024-25, OCII will bring forward an updated land use program to re-start development activities in the Candlestick Point subarea.

FY 2024-25 Infrastructure and Non-Housing Completions

There are a number of infrastructure projects in active planning or construction. Two parks will complete construction in Mission Bay. Exhibit 4 summarizes anticipated infrastructure project completions.

Exhibit 4: FY 2024-25 Infrastructure & Non-Housing Project Completions

	Mission Bay	Transbay	HPS/CP	**Total**
Parks and Open Space Projects	2	0	0	**2**

FY 2024-25 Infrastructure Funding

OCII anticipates expending $170.4 million on infrastructure in FY 2024-25, using the sources shown in Exhibit 5. Of the amount shown in Exhibit 5, OCII will spend $98.8 million on development infrastructure reimbursements and the remainder other various support services, including legal services, other professional services, planning and infrastructure review, services contracted in a prior year, and public art.

Exhibit 5: FY 2024-25 Infrastructure & Non-Housing Sources by Uses, *Millions*

	Bonds	Developer Payments	Property Tax	Fund Balance	Prior Period Authority	Total
Development Infrastructure	$64.0	$0.0	$7.1	$12.2	$15.4	**$98.8**
Legal Services	$0.0	$1.2	$0.0	$0.0	$0.0	**$1.2**
Other Professional Services	$0.0	$2.0	$0.2	$4.1	$0.0	**$6.3**
Planning & Infrastructure Rvw	$0.0	$5.0	$0.0	$0.0	$0.0	**$5.0**
Prior Period Authority - Non-Housing	$0.0	$0.0	$0.0	$0.0	$58.2	**$58.2**
Public Art	$0.0	$0.0	$0.0	$0.0	$1.0	**$1.0**
Real Estate Development Services	$0.0	$0.0	$0.0	$0.0	$0.0	**$0.0**
Workforce Development Services	$0.0	$0.1	$0.0	$0.0	$0.0	**$0.1**
Total	**$64.0**	**$8.1**	**$7.3**	**$16.4**	**$74.5**	**$170.4**

4. Housing Obligations

One of OCII's most important missions is to ensure the completion of the affordable housing obligations throughout Mission Bay North and South, Transbay, and Hunters Point Shipyard/Candlestick Point. Exhibit 6 shows OCII's total housing production obligation of 27,769 units, which represents the full build out of the Projects from inception to completion. This includes market rate units, developer funded inclusionary affordable units, OCII funded affordable housing units and replacement housing units. By the start of FY 2024-25, OCII anticipates that a total of 9,316 housing units will be complete and occupied across the Projects.

Exhibit 6: Total Housing Production, as of July 1, 2024

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1	Hunters Point Shipyard Phase 2 / Candlestick Point	Replacement Housing	Total
Completed & Occupied	2,964	3,237	2,196	582	337	-	9,316
In Construction	-	148	-	185	-	-	333
In Predevelopment	-		1,016	628	1,263	-	2,907
In Planning	-	186	-	-	1,225	600	2,011
Future Development	-	-	80	33	7,847	5,242	13,202
Total	**2,964**	**3,571**	**3,292**	**1,428**	**10,672**	**5,842**	**27,769**

Of the 27,769 total housing units shown in Exhibit 6, OCII's development agreements require the agency to produce over 7,100 affordable housing units, as shown by Project Area in Exhibit 7.

Exhibit 7: OCII-Funded Retained Affordable Housing Production Obligation, by Project Area

Project Status	Mission Bay North	Mission Bay South	Transbay	Hunters Point Shipyard Phase 1	Hunters Point Shipyard Phase 2 / Candlestick Point	Total	*% of Total*
Completed & Occupied	698	898	721	111	333	2,761	*38.7%*
In Construction	-	148	-	182	-	339	*4.8%*
In Predevelopment	-		638	80	397	1,115	*15.7%*
In Planning	-	164	-	-	386	550	*7.7%*
Future Development	-	-	79	33	2,247	2,359	*33.2%*
Total	**698**	**1,210**	**1,439**	**406**	**3,363**	**7,115**	*100.0%*

Note: Affordable Unit Totals do not include Manager's Units (which are not income restricted).

