

Commission on Community Investment and Infrastructure

RESOLUTION NO. 59-2014

Continued to a future meeting

AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN FRANCISCO OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE AND THE CITY AND COUNTY OF SAN FRANCISCO CITY ADMINISTRATOR'S OFFICE, FOR AN AMOUNT NOT TO EXCEED \$1,317,000 FOR FISCAL YEAR 2014-15 FOR CERTAIN CITY EMPLOYEES AND SERVICES UNDER OCII'S EXCLUSIVE DIRECTION AND CONTROL, AND PAYMENT OF OCII'S RENT AT 1 SOUTH VAN NESS

WHEREAS, Since February 1, 2012, the City Administrator's Office of the City and County of San Francisco (City Administrator) has been staffing OCII certain executive and human resources management positions with City employees, and providing human resources support. The City has also provided Office of Labor Standards Enforcement support for prevailing wage and other investigations, property management services pursuant to an existing lease, flood insurance program coordination, and mail pick-up and delivery services to the Office of Community Investment and Infrastructure (OCII); and,

WHEREAS, Redevelopment Dissolution Law, Cal. Health & Safety Code § 34177.3 (b), authorizes successor agencies to create enforceable obligations for the wind down of the redevelopment agency, including hiring staff, acquiring necessary professional administrative services and legal counsel, and procuring insurance. Enforceable obligations are defined to include "[c]ontracts or agreements necessary for the administration or operation of the successor agency, in accordance with this part, including, but not limited to, agreements concerning litigation expenses related to assets or obligations, settlements and judgments, and the costs of maintaining assets prior to disposition, and agreements to purchase or rent office space, equipment and supplies, and pay-related expenses pursuant to Section 33127 and for carrying insurance pursuant to Section 33134." Cal. Health & Safety Code § 34171 (d)(1)(F); and,

WHEREAS, The assignment of management employees to OCII and other services provided by the City Administrator's Office are necessary for the continued operation of the OCII as it winds down; and,

WHEREAS, To continue such services, OCII and the City Administrator's Office have negotiated a memorandum of understanding, attached to this Resolution as Exhibit A (the "Memorandum of Understanding"), that would provide for payment for assignment of management employees to OCII and other

services in an amount not to exceed \$1,317,000 for fiscal year period of July 1, 2014 through June 30, 2015 (“FY 2014-15”), and,

WHEREAS, Funding to support the Memorandum of Understanding for the period of July 1, 2014 through June 30, 2015 is contained within the Fiscal Year 2014-15 budget approved by the OCII Commission on May 6, 2014 and is consistent with the administrative budget approved by the Commission and OCII’s Oversight Board and the State Department of Finance in OCII’s Recognized Obligations Payments Schedule 2014-15A, Lines 1 & 4; now, therefore, be it

RESOLVED, That the Executive Director is hereby authorized to enter into a memorandum of understanding between OCII and the City and County of San Francisco, through its City Administrator’s Office, substantially in the form of the attached Memorandum of Understanding, to accept the assignment of management staff to OCII subject to OCII’s exclusive direction and control, and to provide other specified services to the OCII for the period of July 1, 2014 through June 30, 2015, for an amount not exceed \$1,317,000;

Exhibit A: Memorandum of Understanding between the San Francisco Office of Community Investment and Infrastructure and the San Francisco City Administrator’s Office.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of July 15, 2014.

Commission Secretary

MEMORANDUM OF UNDERSTANDING
Between the San Francisco Office of Community Investment and Infrastructure and the
San Francisco Office of the City Administrator
Fiscal Year 2014-15

This Memorandum of Understanding ("MOU") is entered into between the Office of Community Investment and Infrastructure ("OCII"), as Successor to the San Francisco Redevelopment Agency, and the City and County of San Francisco Office of the City Administrator ("City Administrator's Office") for the period of Fiscal Year 2014-15.

