Recognized Obligation Payment Schedule 21-22

July 1, 2021 – June 30, 2022

Commission Workshop

January 19, 2021

OCII

Funding Sources

Bond Proceeds	Bond Proceeds from bonds issued and to be issued
Reserve Balance	Property tax increment approved to be retained by DOF in prior year for use in current year
Other Funds	Developer Payments, Grants, etc.
RPTTF Non-Admin	Redevelopment Property Tax Trust Fund (“RPTTF”) to fund enforceable obligations
RPTTF Admin	Administrative Cost Allowance; Maximum of 3% of prior year’s ROPS RPTTF distribution less prior year’s RPTTF Admin less Prior Period Adjustment

ROPS 21-22 Sources

Bond Proceeds and RPTTF Non-Admin are primary sources.

Sources	Proposed Amount ($M)
Bond Proceeds	$259.8
Reserve Balance	$47.4
Other Funds	$86.0
RPTTF Non-Admin	$144.3
RPTTF Admin	$4.9
Total Sources	**$542.4**

ROPS 20-21 v. ROPS 21-22 Sources

Bond Proceeds and RPTTF Non-Admin remain primary sources.

Sources	ROPS 20-21 Amount ($M)	ROPS 21-22 Proposed ($M)	Difference ($M)	Percent Change	Explanation
Bond Proceeds	$183.1	$259.8	$76.7	41.9%	Increase due to affordable housing loans.
Reserve Balance	$36.0	$47.4	$11.3	31.4%	Increase due to use of prior year Pledged RPTTF Non-Admin in current year.
Other Funds	$45.7	$86.0	$40.3	88.3%	Increase due to TBY 4 affordable housing loan.
RPTTF Non-Admin	$163.5	$144.3	($19.2)	-11.7%	Decrease due to use of prior year Pledged RPTTF Non-Admin to fund current year expenditure.
RPTTF Admin	$4.5	$4.9	$0.4	9.9%	Increase due to formula.
Total Sources	**$432.8**	**$542.4**	**$109.6**	**25.3%**	

ROPS 21-22 Uses

Affordable Housing and Debt are primary uses.

Uses	Proposed Amount ($M)
Affordable Housing	$248.6
Mission Bay	$90.6
Transbay	$47.8
HPS/CP	$16.3
Asset Management	$6.8
Debt	$112.9
Operations	$19.4
Total Uses	**$542.4**

ROPS 20-21 v. ROPS 21-22 Uses

Affordable Housing and Debt remain primary uses.

Uses	ROPS 20-21 Amount ($M)	ROPS 21-22 Proposed ($M)	Difference ($M)	Percent Change	Explanation
Affordable Housing	$109.8	$248.6	$138.8	126.4%	Increase due to affordable housing loans.
Mission Bay	$103.4	$90.6	($12.8)	-12.4%	Decrease due to spend down of Pledged RPTTF Non-Admin on Reserve.
Transbay	$60.3	$47.8	($12.5)	-20.7%	Decrease due to spend down of bond proceeds on infrastructure, offset by increase in Pledged RPTTF Non-Admin.
HPS/CP	$19.2	$16.3	($2.9)	-15.1%	Decrease due to reduction in DPW Phase 1 costs and spend down of EDA grant.
Asset Management	$7.8	$6.8	($1.0)	-13.0%	Decrease due to spend down of bond proceeds on Mexican Museum.
Debt	$111.9	$112.9	$1.0	0.9%	Increase due to new bond issuance.
Operations	$20.0	$19.4	($0.6)	-2.9%	Decrease due to identified cost efficiency.
Total Uses	**$432.8**	**$542.4**	**$109.6**	**25.3%**	

ROPS 21-22 Proposed RPTTF Uses

Debt and Transbay are primary uses.

Uses	Proposed Amount ($M)*
Affordable Housing	$0.0
Mission Bay	$0.0
Transbay	$32.3
HPS/CP	$1.4
Asset Management	$0.0
Debt	$104.2
Operations	$11.3
Total	**$149.2**

**Includes both RPTTF Non-Admin and RPTTF Admin.*

ROPS 20-21 v. ROPS 21-22 RPTTF Request

RPTTF request is lower due to reduction in Pledged RPTTF Non-Admin for Affordable Housing and Infrastructure costs.