FY 2024-25 Housing Completions

In FY 2024-25, OCII will complete 330 OCII-funded affordable housing units. These completions are comprised of 148 units in Mission Bay South and 182 units in Hunters Point Shipyard Phase 1. There are no completions scheduled in OCII-funded affordable, inclusionary affordable, or market rate units in Mission Bay North and Transbay.

Exhibit 8: Housing Production, FY 2024-25 Projected Completions

	Mission Bay South	Hunters Point Shipyard Phase 1	Total
Project	*Block 9A*	*Block 52/54 & 56*	
Housing Type			
OCII-Funded Affordable Units	148	182	330
Inclusionary Affordable Units			
Market Rate Units			
Total Completions	148	182	**330**

FY 2024-25 Housing Budget

Each fiscal year, OCII funds a significant amount of affordable housing in stand-alone projects which typically serve low or very-low income households (up to 60 percent or 50 percent area median income). The sources of funding for OCII's affordable housing include taxable housing bonds, pay-go tax increment, and developer fees such as job-housing linkage fees. OCII makes direct loans to affordable housing developers in the form of predevelopment and construction loans.

To fulfill its production obligation, OCII anticipates expending $342.9 million in FY 2024-25, as shown in Exhibit 9. Of this amount, OCII will expend $231.4 million on existing affordable housing loans and $111.5 million on new loans.

Exhibit 9: OCII-Funded Affordable Housing Program, FY 2024-25 Sources by Uses, *Millions*

	Developer Payments	Fund Balance	Prior Period Authority	Total
Existing Loan	$0.0	$0.0	$231.4	**$231.4**
New Loan	$93.5	$18.0	$0.0	**$111.5**
Total	**$93.5**	**$18.0**	**$231.4**	**$342.9**

In FY 2024-25, OCII plans to fund four new loans (MBS 12W, TBY 12, HPS 48, TBY 4) and continue to manage eight existing loans (CP 10a, CP 11a, HPS 52/54, HPS 56, TBY 2W, TBY 2E, MBS 9A, MBS 4E). These loans will result in construction of housing that serves a wide variety of housing needs, including family rental units, first time homeownership units, and senior and supportive housing units. Exhibit 10 provides a breakdown of OCII-funded affordable housing loans by housing type.

Exhibit 10: OCII-Funded Affordable Housing Loans, *Millions*

Project	Type	Amount ($M)	Number of Units
Existing Loans			
CPN Block 10a*	Predevelopment	$1.6	156 units
CPS Block 11a*	Predevelopment	$1.2	176 units
HPS Block 52/54	Permanent	$43.6	112 units
HPS Block 56	Permanent	$26.5	73 units
Transbay Block 2 West	Permanent	$61.8	151 units
Transbay Block 2 East	Permanent	$69.2	184 units
MBS Block 9A	Permanent	$20.5	148 units
MBS Block 4E**	Predevelopment	$7.0	273 units
New Loans			
MBS Block 12W A&B**	Predevelopment	$7.0	318 units
Transbay Block 4***	Predevelopment / Construction	$97.0	202 units
Transbay Block 12	Predevelopment	$3.5	80 units
HPS Block 48****	Predevelopment	$4.0	144 units
Total		**$342.9**	**2,017 units**

*The Candlestick Point Project Master Developer plans to submit a revised land use plan in 2024 which will require corresponding amendments to the DDAs and other documents. Depending on the revised plan these projects could start predevelopment in FY 2024/25.

