Resolution approving an amendment to the FY2015-2016 budget of the Office of Community Investment and Infrastructure, operating as the Successor Agency to the San Francisco Redevelopment Agency, by increasing the Successor Agency’s bond proceeds by $135,000,000, authorizing expenditures in an amount not to exceed $135,000,000, and approving the issuance of bonds in an additional principal amount not to exceed $135,000,000 to finance enforceable obligations in the Mission Bay South Project Area.

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, (“Successor Agency” or “OCII”), is implementing enforceable obligations and surviving redevelopment projects of the former Redevelopment Agency in accordance with the Community Redevelopment Law, Cal. Health & Safety Code §§ 33000 et seq., as amended by the Redevelopment Dissolution Law, Cal. Health & Safety Code §§ 34170 et seq. (the “Law”), and with Ordinance No. 215-12 (Oct. 4, 2012); and

WHEREAS, OCII is a legal entity separate from the City and County of San Francisco (“City”), but is subject to the Board of Supervisors’ authority over OCII’s annual budget in accordance with Cal. Health and Safety Code § 33606; and

WHEREAS, OCII is a legal entity separate from the City and County of San Francisco, but is subject to the Board of Supervisor’s authority over the proposed indebtedness to be incurred by the agency, which includes the amount but not the terms of the proposed indebtedness, in accordance with Cal. Health and Safety Code § 33606; and
WHEREAS, The Board of Supervisors approved, by Resolution No. 278-15 (July 30, 2015), OCII's budget for the FY 2015-2016 (the "Budget") and its issuance of bonds in the principal amount of not to exceed $51 million for the purpose of financing a portion of the Budget; and

WHEREAS, The Law and Ordinance No. 215-12 authorize the Successor Agency Commission (also known as the Commission on Community Investment and Infrastructure "CCII") to issue, subject to approval by the Oversight Board and DOF, bonds to carry out enforceable obligations that satisfy the statutory criteria under Cal. Health and Safety Code § 34177.5; and

WHEREAS, OCII has an enforceable obligation under the Mission Bay South Owner Participation Agreement ("OPA") to reimburse the costs of public infrastructure that has been constructed and accepted by the City, the Owner, under the OPA, has made expenditures on public infrastructure in the Mission Bay South Redevelopment Project Area ("Project Area"), and has requested that OCII issue bonds to fund the costs of reimbursement; and

WHEREAS, OCII seeks to finance, in FY2015-2016, a portion of its enforceable obligations to reimburse public infrastructure costs in the in Project Area. The financing program may require OCII to enter into loans and/or to issue and to refund, as necessary, or to cause to be loaned and/or issued and/or refunded on its behalf by a public finance authority, bonds, notes, or other evidence of indebtedness (such loans, bonds, notes or other evidence of indebtedness being referred to as the "Bonds") in an aggregate principal amount not to exceed $135,000,000 for the purpose of financing a portion of the Budget and related costs of issuance, which will be repaid from and secured by the taxes allocated to and paid to OCII pursuant to the Law (and in particular but not limited to Sections 33670 - 33674) and to Section 16 of Article XVI of the California Constitution; and
WHEREAS, On October 20, 2015, OCII approved (i) Resolution 62-2015 authorizing the Executive Director to submit to the Mayor’s Office and the Board of Supervisors a request to increase by $135,000,000 the Bond Proceeds to be received by the Successor Agency and to increase Successor Agency expenditure authority by $135,000,000; and (ii) Resolution Nos. 64-2015 and 65-2015 authorizing, subject to approval by the Oversight Board and DOF, issuance of $45,000,000 and $90,000,000, respectively, in new money tax allocation bonds for the Project Area; and

WHEREAS, OCII hereby requests that the Board of Supervisors approve (i) an amendment to the OCII Budget for the FY 2015-2016 to permit the receipt and expenditure of additional bond proceeds in the amount of $135,000,000 for the purpose of fulfilling its enforceable obligations; and (ii) subject to approval of the Oversight Board and the DOF, the issuance of Bonds in the amount of $135,000,000; now, therefore, be it

RESOLVED, By the Board of Supervisors that it does hereby approve an increase in the Successor Agency’s FY 2015-2016 Budget by $135,000,000 in bond proceeds and approves an increase in the Successor Agency’s expenditure authority by $135,000,000 to fulfill its enforceable obligations under the OPA; and, be it

FURTHER RESOLVED, The Board of Supervisors conditionally approves the issuance of Bonds by OCII in the principal amount not to exceed $135,000,000 for the purpose of financing a portion of its Budget and related costs of issuance, and the application of a portion of the proceeds of which to reimburse the OCII for amounts spent under its Budget prior to the issuance of the Bonds; provided, however, that the Oversight Board and DOF subsequently approve the issuance of the Bonds; and, be it

FURTHER RESOLVED, The Board of Supervisors requests that the Executive Director explore alternative financing or timing structures to the planned subordinate private placement should market conditions or the property rolls change prior to issuance; and, be it
FURTHER RESOLVED, The Board of Supervisors requests that the Executive Director refund all outstanding Series 2015D bonds in conformance with OCII's debt policy.
Resolution approving an amendment to the FY2015-2016 budget of the Office of Community Investment and Infrastructure, operating as the Successor Agency to the San Francisco Redevelopment Agency, by increasing the Successor Agency's bond proceeds by $135,000,000, authorizing expenditures in an amount not to exceed $135,000,000, and approving the issuance of bonds in an additional principal amount not to exceed $135,000,000 to finance enforceable obligations in the Mission Bay South Project Area.

December 09, 2015 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

December 09, 2015 Budget and Finance Committee - RECOMMENDED AS AMENDED

December 15, 2015 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Breed, Campos, Cohen, Farrell, Kim, Mar, Peskin, Tang, Wiener and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 12/15/2015 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved