

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 37– 2025

AUTHORIZING A PERSONAL SERVICES CONTRACT WITH KEYSER MARSTON ASSOCIATES, INC., IN AN AMOUNT NOT TO EXCEED \$141,000, FOR FISCAL CONSULTANT SERVICES IN CONNECTION WITH THE PROPOSED ISSUANCE OF TAX ALLOCATION BONDS

- WHEREAS, Senate Bill No. 593 (Statutes 2023, chapter 782), codified at Cal. Health & Safety Code (“HSC”) Section 34177.7(a)(1)(C) (“SB 593”), authorizes the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (“OCII”) to finance affordable housing replacing units that the former Redevelopment Agency of the City and County of San Francisco (“Former Agency”) destroyed and did not replace; and,
- WHEREAS, Pursuant to OCII’s enforceable obligations, OCII intends to issue tax allocation bonds to fund replacement affordable housing projects as described below; and,
- WHEREAS, Bonds authorized under Section 34177.7 of the HSC require review and approval by the Oversight Board of the City and County of San Francisco (“Oversight Board”) and the California Department of Finance (“DOF”); and,
- WHEREAS, Subject to Commission, Oversight Board, and Department of Finance approval, OCII is planning to issue approximately \$150 million Successor to the Redevelopment Agency of the City and County of San Francisco 2027 Taxable Tax Allocation Bonds (Replacement Affordable Housing Projects) (the “Bonds”); and,
- WHEREAS, Selection of contractors must be in accordance with OCII’s Purchasing Policy, (November 15, 2011) (“Purchasing Policy”). Section IX.C.5 of the Purchasing Policy provides that the staff may select a contractor from a City and County of San Francisco (“City”) panel that was established using the City’s competitive selection process; and,
- WHEREAS, On February 20, 2024, pursuant to a competitive selection process, the City’s Office of Public Finance established a panel of fiscal consultants, to remain in effect for two years. The panel includes Keyser Marston Associates, Inc. (“Keyser Marston”); and,
- WHEREAS, OCII selected Keyser Marston as the best qualified firm to perform the scope of services based on its tax allocation bond experience, staff depth and qualifications, as well as knowledge and transaction experience in the post-dissolution environment; and,
- WHEREAS, OCII staff recommends entering into a personal services contract with Keyser Marston, in an amount not to exceed \$141,000, to provide fiscal consultant services related to the proposed issuance of tax allocation bonds; and,

WHEREAS, The term of this Contract shall begin on the Effective Date and end on the closing date of the Bonds unless terminated by either party as provided by the Contract or extended at the direction of the OCII Executive Director; and,

WHEREAS, Payments under this contract will be provided from proceeds of the proposed bond issuance and OCII funds; and,

WHEREAS, Authorization of the Contract with Keyser Marston is not a project subject to environmental review under the California Environmental Quality Act (“CEQA”) because it is an administrative activity of government that will not result in direct or indirect physical changes in the environment, pursuant to CEQA Guidelines Section 15378(b)(5); now, therefore, be it

RESOLVED, That the Commission authorizes a Personal Services Contract with Keyser Marston, in an amount not to exceed \$141,000, to provide fiscal consultant services in connection with the issuance of the bonds described above; and be it further

RESOLVED, The Commission authorizes the Executive Director of OCII to take such actions as may be necessary or appropriate, to effectuate the purpose or intent of this resolution.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of December 2, 2025.

Commission Secretary

Exhibit A: Personal Services Contract with Keyser Marston Associates, Inc.

OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE,
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO

PERSONAL SERVICES CONTRACT

This PERSONAL SERVICES CONTRACT (“**Contract**”) is entered into as of _____ (the “**Effective Date**”) by and between the OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE AS SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic (the “**Successor Agency**” or “**OCII**”), and Keyser Marston Associates, Inc., a California Corporation (“**Contractor**” or “**Consultant**”).

RECITALS

This Contract is made with reference to the following facts and circumstances:

A. Section 34177.7(a)(1)(C) of the Health and Safety Code authorizes OCII to issue bonds to fund 5,842 units of affordable housing to replace units destroyed by the Redevelopment Agency of the City and County of San Francisco (the “Replacement Housing”). The source of these funds is the residual amount of the Redevelopment Property Tax Trust Fund (“RPTTF”) that would otherwise be distributed to the City and County of San Francisco.