Uses	ROPS 20-21 Amount ($M)	ROPS 21-22 Proposed ($M)	Difference ($M)	Percent Change	Explanation
Affordable Housing	$6.7	$0.0	($6.7)	-100.0%	Decrease due to use of Bond Proceeds and Other Funds, rather than RPTTF, to fund affordable housing projects.
Mission Bay	$20.8	$0.0	($20.8)	-100.0%	Decrease due to use of Reserve, rather than RPTTF, to fund infrastructure reimbursement and staffing costs.
Transbay	$33.9	$32.3	($1.6)	-4.6%	Decrease due to spend down on Folsom Streetscape construction costs, offset by increase in Pledged RPTTF Non-Admin.
HPS/CP	$3.5	$1.4	($2.1)	-58.7%	Decrease due to spend down of EDA grant, which reduces the amount of RPTTF required to match grant funds.
Asset Management	$0.1	$0.0	($0.1)	-100.0%	Decrease due to use of the alternative funding sources, rather than RPTTF, to fund this expense.
Debt	$89.7	$104.2	$14.5	16.1%	Increase due to issuance of new debt
Operations	$13.3	$11.3	($2.0)	-15.3%	Decrease due to identified cost efficiency
Total	**$168.0**	**$149.2**	**($18.8)**	**-11.2%**	

Affordable Housing

Hunters Point Shipyard Phase 1 Blocks 52/54

Affordable Housing: Sources and Uses

Bond Proceeds are primary source.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Construction Funding	$189.8	-	$45.0	-	-	$234.8
Predevelopment Funding	$6.1	-	$7.7	-	-	$13.8
Total	**$195.9**	**-**	**$52.7**	**-**	**-**	**$248.6**

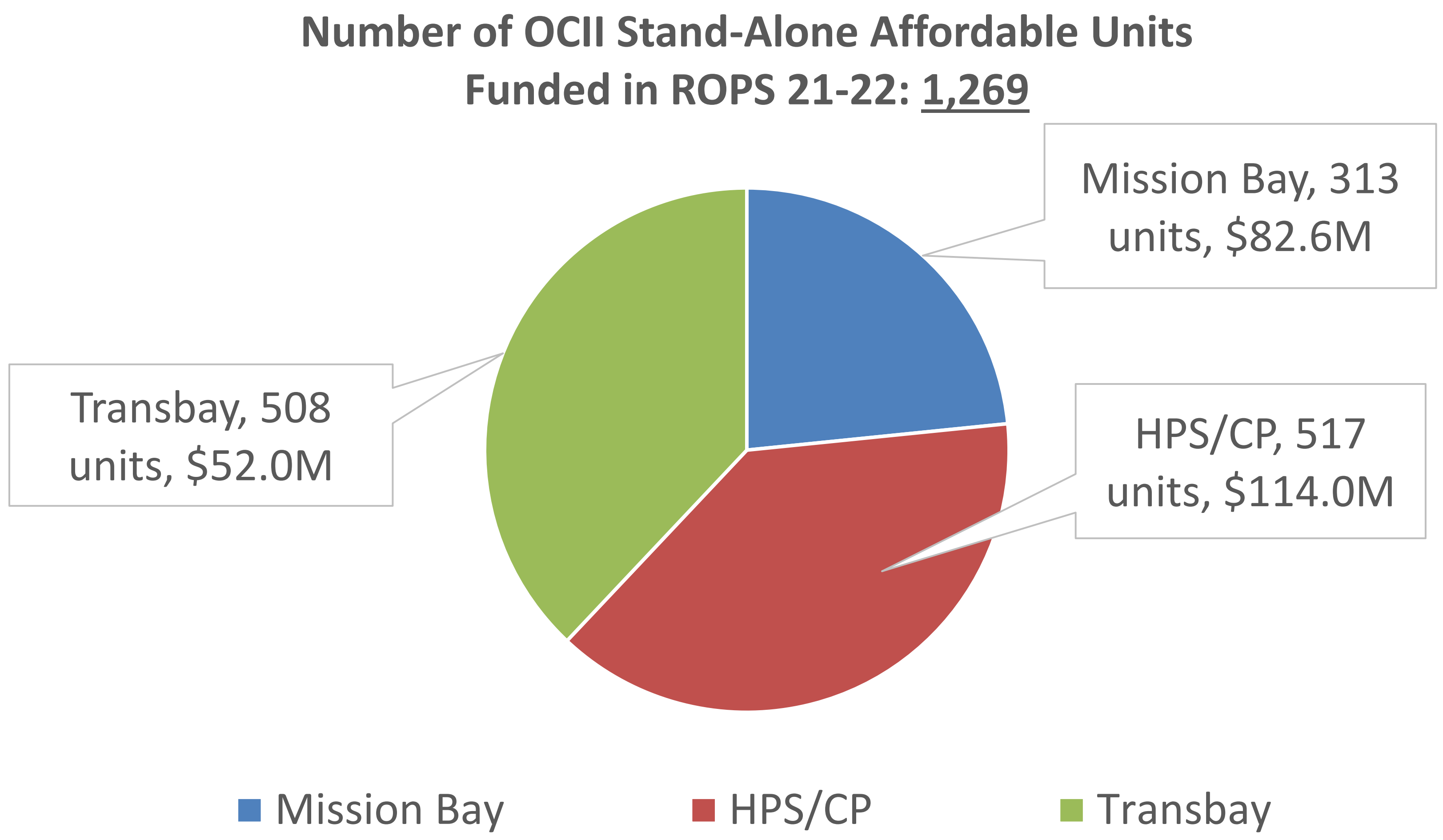
Construction Funding is primary use.