** The Mission Bay South OPA's Housing Program designates sites for the development of OCII-sponsored affordable housing projects and establishes a maximum number of affordable units (1,218) that may be developed. The Former Agency and OCII

have developed most of the affordable units and OCII only has authorization to develop the remaining balance of 165 units. However, in furtherance of Citywide housing production goals and in acknowledgement that there may be capacity for additional affordable units on Block 4E and Block 12W, OCII may pursue amendments to the OPA and the Redevelopment Plan, if necessary, to increase the allowable number of units on Block 4E and 12W. Any such amendments would be subject to the consent of FOCIL-MB LLC (successor in interest to Catellus Development Corporation and "Master Developer"). Funding for any units in excess of 165 units would be subject to further Commission approval pursuant to OCII's authority to fund Replacement Housing units under SB 593.

***The Transbay Block 4 project is on hold due to current market conditions. Pursuant to Resolution No. 17-2023, OCII and the project's developer F4 Transbay Partners LLC ("Block 4 Developer") have entered into an Option Agreement with a term of 6 months with 2 possible 6-month extensions. The first extension was approved in December 2023. During or prior to FY 2024/25 the Block 4 Developer may exercise the Option and begin the entitlement process. If so, ROPS FY 2024/25 includes an estimated $93.5M in gap funds that would be provided through funding from the Block 4 Developer pursuant to the terms of the Commission approved Disposition and Development Agreement, and OCII would then lend those funds to the affordable developer of the stand-alone affordable component of Block 4. ROPS FY 2024/25 also includes an allowance for a predevelopment loan that would be funded with Bond Funds in the event market conditions do not improve and the Block 4 Developer or OCII terminates the Option Agreement and OCII issues a Request for Proposals or Qualifications for the stand-alone affordable component of the project only.

****The Hunters Point Shipyard Phase 1 DDA Housing Program designates sites for the development of OCII-sponsored affordable housing projects and establishes a maximum number of affordable units that may be funded (218). The Former Agency and OCII have developed most of the affordable units and OCII only has authorization to develop the remaining balance of 33 units. Funding for any units in excess of 33 units would be subject to further Commission approval pursuant to OCII's authority to fund Replacement Housing units under SB 593.

Replacement Housing

SB 593 establishes the Replacement Housing Obligation as an enforceable obligation. OCII is working with DOF and the City to set up a review and approval process for Replacement Housing funding and projects. The Commission is also discussing a framework for prioritizing Replacement Housing projects, which includes adding affordable housing to existing project areas, former project areas, or other areas of the City where the City has identified priority projects in need of funding that are also consistent with the goals of SB 593.

OCII will fund replacement housing expenditures over time with RPTTF Residual. These expenditures are proposed to add additional units of affordable housing beyond the current enforceable obligation on parcels designated for affordable housing within existing project areas of Mission Bay South and Hunters Point Shipyard Phase 1. In ROPS 24-25, $0.7 million will be used to fund staffing costs and professional services costs related to replacement housing.

Exhibit 11: FY 2024-25 Replacement Housing Expenditure

Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Residual	RPTTF Admin	Total
Admin	$0.0	$0.0	$0.4	$0.0	$0.3	$0.0	$0.7
Total	$0.0	$0.0	$0.4	$0.0	$0.3	$0.0	$0.7

5. Community and Workforce Development

OCII, as the Successor Agency to the SFRA, has a long history of promoting equal opportunity in contracts for professional design and construction services and in the workforce of contractors performing work on OCII-administered contracts. OCII adopted and continues to actively implement the Equal Opportunity Programs ("EOP") of the prior SFRA. These programs are comprehensive and mirror ordinances enacted by the City, including nondiscrimination in contracts and benefits, health care accountability, minimum compensation, prevailing wage, local hiring, and small business contracting.

OCII's EOP program applies to all OCII-administered contracts, including Development and Disposition Agreements, ground leases, and loan agreements, among others. OCII administers the EOP program on all stages of a project, from design through construction.