B. Issuance of tax allocation bonds requires the services of an independent fiscal consultant to analyze and present information regarding the tax revenues allocable to the repayment of the bonds.

C. Subject to Commission, Oversight Board, and Department of Finance Approval, and pursuant to OCII’s statutory authority, OCII intends to issue one or more series of tax allocation bonds to fund replacement affordable housing.

D. Selection of contractors must be in accordance with OCII’s Purchasing Policy, as last amended by the Redevelopment Agency of the City and County of San Francisco (“Former Agency”) on November 15, 2011 (the “Policy”).

E. Section IX, C, 5 of the OCII Purchasing Policy provides that the staff may select a contractor from a City and County of San Francisco (“City”) panel that was established using the City’s competitive selection process.

F. On February 20, 2024, the City established, through a competitive process, a panel of qualified Special Tax and Fiscal Consultant Services vendors which remains in effect for two years.

G. OCII staff solicited and reviewed proposals from the panel and selected Contractor as most qualified to provide the scope of services based on staff depth and qualifications, knowledge and transaction experience in the post-dissolution environment and small business Enterprise status.

NOW, THEREFORE, OCII and the Contractor agree as follows:

1. SCOPE OF SERVICES

Contractor shall provide the services and deliverables described in **Attachment A, “Scope of Services.”**

2. TIME OF COMPLETION

Term. The term of this Contract shall begin on the Effective Date and end on the earlier of the closing date of the Bonds or December 31, 2028, unless terminated earlier by either party as provided in this Contract or extended at the discretion of the Executive Director and Consultant, provided, however, that the contract provisions that survive this contract, including the insurance and indemnity provisions shall continue to remain in effect according to their terms.

3. COMPENSATION AND METHOD OF PAYMENT

A. Compensation. The maximum amount payable under this Contract is One Hundred Forty-One Thousand Dollars (\$141,000). Compensation is based upon the **Attachment A “Scope of Services,”** and **Attachment B, “Budget,”** and as provided in this Section 3. All expenses of Contractor are intended to be covered by the compensation paid to Contractor pursuant to the Contract, and no additional expenses of Contractor shall be reimbursed separately. If Contractor commences monthly invoicing as provided in the Scope of Services, Contractor will submit monthly billing invoices to OCII. The invoices shall include the billing amount, total hours invoiced, hourly billing rate, description of services rendered, supporting documentation and Contractor’s signature. OCII staff will review and approve these invoices for payment.

B. Taxes. No payroll or employment taxes of any kind will be withheld or paid by OCII on behalf of Contractor. OCII will not treat Contractor as an employee with respect to the Contract services for any purpose, including federal and state tax purposes. Contractor understands and agrees that it is Contractor’s responsibility to pay all taxes required by law, including self-employment social security tax. OCII will issue an IRS 1099 Form, or other appropriate tax-reporting document, to Contractor for the Contract services.

C. Benefits. Contractor will not be eligible for, and will not participate in, any health, pension, or other benefit of OCII which exists solely for the benefit of OCII employees during the Contract Term.

4. NO PERSONAL LIABILITY

No member, official or employee of OCII shall be liable personally to Contractor or any successor in interest in the event of any default or breach by OCII or for any amount which may become due to Contractor or any successor or on any obligation under the terms of this Contract.

5. ASSIGNMENT OF CONTRACT

Contractor shall not assign this Contract, or any part thereof, without the prior express written consent of OCII.

6. NON-FEDERAL LABOR STANDARDS

Contractor agrees that any employees performing work or services for Contractor shall be subject to the State and local laws governing prevailing wage rates, hours and working conditions, and benefits applicable to similar work or services performed in San Francisco. Contractor further agrees that the inclusion of the above provision in this Contract shall not be construed to relieve Contractor or any subcontractor from the pertinent requirements of any applicable Federal labor standards provision. Where minimum rates of pay required under State or local law are higher than the minimum rates of pay required by or set forth in applicable Federal labor standards, said State or local minimum rates shall be the applicable minimum rates of pay for such classifications.

7. INDEMNIFICATION

To the fullest extent allowable by law, Contractor shall hold harmless, defend at its own expense and indemnify OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents and employees against any and all liability, claims, losses, damages or expenses, including reasonable attorney's fees and costs of litigation, arising out of the Contractor's performance of its obligations under this agreement or out of the operations conducted by Contractor and arising directly or indirectly from all acts or omissions to act of contractor or its officers, agents or employees in rendering services under this contract; excluding, however, such liability, claims, losses, damages or expenses arising from OCII's gross negligence or willful acts and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its officers, agents or employees. In addition to Contractor's obligation to indemnify OCII, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend OCII from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by OCII and continues at all times thereafter. This section does not apply to contracts for construction design services provided by a design professional, as defined in California Civil Code Section 2782.8.

8. INDEPENDENT CONTRACTOR

Contractor hereby declares that it is engaged in an independent business and agrees to perform its services as an independent contractor and not as the agent or employee of OCII. Contractor has and hereby retains the right to exercise full control and supervision of the services and work to be provided under this Contract and full control over the employment, direction,

compensation and discharge of all persons assisting it in the performance of the services and work hereunder. Contractor agrees to be solely responsible for all matters relating to payment of employees, including, but not limited to, compliance with all federal, state and local payroll tax and withholding requirements, workers' compensation requirements and all regulations governing such matters. Contractor agrees to be solely responsible for its own acts and those of its subordinates and employees during the term of the Contract.

9. INSURANCE

A. Contractor must procure and maintain for the duration of the Contract, including any extensions, insurance against claims for injuries to person or damages to property which may arise from or in connection with the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors. If the Contractor maintains additional coverages and/or higher limits than the minimums shown in this Article 9, OCII requires and shall be entitled to the additional coverage and/or the higher limits maintained by the Contractor.

B. Minimum Scope of Insurance. Coverage must be at least as broad as:

- (1) Insurance Services Office Commercial General Liability coverage (occurrence form CG 00 01).
- (2) Insurance Services Office Automobile Liability coverage, code 8 & 9 (hired and non-hired autos).
- (3) Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.
- (4) Professional Liability Insurance appropriate to the Contractor's profession covering all negligent acts, errors and omissions.

C. Minimum Limits of Insurance. Contractor must maintain limits no less than:

- (1) General Liability: \$2,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit must apply separately to this project/location or the general aggregate limit must be twice the required occurrence limit.
- (2) Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.
- (3) Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the State of California and Employer's Liability limits of \$1,000,000 for bodily injury by accident and \$1,000,000 per person and in the annual aggregate for bodily injury by disease. (Required only if Contractor has employees).

- (4) Professional Liability Insurance: \$2,000,000 per claim and in the annual aggregate. If the Contractor's Professional Liability Insurance is "claims made" coverage, these minimum limits shall be maintained by the Contractor for no less than three (3) years beyond completion of the Scope of Services.

D. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by OCII. At the option of OCII, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects to OCII, the City and County of San Francisco, and their commissioners, members, officers, agents and employees; or Contractor shall provide a financial guarantee satisfactory to OCII guaranteeing payment of losses and related investigations, claim administration and defense expenses.

E. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

- (1) The "Office of Community Investment and Infrastructure, Successor Agency to the Redevelopment Agency of the City and County of San Francisco, the City and County of San Francisco, and their respective commissioners, members, officers, agents and employees" are to be covered as additional insureds as respects: liability arising out of automobiles hired or borrowed by the Contractor; and liability arising out of work or operations performed by or on behalf of the Contractor (except with regard to worker's compensation professional liability).
- (2) For any claims related to this Contract, the Contractor's insurance coverage must be primary insurance as respects to OCII, the City and County of San Francisco and their respective commissioners, members, officers, agents, and employees. Any insurance or self-insurance maintained by OCII, the City and County of San Francisco and their commissioners, members, officers, agents or employees shall be in excess of Contractor's insurance and shall not contribute with it.
- (3) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to OCII, the City and County of San Francisco and their commissioners, members, officers, agents or employees.
- (4) Each insurance policy required by this clause must be endorsed to state that coverage will not be suspended, voided, canceled by either party, or reduced in coverage or in limits, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to OCII.
- (5) Contractor hereby grants to OCII a waiver of any right to subrogation which any insurer of said Contractor may acquire against OCII by virtue of the payment of any loss under such insurance (except with regard to professional liability). Contractor agrees to obtain any endorsement that

may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not OCII has received a waiver of subrogation endorsement from the insurer.