Affordable Housing: By Project Area

Affordable housing expenditure occurs across all three project areas, with highest in HPS/CP.

Sources ($M) Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
HPS/CP	$114.0	-	-	-	-	**$114.0**
Mission Bay	$81.9	-	$0.7	-	-	**$82.6**
Transbay	-		$52.0	-	-	**$52.0**
Total	**$195.9**	**-**	**$52.7**	**-**	**-**	**$248.6**

Affordable Housing: Work Program



Affordable Housing

Work program includes 5 new and 4 existing affordable housing loans.

Project	Type	Amount ($M)	Number of Units
Existing Loans			
CP Block 11a	Predevelopment Loan	$1.2	176 units
CP Block 10a	Predevelopment Loan	$1.6	156 units
Transbay Block 2 West	Predevelopment Loan	$3.5	78 units
Transbay Block 2 East	Predevelopment Loan	$3.5	169 units
New Loans			
HPS Block 52/54	Predevelopment and Construction Loan	$68.2	112 units
HPS Block 56	Predevelopment and Construction Loan	$43.0	73 units
MBS 9a	Predevelopment and Construction Loan	$78.6	148 units
MBS 12 West	Predevelopment Loan	$4.0	165 units
Transbay Block 4	Construction Loan	$45.0	192 units
Total		**$248.6**	**1,269 units**

Mission Bay

Mission Bay: Sources by Uses

Reserve Balance and Bond Proceeds are primary sources.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	$45.6	$39.9	-	-	-	$85.6
Professional Services	-	$3.9	-	-	-	$3.9
Art Program	-	-	$1.1	-	-	$1.1
Total	**$45.6**	**$43.8**	**$1.1**	**-**	**-**	**$90.6**

Numbers are slightly off due to rounding.

Infrastructure is primary use.

Mission Bay: Work Program

- **Overview**
  - Facilitate completion of infrastructure including parks, a pump station, and streets
  - Complete the Bayfront Park
  - Manage existing parks and open space
  - Amend the Redevelopment Plan, OPA and Design for Development to increase entitlements for housing

- **Detail**
  - Infrastructure
    - $85.6 million for infrastructure reimbursements
  - Professional Services
    - $3.9 million in Professional Services funded by Reserve Balance
  - Art Program
    - $1.1 million for public art in Mission Bay

Office of Community Investment and Infrastructure

Transbay

Transbay: Sources by Uses

RPTTF Non-Admin and Bond Proceeds are primary sources.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	$8.1	-	$6.9	$1.7	-	$16.6
Professional Services	-	-	$0.6	$0.4	-	$1.0
TJPA Pledge	-	-	-	$30.2	-	$30.2
Total	**$8.1**	**-**	**$7.5**	**$32.3**	**-**	**$47.8**

Numbers are slightly off due to rounding.