Since dissolution of the former SFRA in 2012, OCII has overseen the award of over $6.0 billion in contracts with nearly $1.9 billion or 31.7 percent credited to small business enterprises ("SBE"). Of this amount, $1.0 billion ($1,037,000,000) has been awarded to San Francisco-based small businesses. Minority and women-owned businesses have also participated in a significant manner with over $1.0 billion ($1,004,000,000) in contracts or nearly 16.7 percent of all awards, reflecting the ethnic and gender diversity of the region. As an economic driver, OCII's SBE program has benefited over 1,155 local and small businesses since 2012. In FY 2024-25, OCII will continue to promote small business contracting and facilitate economic development.

In addition to small business contracting, OCII has a robust workforce development program to hire local residents. Since 2012, over 49,890 workers (of which 7,401 are San Francisco residents) have performed over 18.6 million construction hours on OCII-administered projects. Local residents performed over 3.6 million hours or 19.4 percent of the total, garnering $157.6 million in wages. For FY 2024-25, OCII will continue to implement its local construction hiring program to ensure local residents have employment opportunities on OCII-administered projects.

In support of the mission to build communities through housing and infrastructure, OCII provides direct grants, funded by developers, to fund community benefits programs. In addition, OCII contracts with OEWD to support local hire efforts on OCII-administered projects. In FY 2024-25 OCII will expend a total of $2.1 million on these Community Development and Workforce activities.

Exhibit 12: Community Development and Workforce Sources by Uses, *Millions*

	Developer Payments	Payments from Other Government Agencies	Fund Balance	Prior Period Authority	Total
Grants to Community-Based Organizations	$0.5	$0.0	$0.9	$0.0	**$1.4**
Other Professional Services	$0.2	$0.0	$0.0	$0.0	**$0.2**
Prior Period Authority - Non-Housing	$0.0	$0.0	$0.0	$0.4	**$0.4**
Workforce Development Services	$0.0	$0.1	$0.0	$0.0	**$0.1**
Total	**$0.7**	**$0.1**	**$0.9**	**$0.4**	**$2.1**

6. Other Significant Initiatives

OCII plans to implement a number of significant initiatives that are critical to supporting its core mission of providing affordable housing, building infrastructure, supporting community and workforce development, and meeting dissolution obligations.

OCII continues its dissolution obligations, including implementation of the approved Long Range Property Management Plan ("LRPMP"), and disbursing remaining funds in existing agreements.

7. Debt

OCII's debt portfolio contains pre-Dissolution bonds issued by the former San Francisco Redevelopment Agency to fund enforceable obligations of the former Agency, bonds issued by OCII to fund affordable housing obligations and public infrastructure, and refunding bonds, issued by both the former Redevelopment Agency and OCII, to reduce debt service on outstanding debt. The outstanding principal balance on OCII's bonds is $892.0 million as of August 31, 2024.

Of this amount, $745.2 million is Tax Allocation Bonds (TABs) secured by property taxes generated in the redevelopment project area and $4.5 million is Hotel Occupancy Tax Revenue Refunding Bonds secured by hotel occupancy tax revenues. This outstanding debt represents a fixed long-term liability for OCII that is reduced each year by semi-annual debt service payments of principal and interest. The annual cost of OCII's debt portfolio is demonstrated by OCII's annual debt service.

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Exhibit 13: Outstanding Debt, as of August 31, 2024