(6) If any of the required policies provide coverage on a claims-made basis:

- a. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
- b. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the contract of work.
- c. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Contractor must purchase “extended reporting” coverage for a minimum of five years after completion of contract work.

F. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise approved by OCII's Risk Manager.

G. Verification of Coverage. Contractor must furnish OCII with certificates of insurance and with original endorsements evidencing coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements may be on forms provided by OCII. All certificates and endorsements are to be received and approved by OCII before work commences. OCII reserves the right to require complete, certified copies of all required insurance policies, including endorsements demonstrating the coverage required by these specifications at any time.

H. Subcontractors. Contractor shall include all subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein.

10. RECORDS, REPORTS AND AUDITS

A. Records

- (1) Records shall be established and maintained in accordance with OCII requirements, with respect to all matters covered by this Contract. Except as otherwise authorized by OCII, such records shall be maintained for a period of four years from the date of the termination of the Contract; except that records that are the subject of audit findings shall be retained for four years or until such audit findings have been resolved, whichever is later.
- (2) All costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other official documentation evidencing in

proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this Contract shall be clearly identified and readily accessible.

B. Reports and Information

At such times and in such forms as OCII or the City and County of San Francisco may require, there shall be furnished to OCII or its designated representative such statements, records, reports, data and information as OCII or the City and County of San Francisco may request pertaining to matters covered by this Contract.

C. Audits and Inspections

At any time during normal business hours and as often as OCII or the City and County of San Francisco may deem necessary, there shall be made available to OCII or its representatives for examination all records with respect to all matters covered by this Contract and Contractor will permit OCII and the City and County of San Francisco to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Contract.

11. CONFLICTS

Except for approved eligible administrative or personnel costs, no employee, agent, contractor, officer or official of OCII who exercises any functions or responsibilities with respect to this Contract or who is in a position to participate in a decision making process or gain inside information with regard to it, shall obtain a personal or financial interest in or benefit from any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom they have family or business ties, during his or her tenure or for two years thereafter. The term "Contractor" also includes the employees, officers (including board members), agents and subcontractors of a Contractor under this Contract. In order to carry out the purposes of this Section, Contractor shall incorporate, or cause to be incorporated, in all contracts and subcontracts relating to activities pursuant to this Contract, a provision similar to that of this Section.

12. CONTRACTOR'S DUTY OF LOYALTY

Contractor, for itself and subcontractors, if any, agrees to abide by OCII's duty of loyalty, which appears at Section IX.H. (Prohibited Activities of Present and Former Employees, Commissioners and Consultants) of OCII's Personnel Policy and which states in part the following: "Unless approved in advance in writing by OCII, no present or former employee, Commissioner or consultant of OCII shall knowingly act for anyone other than OCII in connection with any particular matter in which OCII is a party, or has a direct and substantial interest, and in which he or she participated personally and substantially as an OCII employee, Commissioner or consultant whether through decisions, recommendations, advice, investigation or otherwise.

Violation of this section by a present employee, consultant or Commissioner may, in the case of an employee or consultant, be grounds for discharge or termination of the consultant contract, and in the case of a Commissioner, be considered misconduct in office pursuant of California Health and Safety Code Section 33115.”

13. LIMITATIONS ON CONTRIBUTIONS

Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with OCII for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by such individual, the board on which that individual serves, or a state agency on whose board an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such office holder or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or twelve months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$100,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in section 1.126.

Finally, Contractor agrees to provide to OCII the names of each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is not sponsored or controlled by Contractor.

14. CONFIDENTIALITY/PROPERTY OF OCII

All of the reports, information, data or other materials prepared or assembled by Contractor under this Contract, including Contractor's opinions and conclusions based upon such items, are confidential. Contractor agrees that such reports, information, opinions or conclusions shall not be made available to or discussed with any individual or organization, including the news media, without the prior written approval of OCII. Unless otherwise stated in the Scope of Services, all such reports, information, data or other materials and work product shall become the property of OCII, but are subject to disclosure under the Public Records Act, Cal Gov't Code §§ 6250 et seq., and the Agency Public Records Policy, Agency Resolution No. 182-2005 (Nov. 1, 2005).

