Office of Community Investment and Infrastructure

Replacement Housing Bonds

April 21, 2026

OCII

Overview

- **Enforceable Obligation**
  - Replacement Housing Obligation – 5,842 Units

- **Enabling Authority**
  - California Health and Safety Code
    - Section 34177.7(a)(1)(C)
    - "paid solely from property tax revenues available in the Redevelopment Property Tax Trust Fund to the extent the property tax revenues represent the amount of revenues on deposit in the Redevelopment Property Tax Trust Fund that otherwise would have been distributed to the City and County of San Francisco"

Overview

- **Replacement Housing Bonds Purpose**

Project Area	Project Name	Units
Mission Bay South	Block 4 East Phase 2 (predevelopment and construction)	233
Western Addition	Freedom West (predevelopment)	247
Total		**480**

Sources by Uses

Sources:	Amount
Bond Principal	$147,160,000
Total Sources	**$147,160,000**
Uses:	
Replacement Housing Project Fund	$135,000,000
Debt Service Reserve Fund	10,819,986
Cost of Issuance	600,000
Underwriter’s Discount	735,800
Additional Proceeds / Rounding	4,214
Total Uses	**$147,160,000**

The actual issuance amount will be finalized in the weeks before the bond issuance and will be based on the most up-to-date project costs and market conditions

Proposed Action

Approve Indenture of Trust and Bond Purchase Agreement

- **Indenture of Trust** – date, manner of payment, interest rate or rates, interest payment dates, denominations, form, registration, privileges, manner of execution, place of payment, terms of redemption and other terms
- **Bond Purchase Agreement** – the principal amount, underwriter's discount, and the coupons and yields of the proposed Bonds, all of which will be determined on the day of bond pricing. Below are the key assumptions used in the Municipal Advisor's analysis reflecting current market conditions.

Principal Amount	True Interest Cost	Underwriter's Discount
$147,160,000	6.3%	0.5%

Next Steps

Actions Necessary to Complete the Proposed Bond Transaction

Date	Action
April 27	Oversight Board consideration of Indenture and Bond Purchase Agreement
May 4	Submission of Oversight Board approval resolution and related documents to DOF for review and approval
July 8	Final date for DOF determination regarding issuance (65 days)
July 28	Board of Supervisors approves OCII Fiscal Year 2026-27 budget and financing amount for the Bonds
Sep. 15	After DOF approval, Commission consideration of preliminary official statement and other actions necessary for issuance
Nov. 17	Bond pricing, interest rates set
Dec. 1	Bond closing, funds received

Replacement Housing Bonds

Questions / Comments