Issue Name	Project Area	Final Maturity Date	Original Par	Outstanding Principal as of 8/31/2024
1998 Series C Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects)	RP	8/1/2024	$ 12,915,026	$ -
1998 Series D Tax Allocation Revenue Refunding Bonds (San Francisco Redevelopment Projects)	GG, SOMA, YBC, WA2, HP	8/1/2024	$ 21,034,002	$ -
2006 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)	TTL, GG	8/1/2036	$ 50,731,331	$ 16,634,273
2007 Series A Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)	BV, MBN, RP, SOMA, YBC	8/1/2037	$ 118,285,000	$ 88,600,000
2009 Series E Taxable Tax Allocation Revenue Bonds (San Francisco Redevelopment Projects)	BV, MBS, WA2, YBC	8/1/2039	$ 72,565,000	$ 55,820,000
2014 Series A Tax Allocation Bonds (Mission Bay South Redevelopment Project)	MBS	8/1/2043	$ 56,245,000	$ 47,605,000
2014 Series B Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	All	8/1/2035	$ 67,955,000	$ 16,570,000
2014 Series C Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	All	8/1/2029	$ 75,945,000	$ 1,940,000
2016 Series A Tax Allocation Refunding Bonds (Mission Bay North Redevelopment Project)	MBN	8/1/2041	$ 73,890,000	$ 60,965,000
2016 Series B Tax Allocation Bonds (Mission Bay South Redevelopment Project)	MBS	8/1/2043	$ 45,000,000	$ 36,775,000
2016 Series C Tax Allocation Refunding Bonds (Mission Bay South Redevelopment Project)	MBS	8/1/2041	$ 73,230,000	$ 59,545,000
2016 Series D Subordinate Tax Allocation Bonds (Mission Bay South Redevelopment Project)	MBS	8/2/2043	$ 74,651,825	$ 46,402,640
2017 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects)	HPSCP1, HPSCP 2	8/1/2044	$ 89,765,000	$ 24,500,000
2017 Series B Third Lien Tax Allocation Bonds (Transbay Infrastructure Projects)	TBY	8/1/2046	$ 19,850,000	$ 19,850,000
2017 Series C Taxable Subordinate Tax Allocation Bonds (Mission Bay New Money and Refunding Housing Projects)	MBS	8/1/2043	$ 43,400,000	$ 26,755,000
2017 Series D Taxable Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	MBN, MBS	8/1/2041	$ 116,665,000	$ 45,890,000
2017 Series E Subordinate Tax Allocation Refunding Bonds (San Francisco Redevelopment Projects)	MBN, MBS	8/1/2041	$ 19,745,000	$ 16,070,000
2021 Series A Taxable Third Lien Tax Allocation Bonds (Affordable Housing Projects) (Social Bonds)	MB, TBY, HPSCP1, HPSCP 2	8/1/2032	$ 127,210,000	$ 122,755,000
2023 Series A Tax Allocation Bond (Affordable Housing Projects)	MB, TBY, HPSCP1, HPSCP 2	8/1/2041	$ 24,505,000	$ 23,320,000
2023B Series B Tax Allocation Bond (Transbay Infrastructure Bond)	TBY	8/1/2053	$ 35,210,000	$ 35,210,000
Subtotal			**$ 1,218,797,184**	**$ 745,206,913**
`				
Former Agency Revenue Bonds				
Hotel Occupancy Tax Revenue Refunding Bonds Series 2011	YBC, Golden Gateway, Western Addition A1 & A2, South of Market, Chinese Cultural and Trade Center Project Area.	6/1/2025	$ 43,780,000	$ 4,455,000
Subtotal			**$ 43,780,000**	**$ 4,455,000**
Special Tax Bonds				
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Bonds, Series 2023	MBS	8/1/2044	$ 119,775,000	$ 114,415,000
Community Facilities District No. 7 (Hunters Point Shipyard Phase One Improvements) Special Tax Refunding Bonds, Series 2014	HPSCP 1	8/1/2043	$ 36,445,000	$ 27,920,000
Community Facilities District No. 6 (Mission Bay South Public Improvements) Special Tax Refunding Bonds, Series 2013A Parity-South			**$ 156,220,000**	**$ 142,335,000**
Total			**$ 1,418,797,184**	**$ 891,996,913**

Exhibit 13 shows OCII's credit ratings, which are credit agencies' assessment of the creditworthiness of the revenues supporting OCII's bonds.