15. COMPLIANCE WITH CALIFORNIA GOVERNMENT CODE

It is understood and agreed that Contractor shall comply with California Government Code Section 7550. California Government Code Section 7550 provides in part that when the total cost for work performed for a local agency by nonemployees of such agency exceeds \$5,000.00, any document or written report prepared in whole or in part by nonemployees for such agency shall contain, in a separate section, the numbers and dollar amount of all contracts and subcontracts relating to the preparation of such document or written report.

16. NONDISCRIMINATION AND EQUAL BENEFITS

A. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) in the performance of this Contract. Contractor will ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, creed, national origin or ancestry, sex, gender identity, age, marital or domestic partner status, sexual orientation or disability (including HIV or AIDS status) or other protected class status. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training, including apprenticeship; and provision of any services or accommodations to clients or the general public.

B. Contractor will, in all solicitations or advertisements for employees placed by it or on its behalf, state it is an equal opportunity employer.

C. Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

D. Contractor agrees not to discriminate in the provision of benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, and shall comply fully with all provisions of OCII's Nondiscrimination in Contracts Policy, adopted by Former Agency Resolution No. 175-97, as such Policy may be amended from time to time. The City and County of San Francisco has certified Contractor as being in compliance with Chapter 12B of the San Francisco Administrative Code (the "Equal Benefits Ordinance"). See supplier no. 16933 on the City's FSP System. Accordingly, OCII deems this certification under the Equal Benefits Ordinance as compliance with the Policy.

E. Contractor shall provide all services to the public under this Contract in facilities that are accessible to persons with disabilities as required by state and federal law.

17. COMPLIANCE WITH SMALL BUSINESS ENTERPRISE PROGRAM

OCII implements a Small Business Enterprises ("SBE") Program that was adopted by Former Agency Resolution No. 43-2015 and that requires consideration in awarding contracts in

the following order: 1) Project Area SBEs, 2) San Francisco-based SBEs (outside an OCII Project Area), and 3) All other SBEs. Non-San Francisco-based SBEs should be used to satisfy participation goals only if Project Area SBEs or San Francisco-based SBEs are not available, qualified, or if their bids or fees are significantly higher than those of non San Francisco-based SBEs (see **Attachment D** “SBE Agreement”).

Under the SBE Program, the Contractor, in awarding subcontracts, must make good faith efforts to achieve SBE participation of 50 % for professional, personal services, and construction contracts; provided, however, that this goal may vary depending on the extent of subcontracting opportunities under OCII contract and the availability of SBE subcontractors capable of providing goods or services required by the contract; and provided further, that OCII has the sole discretion to modify the 50 % SBE participation goal consistent with the SBE Program, as specified in the SBE Agreement.

OCII relies on the information that a business may have provided to qualify under another public entities’ business certification program in determining whether that business qualifies as an SBE under OCII’s SBE Program. Those other programs include City and County of San Francisco Local Disadvantaged Business Enterprises (LBE) certification, information available at <https://sfcitypartner.sfgov.org/pages/LBESearch/supplier-search.aspx> and State of California Small Business Enterprises certification <https://caleprocure.ca.gov/pages/PublicSearch/supplier-search.aspx>. OCII retains the discretion, however, to determine if the information provided for those other programs meets SBE eligibility under OCII’s SBE Program.

18. COMPLIANCE WITH MINIMUM COMPENSATION POLICY AND HEALTH CARE ACCOUNTABILITY POLICY

Contractor agrees, as of the date of this Contract and during the term of this Contract, to comply with the provisions of OCII’s Minimum Compensation Policy and Health Care Accountability Policy (the “Policies”), adopted by Former Agency Resolution 168-2001, as such policies may be amended from time to time (See Attachment E “Minimum Compensation Policy” and Attachment F “Health Care Accountability Policy”). Such compliance includes providing all “Covered Employees,” as defined under Section 2.7 of the Policies, a minimum level of compensation and offering health plan benefits to such employees or to make payments to the City and County of San Francisco’s Department of Public Health, or to participate in a health benefits program developed by the City and County of San Francisco’s Director of Health.

19. TERMINATION

OCII may terminate this Contract at any time without cause upon written Notice of Termination to the Contractor; provided, however, that in the event of such termination, OCII shall compensate the Contractor for work completed to the satisfaction of OCII as of the date of such notice or the date of termination specified in and directed by such notice.

