

1 [Office of Community Investment and Infrastructure, Operating as Successor Agency to the
2 San Francisco Redevelopment Agency - FY2023-2024 Budget - Bond Issuance Not to
3 Exceed \$75,000,000]

4 **Resolution approving the Fiscal Year (FY) 2023-24 Budget of the Office of Community**
5 **Investment and Infrastructure (“OCII”) operating as the Successor Agency to the San**
6 **Francisco Redevelopment Agency; and approving the Issuance by OCII of Bonds in an**
7 **aggregate principal amount not to exceed \$75,000,000 for the purpose of financing a**
8 **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”) and the Board of Supervisors approves OCII’s annual budget in accordance with Cal.
20 Health and Safety Code, Section 33606 and Ordinance No. 215-12; 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 12-month fiscal periods;
24 on January 25, 2023, the Oversight Board approved, by Resolution No. 02-2023, the ROPS
25 for July 1, 2023, to June 30, 2024 (“ROPS 23-24”), which the California Department of

1 Finance ("DOF") approved on April 14, 2023, subject to several adjustments; the ROPS lists,
2 among other things, OCII's total outstanding debts or obligations and its expenditures for
3 fiscal year 2023-24; and

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

8 WHEREAS, Consistent with the expenditures approved in the ROPS, the Successor
9 Agency Commission approved, by Resolution No. 11-2023 (April 18, 2023), its annual budget
10 for Fiscal Year ("FY") 2023-24 (the "Budget") and authorized the Executive Director to submit
11 the Budget for review and approval to the Mayor and the Board of Supervisors; and

12 WHEREAS, OCII proposes to issue bonds to finance, in FY2023-24, a portion of its
13 enforceable obligations; 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 \$129,000,000, 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, On April 13, 2023, DOF approved Oversight Board Resolution No. 03-
22 2023, which authorized the issuance of an aggregate bond principal amount not to exceed
23 \$75,000,000; and

1 WHEREAS, OCII hereby requests that the Board of Supervisors grant approval for the
2 issuance of the \$75,000,000 of the Bonds; and

3 WHEREAS, In addition to the activities programmed in the Budget, OCII may have
4 opportunities to refund existing debt at lower interest rates to reduce debt service costs; and

5 WHEREAS, The Former Agency and the City entered into Tax Increment Allocation
6 Pledge Agreements for each of the Redevelopment Project Areas in Mission Bay North
7 (Board of Supervisors Resolution No. 884-98 (Oct. 30, 1998); Agency Resolution No. 188-98
8 (Sep. 17, 2998)) and Mission Bay South (Board of Supervisors Resolution No. 887-98 (Nov.
9 2, 1998); Agency Resolution No. 193-98 (Sept. 17, 2998)) (together the "Mission Bay
10 Pledges") for the purpose of irrevocably pledging net available tax increment from these areas
11 to pay for the costs of public infrastructure and affordable housing required in Mission Bay
12 North and Mission Bay South Project Areas; and

13 WHEREAS, The Former Agency, the City, and the Transbay Joint Powers Authority
14 ("TJPA") entered into the Transbay Redevelopment Project Tax Increment Allocation and
15 Sales Proceeds Pledge Agreement (Board of Supervisors Ordinance No. 99-06 (May 19,
16 2006); Agency Resolution No. 13-2005 (Jan. 25, 2005)) for the purpose of irrevocably
17 pledging net available tax increment and sales proceeds from formerly State-owned parcels in
18 the Transbay Redevelopment Project Area ("Transbay Pledge") to the TJPA to pay for the
19 costs of designing and constructing the Transbay Terminal Project; and

20 WHEREAS, The Former Agency and the City entered into a Tax Increment Allocation
21 Pledge Agreement for Candlestick Point and Phase 2 of the Hunters Point Shipyard (Board of
22 Supervisors Resolution No. 349-10 (Aug. 3, 2010); Agency Resolution No. 69-2010 (June 3,
23 2010)) from the Candlestick Point area ("Zone 1") of the Bayview Hunters Point
24 Redevelopment Project Area and from the Hunters Point Shipyard Redevelopment Project
25 Area (other than the Hunters Point Hill Residential District) ("Candlestick Point-Shipyard

1 Phase 2 Pledge”) for the purpose of pledging net available tax increment to pay for the costs
2 of public infrastructure and affordable housing required in Zone 1 of the Bayview Hunters
3 Point Redevelopment Project Area and the Hunters Point Shipyard Redevelopment Project
4 Area Phase 2; and

5 WHEREAS, The total outstanding debts or obligations described in the ROPS and
6 various enforceable obligations support the allocation of property tax revenues (formerly tax
7 increment revenues) under the Mission Bay Pledges, the Transbay Pledge, and the
8 Candlestick Point-Shipyard Phase 2 Pledge; and

9 WHEREAS, The Budget includes, among other things, the use of property tax
10 revenues (formerly tax increment revenues) from various project areas of the Former Agency
11 to pay for certain enforceable obligations consistent with the authority granted under Section
12 34177.7 of the California Health and Safety Code and under Board of Supervisors Resolution
13 No. 538-16 (Dec. 22, 2016); and

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

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

19 FURTHER RESOLVED, The Board of Supervisors approves the issuance of the Bonds
20 by OCII in the principal amount not to exceed \$75,000,000, which will be used in FY 2023-24
21 for the purpose of financing a portion of its Budget and related costs of issuance, and the
22 application of a portion of the proceeds to reimburse OCII for amounts spent under its Budget;
23 and, be it

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

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Attachment A: OCII Proposed FY 2023-24 Budget



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails
Resolution

File Number: 230671

Date Passed: July 18, 2023

Resolution approving the Fiscal Year (FY) 2023-24 Budget of the Office of Community Investment and Infrastructure ("OCII") operating as the Successor Agency to the San Francisco Redevelopment Agency; and approving the issuance by OCII of Bonds in an aggregate principal amount not to exceed \$75,000,000 for the purpose of financing a portion of OCII's enforceable obligations.

June 09, 2023 Budget and Appropriations Committee - RECOMMENDED

July 11, 2023 Board of Supervisors - CONTINUED

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Safai, Stefani and Walton
Excused: 1 - Ronen

July 18, 2023 Board of Supervisors - ADOPTED

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Ronen, Safai, Stefani and Walton
Noes: 1 - Preston

File No. 230671

I hereby certify that the foregoing Resolution was ADOPTED on 7/18/2023 by the Board of Supervisors of the City and County of San Francisco.

Handwritten signature of Angela Calvillo
Angela Calvillo
Clerk of the Board

Handwritten signature of London N. Breed
London N. Breed
Mayor

Handwritten date 7/26/23
Date Approved