

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the
2 San Francisco Redevelopment Agency - FY2021-2022 Budget - Bond Issuance Not to
3 Exceed \$130,412,893]

4 **Resolution approving the Fiscal Year (FY) 2021-2022 Budget of the Office of**
5 **Community Investment and Infrastructure (“OCII”), operating as the Successor Agency**
6 **to the San Francisco Redevelopment Agency; and approving the Issuance by OCII of**
7 **Bonds in an aggregate principal amount not to exceed \$130,412,893 for the purpose of**
8 **financing a portion of OCII’s enforceable obligations**

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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 25, 2021, the Oversight Board approved, by Resolution 1-2021, the
25 ROPS for July 1, 2021, to June 30, 2022 (“ROPS 21-22”), which the California Department of

1 Finance (“DOF”) approved on April 15, 2021; the ROPS lists, among other things, OCII’s total
2 outstanding debts or obligations and its expenditures for fiscal year 2021-22; 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. 13-2021 (April 20, 2021), its annual budget
9 for Fiscal Year (“FY”) 2021-22 (the “Budget”) and authorized the Interim Executive Director to
10 submit 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 FY2021-2022, 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 \$130,412,893, 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 (Sep. 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 affordable housing required in the
14 Transbay Redevelopment Project Area; and

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

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

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

10 WHEREAS, OCII serves as the administrator of certain Community Facilities Districts
11 (“CFDs”) listed in Exhibit A1 of the Budget and created under the provisions of the Community
12 Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing
13 with Section 53311) of the California Government Code (known as the “Mello-Roos Act”), is
14 obligated to receive revenues, make debt service payments and make other expenditures in
15 fulfillment of other obligations associated with the CFDs and will separately and finally
16 approve the FY2021-2022 budget for the CFDs; now, therefore, be it

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

20 FURTHER RESOLVED, The Board of Supervisors conditionally approves the issuance
21 of the Bonds by OCII in the principal amount not to exceed \$130,412,893, which will be used
22 in FY2021-2022 for the purpose of financing a portion of its Budget and related costs of
23 issuance, and the application of a portion of the proceeds of which to reimburse the OCII for
24 amounts spent under its Budget prior to the issuance of the Bonds; provided, however, that

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1 the Successor Agency Commission, Oversight Board and DOF subsequently approve the
2 issuance of the Bonds; and, be it

3 FURTHER RESOLVED, That OCII is authorized to accept and expend any pledged tax
4 increment from the project areas covered by the Mission Bay Pledges, the Transbay Pledge,
5 and the Candlestick Point-Shipyard Phase 2 Pledge that may be received during Fiscal Year
6 2021-2022 in excess of amounts included in the Budget attached hereto as Attachment "A," in
7 accordance with enforceable obligations, and subject to any approvals that may be required
8 from the Successor Agency Commission, Oversight Board and DOF; and, be it

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

11 Attachment A: OCII Proposed FY 2021-22 Budget
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