20. MISCELLANEOUS PROVISIONS

A. Notices

All notices, demands, consents or approvals required under this Contract shall be in writing and shall be deemed given when delivered personally or by facsimile transmission or three (3) business days after being deposited in the U.S. Mail, first class postage prepaid, return receipt requested, addressed as follows:

If to OCII: Office of Community Investment and Infrastructure
One South Van Ness Avenue, Fifth Floor
San Francisco, CA 94103
Attention: Nick Jones
Email: nicholas.jones@sfgov.org

If to Contractor: Keyser Marston Associates, Inc.
2130 Center Street, Suite 301
Berkeley, California 94704
Attention: David Doezenia
Email: ddoezenia@keysermarston.com

or to such other addresses as the parties may designate by notice as set forth above.

B. Time of Performance

- (1) Time is of the essence in the performance of all the terms and conditions of this Contract.
- (2) All performance and cure periods expire at 5 p.m., San Francisco, California time, on the applicable date.
- (3) A performance or cure date which otherwise would be a Saturday, Sunday or OCII holiday shall be extended to the next OCII working day.

C. Successors and Assigns

This Contract shall be binding upon and inure to the benefit of the successors and assigns of OCII and the Contractor. Where the term “Contractor” or “OCII” is used in this Contract, it shall mean and include their respective successors and assigns; provided, however, that OCII shall have no obligation under this Contract to, nor shall any benefit of this Contract accrue to, any unapproved successor or assign of Contractor where OCII approval of a successor or assign is required by this Contract.

D. Modification, Waiver and Amendment

Any modification, waiver or amendment of any of the provisions of this Contract must be in writing and signed by both OCII and Contractor.

E. Entire Contract

This Contract represents the complete agreement between the parties as to the matters described herein, and there are no oral understandings between Contractor and OCII affecting this Contract not set forth herein. This Contract supersedes all previous negotiations, arrangements, agreements and understandings between Contractor and OCII with respect to the subject matter hereof.

F. Severability

If any provision of this Contract shall be determined to be illegal or unenforceable, such determination shall not affect any other provision and all such other provisions shall remain in full force and effect, unless enforcement of this Contract, as so modified by and in response to such invalidation, would be unreasonable or grossly inequitable under all of the circumstances, or would frustrate the fundamental purpose of this contract, in which case, the parties may terminate the contract.

G. Governing Law

This Contract shall be governed by the laws of the State of California. It is the responsibility of Contractor to be informed of local, state and federal laws and requirements applicable to this Contract and to perform all work in compliance with those laws and requirements.

H. Headings

Titles of parts or sections of this Contract are inserted for convenience only and shall be disregarded in construing or interpreting its provisions.

I. Attorneys' Fees

In any action or proceeding arising out of this Contract, the prevailing party shall be entitled to reasonable attorneys' fees and costs.

J. Authority

The undersigned represents and warrants that he or she has full power and authority to enter into this Contract and to bind the Contractor in accordance with its terms.

K. Designated Representative

The designated OCII representative for this Contract is Nick Jones. The OCII representative's phone number is (628) 652-8520. The Contractor designated representative for this Contract is David Doezenia. The Contractor's designated representative's phone number is (415) 398-3050.

21. DISCLOSURES AND DISCLAIMERS

In accepting this contract, the OCII represents, acknowledges and agrees that:

A. Consultant is not advising or recommending any action be taken by OCII with respect to any prospective, new or existing municipal financial products or issuance of municipal securities (including with respect to the structure, timing, terms and other similar matters concerning such financial products or issues);

B. Consultant is not acting as a municipal advisor to OCII and does not assume any fiduciary duty hereunder, including, without limitation, a fiduciary duty to OCII pursuant to Section 15B of the Exchange Act with respect to the services provided hereunder and any information and material contained in Consultant's work product; and

C. OCII shall discuss any such information and material contained in Consultant's work product with any and all internal and/or external advisors and experts, including its own municipal advisors, that it deems appropriate before acting on the information and material.

OCII further represents, acknowledges and agrees that:

D. OCII uses the services of one or more municipal advisors registered with the U.S. Securities and Exchange Commission ("SEC") to advise it in connection with municipal financial products and the issuance of municipal securities;

E. OCII is not looking to Consultant to provide, and OCII shall not otherwise request or require Consultant to provide, any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues); and

F. The provisions of this contract and the services to be provided hereunder are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations adopted thereunder.