OCII and the City Administrator's Office agree as follows:

1. Services Provided by the City Administrator's Office

- a. Staffing of Executive management positions serving OCII by means of employees chosen by OCII, and subject to OCII's exclusive direction and control in the performance of their duties, but employed through and assigned by the City Administrator's Office, currently including OCII Executive Director, General Counsel and Deputy Director, Finance & Administration. Assignment of any specific employee to OCII executive management positions may be terminated at OCII's discretion at any time and for any or no reason.
- b. Human resource management support for OCII on an as needed basis.
- c. Services from the Office of Labor Standards Enforcement (OLSE) including prevailing wage investigations and any other investigations or support the OCII may request. OLSE shall provide an estimated budget for each request by OCII prior to commencing work, and OCII shall reimburse OLSE for actual associated salary, benefit and reasonable indirect or overhead costs upon receipt of documentation supporting those costs. If OLSE proposes to invoice indirect costs or overhead, the rate or methodology used for invoicing such costs shall be provided to OCII and approved by OCII prior to start of work.
- d. Department of Real Estate property management services for OCII office space and shared space in the City-owned building at 1 South Van Ness, 5th floor, pursuant to the existing lease.
- e. Risk Management Division flood insurance program coordination.
- f. Mail pick-up, postage and delivery services for OCII's 1 South Van Ness 5th Floor administrative offices.

2. Budget

The following amounts represent a not-to-exceed budget unless amended through agreement signed by both parties.

- a. **OCII Executive Management:** OCII Executive Director, General Counsel, and

Deputy Director, Finance & Administration salaries, employer taxes and benefits:	\$ 810,000
b. Human Resources Support Staff: salary, taxes and benefits, on an as-needed basis:	\$ 30,000
c. Office of Labor Standards Enforcement Investigations:	\$ 15,000
d. Rent: Per One South Van Ness existing lease at the rate of \$1.88/sq. ft/month * 19,553 sq. ft * 12 months =	\$ 441,000
e. Flood Insurance Program Coordination:	\$ 10,000
f. Mailing services:	<u>\$ 11,000</u>
Total Not to Exceed:	\$ 1,317,000

3. Reporting and Billing

For executive management staff hired and assigned by the City Administrator's Office to work full time for OCII pursuant to this MOU, the City Administrator's Office shall charge salary, taxes and benefits to a unique index code. OCII shall reimburse the City Administrator's Office for the amounts charged to that index code on at least a semi-annual basis, by January 31 for the prior July – December period, and by July 31 for the prior January through June period.

For human resources support staff assigned by the City Administrator's Office to work partial time for OCII pursuant to this MOU, and for all other services provided to OCII by the City Administrator's Office pursuant to this MOU, the City Administrator's Office shall submit an invoice to OCII on at least a semi-annual basis, by January 31 for the actual cost of services requested by OCII provided during the period of the prior July 1- December 31, and by July 31 for services provided during the period of the prior January 1 – June 30, not to exceed the budgeted amount for the fiscal year. The invoice shall describe the services provided and include sufficient information to determine the methodology used to determine the costs. OCII will pay only for services directly requested by OCII. OCII shall not be charged indirect costs for ADM staff whose primary workspace is in OCII office space at 1 South Van Ness, 5th Floor.

For any given six-month period, OCII can only pay amounts approved by its Oversight Board and the State Department of Finance on a Recognized Obligations Payment Schedule (ROPS) for that period. OCII shall endeavor to budget and obtain DOF approval for amounts sufficient to pay the City Administrator's Office in full within a timely fashion after the services are rendered and billed. To the extent OCII has insufficient authorization to pay a bill in full, OCII will endeavor to place any amount still owed on a future ROPS and to pay that amount when budget authority is available.

The OCII will pay invoices or notify the City Administrator's Office of any questions regarding the invoice within 30 days of receipt.

4. Amendments or Termination

This MOU scope and/or budget may be amended by mutual agreement of both parties. This MOU may be terminated by either party with 30 day notice, subject to OCII payment of applicable City Administrator's Office costs incurred through the termination date. OCII may in its sole discretion terminate the assignment of any specific employee hired and assigned by the County Administrator's Office pursuant to this MOU at any time and for any or no reason, and in such event shall be liable only for applicable City Administrator's Office costs incurred prior to the effective date of such assignment's termination.

Office of Community Investment and Infrastructure
Tiffany Bohee, Executive Director

Date

Naomi Kelly, City Administrator

Date

Authorized by Successor Agency Resolution No. -2014
Adopted July 15, 2014