Exhibit 14: Credit Ratings

Credit	Rating	Rating Agency	Date of Last Rating
Tax Allocation Bonds			
RPTTF Senior/Cross Collateralized	AA	Standard & Poor's	11/18/2021
RPTTF Senior/Cross Collateralized	Aa3	Moody's	6/2/2022
RPTTF Subordinate	AA-	Standard & Poor's	9/20/2022
RPTTF Third Lien/"SB 107"	A	Standard & Poor's	1/26/2022
Mission Bay North Infrastructure	A	Standard & Poor's	4/27/2022
Mission Bay South Infrastructure	A-	Standard & Poor's	4/27/2022
Mission Bay North and South Housing	A	Standard & Poor's	4/27/2022
Other			
Hotel Occupancy Tax Revenue	A1	Moody's	6/2/2022
Hotel Occupancy Tax Revenue	AA	Standard & Poor's	4/7/2022

In FY24-25, OCII anticipates expending $114.7 million on its debt program. The largest expenditure will be for debt service on existing tax allocation bonds ("TABs"), which are bonds issued against property tax revenues and are OCII's primary debt instrument. The second largest expenditure will be to make payment on the hotel tax bond.

Exhibit 15: FY 2024-25 Debt Program, Sources by Uses, *Millions*

	Property Tax	Other	Fund Balance	Total
Debt Service - OCII TAB Bonds	$106.8	$0.0	$3.2	**$110.0**
Other Debt	$0.0	$4.7	$0.0	**$4.7**
Total	**$106.8**	**$4.7**	**$3.2**	**$114.7**

California Redevelopment Dissolution Law imposes limitations on the debt OCII can issue. OCII issues debt to finance the construction of affordable housing or infrastructure required by specified agreements or to refund outstanding debt.

8. Operations Budget

In FY 2024-25, OCII will expend $21.0 million to fund its operational costs, which is $1.0 million or 5.0 percent more than FY 2023-24. This increase is due to the Cost of Living Adjustments and increase in OCII's retiree health and pension expenditures.

Specifically, OCII will expend $10.3 million on salaries and benefits, which reflects labor costs for 55 Full-Time Equivalent staff, the same number of staff as FY 2023-24. OCII will expend the remaining $6.8 million on non-labor expenses such as services from City departments, consulting services for legal and other professional services, insurance, materials and supplies, employee training, and software licensing fees. In addition to staffing and non-labor expenses, OCII will expend $3.9 million on its retirement obligations, which are retiree health and pension.

Exhibit 15 details the sources and uses for OCII's operations. OCII will fund the majority of its operating costs with property tax and other funds, which includes developer fees. Bond proceeds will fund staff time on bond-related projects.

Exhibit 16: FY 2024-25 Operations, Sources by Uses, *Millions*

Sources	**FY 23-24**	**FY 24-25**	**Change**	***% Change***
Bond Proceeds	$0.1	$0.9	$0.8	*800.0%*
Reserve Funds	$0.6	$1.0	$0.4	*66.7%*
Other Funds	$10.2	$5.9	($4.3)	*-42.2%*
Property Tax	$9.1	$13.2	$4.1	*45.1%*
Total	**$20.0**	**$21.0**	**$1.0**	*5.0%*
Uses				
Salaries and Benefits	$9.9	$10.3	$0.4	*4.0%*
Non-Labor	$6.6	$6.8	$0.2	*3.0%*
Retiree Health and Pension	$3.5	$3.9	$0.4	*11.4%*
Total	**$20.0**	**$21.0**	**$1.0**	*5.0%*

Exhibit 16 provides details on the non-labor uses in the FY 2024-25 budget.

Exhibit 17: FY 2024-25 Non-Labor Uses

Use	**Amount ($M)**
Work Orders with City Departments	$3.1
Other Current Expenses	$1.3
Professional Services	$1.1
Insurance	$0.6
Software and Information Technology	$0.5
Legal Services	$0.2
Total	$6.8

The operational work performed via work orders with City departments is detailed in Exhibit 17.

