Oversight Board of the City and County of San Francisco

Recognized Obligation Payment Schedule Action

ROPS 21-22

July 1, 2021 – June 30, 2022

January 25, 2021

ROPS 21-22 Schedule

- **1/11** ROPS Oversight Board Workshop
- **1/19** ROPS Commission Workshop
- **1/25** ROPS Oversight Board Approval Action
- **2/1** ROPS Submission to DOF
- **+45 days** DOF Determination
- **+5 days** OCII Request for Meet and Confer
- **May 2021** DOF notification of Review Outcome

ROPS 21-22 Sources and Uses

Largest funding sources are Bond Proceeds and RPTTF Non-Admin.

Project / Program	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Affordable Housing	$195,861,415	$0	$55,724,585	$0	$0	$251,586,000
Mission Bay	$45,625,318	$45,199,541	$1,150,000	$0	$0	$91,974,859
Transbay	$8,076,822	$0	$7,427,989	$32,380,390	$0	$47,885,201
HPS/CP	$0	$1,648,645	$14,897,118	$1,435,887	$0	$17,981,650
Asset Management	$5,637,075	$0	$1,148,044	$0	$0	$6,785,119
Debt	$4,183,552	$0	$4,501,500	$104,170,654	$0	$112,855,706
Operations	$382,894	$1,827,210	$6,288,839	$6,040,238	$4,264,575	$18,803,756
Total	**$259,767,076**	**$48,675,396**	**$91,138,075**	**$144,027,169**	**$4,264,575**	**$547,872,291**

Largest expenditures are Affordable Housing and Debt.

ROPS 21-22 Workshop v. Action
Overall Change

$5.5M increase from ROPS Workshop to Action
1.0% increase overall

Description	Workshop Proposed	Action Proposed	Difference	% Change
Total ROPS 21-22 Request	$542,360,609	$547,872,291	**+$5,511,682**	1.0%

ROPS 21-22 Workshop v. Action

Small decrease in RPTTF Non-Admin
Minimal impact to taxing entities

Sources	Workshop Proposed	Action Proposed	Difference	Percent Change	Explanation
Bond Proceeds	$259,765,503	$259,767,076	$1,573	0.0%	Increase due to updated healthcare costs, which increase staffing cost to manage debt portfolio.
Reserve Balance	$47,359,804	$48,675,396	$1,315,592	2.8%	Increase due to updated construction costs for Mission Bay and updated healthcare costs, which increase staffing cost.
Other Funds	$86,024,467	$91,138,075	$5,113,608	5.9%	Increase due to larger affordable housing loan for Transbay Block 4 and to HPS/CP Wellness Contribution to DPH.
RPTTF Non-Admin	$144,306,197	$144,027,169	($279,028)	-0.2%	Decrease due to use of Other Funds, instead of RPTTF, to pay for pension liability, slightly offset by increase in cost for professional services for Transbay.
RPTTF Admin	$4,904,638	$4,264,575	($640,063)	-13.1%	Decrease due to updated calculation following the January 2021 property tax distribution.
Total	**$542,360,609**	**$547,872,291**	**$5,511,682**	**1.0%**	

ROPS 20-21 v. ROPS 21-22 Sources

Bond Proceeds and RPTTF Non-Admin remain primary sources.

Sources	ROPS 20-21 Amount	ROPS 21-22 Proposed	Difference	Percent Change	Explanation
Bond Proceeds	$183,101,489	$259,767,076	$76,665,587	41.9%	Increase due to affordable housing loans.
Reserve Funds	$36,029,832	$48,675,396	$12,645,564	35.1%	Increase due to use of prior year Pledged RPTTF Non-Admin in current year.
Other Funds	$45,692,312	$91,138,075	$45,445,763	99.5%	Increase due to use of Jobs Housing Linkage fee to fund Transbay affordable housing project and HPS/CP Wellness Contribution to DPH.
RPTTF Non-Admin	$163,487,944	$144,027,169	($19,460,775)	-11.9%	Decrease due to identification of alternative funding source, rather than RPTTF to fund staffing, debt, and infrastructure reimbursement.
RPTTF Admin	$4,464,005	$4,264,575	($199,430)	-4.5%	Decrease due to formula.
Total Sources	**$432,775,582**	**$547,872,291**	**$115,096,709**	**26.6%**	

ROPS 20-21 v. ROPS 21-22 Uses

Affordable Housing and Debt remain primary uses.

Uses	ROPS 20-21 Amount	ROPS 21-22 Proposed	Difference	Percent Change	Explanation
Affordable Housing	$109,784,000	$251,586,000	$141,802,000	129.2%	Increase due to affordable housing loans.
Mission Bay	$103,431,615	$91,974,859	($11,456,756)	-11.1%	Decrease due to spend down of Pledged RPTTF Non-Admin on Reserve.
Transbay	$60,279,881	$47,885,201	($12,394,680)	-20.6%	Decrease due to spend down of bond proceeds on infrastructure offset by increase in Pledged RPTTF Non-Admin pledged to TJPA.
HPS/CP	$19,216,345	$17,981,650	($1,234,695)	-6.4%	Decrease due to reduction in DPW Phase 1 costs, spend down of EDA grant, offset by DPH Wellness Contribution.
Asset Management	$7,757,235	$6,785,119	($972,116)	-12.5%	Decrease due to spend down of Mexican Museum grant.
Debt	$111,879,189	$112,855,706	$976,517	0.9%	Increase due to new bond issuance.
Operations	$20,427,317	$18,803,756	($1,623,561)	-7.9%	Decrease due to identified cost efficiencies.
Total Uses	**$432,775,582**	**$547,872,291**	**$115,096,709**	**26.6%**	

RPTTF Admin Calculation

SB107 limits the administrative cost allowance to an amount not to exceed 3% of the actual property tax distributed in prior year, less prior year RPTTF Non-Admin.

RPTTF Admin	
20-21 Actual RPTTF Non-Admin Distribution	$146,616,507
Less 20-21 Approved RPTTF Admin	$4,464,005
Sub-Total	$142,152,502
Rate	3%
21-22 RPTTF Admin	$4,264,575
YOY RPTTF Admin Change	-$199,430

ROPS 21-22 Summary

- Total ROPS 21-22 request is $547.9M.
  - Largest sources: Bond Proceeds and RPTTF Non-Admin
  - Largest expenditures: Affordable Housing and Debt
- Total Operating Budget is $19.4M.
  - FTE count of 54
- Infrastructure work program is $157.9M.
  - $92.0M in MB
  - $47.9M in Transbay
  - $18.0M in HPS/CP
- AFH work program is $251.6M.
  - 4 existing predevelopment loans
  - 5 new predevelopment/construction loans
- OCII will issue 1 new AFH bond.
  - $112.9M
  - Estimated $10.5M annual debt service
  - Funds over 330 affordable units
- OCII will retire 24 lines.

Next Steps

- **2/1** ROPS Submission to DOF
- **+45 days** DOF Determination
- **+5 days** OCII Request for Meet and Confer
- **May 2021** DOF notification of Review Outcome

ROPS 21-22

Questions?