IN WITNESS WHEREOF OCII and Contractor have executed this Contract as of the date first above written.

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a
public body corporate and politic

KEYSER MARSTON ASSOCIATES, INC.

By: _____
Thor Kaslofsky
Executive Director

By: _____
David Doezenia
Senior Principal

APPROVED AS TO FORM:

Federal Tax Identification No. 94-2363741

Agency General Counsel

By: _____
James B. Morales
Agency General Counsel

Effective Date: _____

ATTACHMENTS

Attachment A:	Scope of Services
Attachment B:	Budget
Attachment C:	(Intentionally Omitted)
Attachment D	Small Business Enterprise Agreement
Attachment E:	Minimum Compensation Policy Declaration
Attachment F:	Health Care Accountability Policy Declaration

Attachment A

Scope of Services

Introduction

This Scope of Services covers Fiscal Consultant work for a bond series expected to be issued in the next 18 months:

- 2027 Taxable Tax Allocation Bonds
(Replacement Affordable Housing Projects)

Keyser Marston Associates, Inc., a California Corporation (the “Consultant”) will draw on its experience with redevelopment tax increment matters in California and particularly on its experience with tax allocation bond issues in executing the services described below. The firm will obtain and utilize county tax roll data in this assignment and will make data available to staff, financing team members, and if desired, rating agencies and insurers. Consultant will retain ownership of its proprietary computer models used in the performance of services under this contract.

Bond Issuance Task 1: Project Initiation

Consultant will discuss with OCII staff, bond counsel and financial advisor, either in a meeting or via email and telephone correspondence, items of particular concern. These may include issues related to pass-through payments including their potential subordination, growth rate scenarios to be included in the final report and recent state legislation. Consultant will utilize then current tax roll data.

Bond Issuance Task 2: Redevelopment Plan Review

The Consultant will review OCII’s enforceable obligations and identify fiscal limitations relevant to the issuance of debt as applicable pursuant to redevelopment law. Such limitations could include time limits on collection of tax increment or other contractual and statutory limitations. All such limitations will be noted in the Fiscal Consultant Report (“FCR”). The FCR will incorporate descriptive accounts of the plans and will present relevant time and fiscal limits in tabular form.

Bond Issuance Task 3: Analysis of Pass-through Payments

Consultant will prepare a descriptive account of OCII’s pass-through obligations for inclusion in the FCR. The account will note any constraints or limitations these obligations may have on OCII’s collection of tax increment revenue over time.

Bond Issuance Task 4: Analysis of County Tax Increment Allocation Procedures

Consultant will review the calculation and allocation of tax increment revenue by the County Controller's Office ("Controller") for the prior fiscal year. In particular, the Consultant will verify the tax increment received by OCII against the incremental valuation reported by the County Controller. The firm will review the tax rates applied by the Controller to the incremental valuation and verify that the County's payments of tax increment correspond to the amount due to OCII, taking into account any statutorily mandated adjustments to revenue. Significant discrepancies or problems identified in the Task will be discussed with OCII and Controller staff and, where relevant, noted in the FCR.

Bond Issuance Task 5: Top Taxpayers and Land Use

Consultant will prepare a table for inclusion in the FCR showing the ten largest taxpayers for OCII's project areas in the aggregate using the secured, unsecured and state-assessed utility rolls, ranked by assessed valuation. Valuation for each taxpayer will also be shown as a percentage of project area total valuation. Consultant will also provide a table showing a breakdown of land uses within OCII's project areas.

Bond Issuance Task 6: Historical Review of Taxable Values and Pledged Revenues

Using available tax increment reports and assessment roll data, the Consultant will prepare tables showing assessed valuation growth in the project areas over a five-year period. Where such information is available, the major reasons for significant changes in valuation will be discussed. The Consultant will also prepare a table showing the debt service levies, if any, applicable to OCII's incremental valuation over the period. The Consultant will prepare a table summarizing historic pledged revenues over a five year period.