Exhibit 18: FY 2024-25 Operational Work Orders with City Departments, *Millions*

Department	**Service**	**Amount ($M)**
Mayor's Office of Housing (MOH)	Affordable Housing Services	$1.4
Office of City Administrator (ADM)	Rent, Mail, OLSE	$0.9
Controller	Accounting and Audit Services	$0.3

Department of Technology	IT Services	$0.3
Office of Economic and Workforce Development	Contract Compliance Support	$0.1
City Attorney	Legal Services	$0.1
Treasurer Tax Collector	Investment Management	$30k
Planning Department	Planning Review	$26k
Total		$3.1

Other items of note in the non-labor budget include:

- **Affordable Housing Services:** The proposed FY 2024-25 budget includes $1.4 million for affordable housing services provided by the Mayor's Office of Housing and Community Development.

- **Legal Services Related to OCII's General Operations:** The proposed FY 2024-25 Operations budget includes $0.2 million for legal services. Legal costs specific to projects are embedded into the project budgets.

- **Other Professional Services:** The proposed FY 2024-25 budget includes $1.1 million for professional services, which includes $0.4 million for affordable housing professional services.

- **Other Current Expenses:** The proposed FY 2024-25 budget includes $1.3 million for other current expenses:
    - $0.6 million for the vacation cash out policy in recently approved labor agreements, which accelerates an existing liability that is due upon employment separation, but does not increase the amount of the liability;
    - $0.3 million for facilities improvements, materials and supplies, off-site records storage, and mail and reproduction;
    - $0.4 million for recruitment, employee training, temporary salaries, and field expenses; and
    - $0.1 million for Commission and Oversight Board meeting expenses, including audiovisual recording of Commission meetings by SFGOV TV.

9. Budgeted Positions

The proposed FY 2024-25 budget contains 55 Full Time Equivalent ("FTE"s).

Exhibit 19: FY 2024-25 Budgeted Positions

Title	Class	Current Year FTE	Current Year FTE	YOY Difference
Executive Director	500	1	1	0
General Counsel	520	1	1	0

Deputy General Counsel	525	1	1	0
Development Svcs Manager	535	1	1	0
Housing Program Manager	540	1	1	0
HPS Sr. Project Manager	550	1	1	0
Contract Compl. Supervisor	585	1	1	0
Project Manager	590	3	3	0
Senior Development Specialist	595	4	4	0
Development Specialist	615	8	8	0
Sr. Financial Analyst	630	1	1	0
Contract Compl. Sp. II	640	2	2	0
Senior Planner	655	1	1	0
Financial Systems Accountant	670	1	1	0
Accountant III	695	1	1	0
Assistant Development Specialist	705	2	2	0
Senior Programmer Analyst - A	720	1	1	0
Associate Planner	730	2	2	0
Administrative Secretary - A	810	1	1	0
Record Specialist II - A	855	1	1	0
Senior Office Assistant - A	860	1	1	0
Staff Associate II	915	1	1	0
Staff Associate VI	921	1	1	0
Staff Associate V - A	930	1	1	0
Human Resources Manager	965	1	1	0
Asst. Project Manager	990	2	2	0
Commission Secretary	995	1	1	0
EA to Executive Director	1000	1	1	0
Senior Engineer	1010	1	1	0
Contract and Fiscal Services Manager (Z)	1015	1	1	0
Housing Construction Specialist	1025	1	1	0
Mgmt. Assistant II	1035	2	2	0
Accountant II	1035	1	1	0
Deputy Director	1060	2	2	0
Contract Compl. Sp. III	1065	1	1	0
Accountant IV	1100	1	1	0
Principal Personnel Analyst	1110	1	1	0
TOTAL		55	55	0