Bond Issuance Task 7: Tax Increment Revenue Projection

Consultant will prepare a projection of RPTTF revenue available for payment of debt service on the bonds. The projection will utilize the most current available tax rolls and will be prepared for the FCR using a two percent growth rate. The projection will be made over the term of the bonds. Where appropriate, the projection will incorporate estimated taxable value from developments identified by OCII as completed but not yet on the rolls. The projection will reflect the net RPTTF revenue from all OCII project areas that is available for payment of debt service on the bonds after a) Controller administrative costs, b) pass through payments, c) enforceable obligations paid with RPTTF, and d) allocation of RPTTF residual to taxing agencies other than the City. Preparation of the revenue projection will include the following:

1. Projection of Enforceable Obligations to be Paid with RPTTF – A multi-year projection of OCII enforceable obligations to be funded in whole or in part with RPTTF will be prepared over the term of the bonds. It is assumed that OCII will provide all relevant documents and supporting information regarding enforceable obligations needed to prepare the projection of enforceable obligations. Subject to review and discussion with OCII's financing team, potential future new money bonds secured by RPTTF on a basis senior to the replacement housing bonds will be incorporated into the projection based on any proposed new covenants and/or existing additional bonds tests.

2. Other Revenues - OCII has substantial non-RPTTF revenues (“Other Revenues”) that are being used to fund a portion of enforceable obligations. To provide a comprehensive picture of OCII’s finances and the projected RPTTF funds available for debt service on the proposed bonds, a review of other revenue sources and the enforceable obligations being funded with Other Revenues will be completed using data to be requested from OCII. A focus of the review will be on evaluating the extent to which obligations currently funded with other funds could require RPTTF funding in the future.

Bond Issuance Task 8: Assessment Appeals Analysis

Based on information made available by the County assessor and the Assessment Appeals Board, Consultant will prepare analyses of pending and recently resolved assessment appeals on properties within the project areas for inclusion in the FCR. The analysis will include an estimated of the potential impact, if any, on OCII revenue using available information on the amount of assessed valuation in dispute in current and recent appeals.

Bond Issuance Task 9: Other

Consultant will perform is the following services customary to the role of Fiscal Consultant in transactions of this type:

1. Finance Team Calls – Consultant will participate in finance team conference calls.
2. Rating Agency Presentation – Consultant will participate in one credit presentation, if applicable.
3. Preliminary Official Statement – Consultant will review, comment, and provide data for inclusion in the Preliminary Official Statement drawn from the fiscal consultant report and the underlying analyses.

Bond Issuance Task 10: Fiscal Consultant Report

Consultant will prepare the FCR for inclusion in the offering document for the Bonds; the Report will incorporate analysis and tables identified in previous Tasks. The FCR will include discussions of recent and pending legislation relevant to OCII’s tax increment receipts, County tax allocation practices and other pertinent fiscal matters, including those identified by OCII and other financing team members. Consultant will provide the draft FCR in electronic Word format for review by financing team members. The Consultant will provide the final FCR in electronic PDF form.

The fiscal consultant report will be prepared using the most current assessment roll information available at the time work is initiated. As noted below, an additional cost applies if an update is required.

ATTACHMENT B: BUDGET

Under this contract, Contractor shall be compensated as follows for services related to the issuance of the listed series of bonds:

Bond Issue	Expenses	Fixed Fee	Additional Fee for Update to Assessment Roll Data*	Total Fees
2027 Replacement Housing	\$1,000	\$110,000	\$30,000	\$141,000

**For example, if notice to proceed is given to prepare the report using FY 2025-26 roll data and the report must later be updated to reflect FY 2026-27 roll data.*

The maximum payable under this contract is \$141,000. Payment for Bond Fees will be made from bond proceeds at the time of issuance. One Fiscal Consultant Report for inclusion in one Official Statement is included in the Scope of Services and fee. No additional fee applies for multiple bond series issued under a single Official Statement with a single Fiscal Consultant Report, assuming the underlying credit and pledged revenues are the same for each bond series. Charges for fiscal consultant services are not contingent upon a successful sale of bonds and will be due regardless of whether the transaction proceeds to closing. If the bonds are not issued within one year of authorization to proceed, Contractor will commence invoicing monthly for services rendered through the end of the preceding month on an hourly basis, at the hourly rates in the table below, with payment due within 30 days of receipt of each invoice.

Hourly billing rates:

Chairman, President, Managing Principals	\$305
Senior Principals	\$295
Principals	\$275
Managers	\$245
Senior Associates	\$205
Associates	\$185
Senior Analysts	\$170
Analysts	\$145
Technical Staff	\$105
Administrative Staff	\$95