TJPA Pledge is primary use.

Transbay: Work Program

- **Overview**
  - Open Space Designs: “Block 3 Park” and “Under Ramp Park”
  - Housing Development: Transbay Block 4 (mixed income) and Transbay Block 2 (100% afford.)
  - Interim Uses and Property Management: Temporary Terminal Site and Essex Open Space
  - Streetscape Improvements: close out Folsom Streetscape Improvement Project (if needed)

- **Detail**
  - **Infrastructure**
    - $1.0 million for final costs related to close out of the Folsom Street Improvement Project
    - $15.6 million for design, permitting, and predevelopment costs for Under Ramp and Block 3 Parks
  - **Professional Services**
    - $1.0 million for environmental, legal, management, and consultant services related to the Block developments
  - **TJPA Pledge**
    - $30.2 million pledged to TJPA

Office of Community Investment and Infrastructure

Hunters Point Shipyard Phases 1 & 2 / Candlestick Point

HPS/CP: Sources by Uses

Other Funds are primary source.

Uses \ Sources ($M)	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	-	$1.6	$7.4	$1.4	-	$10.4
Professional Services	-	-	$3.1	-	-	$3.1
Community Benefits	-	-	$2.4	-	-	$2.4
Lease Payments to Navy	-	-	$0.4	-	-	$0.4
Total	**-**	**$1.6**	**$13.2**	**$1.4**	**-**	**$16.3**

Numbers are slightly off due to rounding.

Infrastructure is primary use.

HPS/CP: Work Program

- **Overview**
  - On going construction of 4 development blocks
  - Phase 1 Parks Management and Acceptance
  - Finalize designs for 2 development blocks in HPS Phase 1
  - Infrastructure acceptance for first Sub-Phase in Candlestick Point
  - Implement Community Benefits Agreements
  - Monitor Navy's re-testing and clean up of HPS Phase 2 parcels

- **Detail**
  - **Infrastructure**
    - $1.0 million for Phase 1 costs
    - $5.3 million for Phase 2 costs
    - $4.1 million for Phase 1&2 costs
  - **Professional Services**
    - $3.1 million for financial consulting services, legal services, as-needed engineering services, etc.
    - $10.4 thousand of professional services funded by RPTTF
  - **Community Benefits**
    - $2.4 million in fund balance to be allocated over time through a community process for scholarship and educational improvement and home ownership assistance
  - **Lease Payments to Navy**
    - $0.4 million for lease

Asset Management

Asset Management: Sources by Uses

All sources fund Mexican Museum.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
YBC	$5.6	-	$1.2	-	-	$6.8
Total	**$5.6**	**-**	**$1.2**	**-**	**-**	**$6.8**

Asset Management: Work Plan

- **Manage on-going development obligations outside of major approved development projects**
- **Implement Long-Range Property Management Plan**

Debt

Debt: Sources & Uses

RPTTF Non-Admin is primary source.
Debt Service for existing TAB Bonds is primary use.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Debt Service - Existing TAB Bonds	$1.2	-	-	$91.9	-	$93.1
Debt Service - New TAB Bonds	-	-	-	$10.5	-	$10.5
Other Debt	-	-	$4.5	$1.8	-	$6.3
Professional Services – Cost of Issuance	$3.0	-	-	-	-	$3.0
Total	**$4.2**	**-**	**$4.5**	**$104.2**	**-**	**$112.9**

$1.2M of Debt Service for existing TAB Bonds will be paid by old YBG bond proceeds, to pay with available sources and limit impact to taxing entities.

Debt: New Issuance

- **$112.9 million affordable housing bond**
- **$10.5 million estimated annual debt service**
- **Funds over 330 affordable units**

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Operations

Operations: Sources & Uses

RPTTF Non-Admin and Other Funds are primary sources.

Operations	Amount ($M)
Sources	
Bond Proceeds	$0.4
Other Funds	$1.9
Reserve Balance	$5.9
RPTTF Non-Admin	$6.3
RPTTF Admin	$4.9
Total	**$19.4**
Uses	
Salaries and Benefits	$9.3
Non-Labor	$5.6
Retiree Health and Pension	$4.5
Total	**$19.4**

Operations: Uses Detail

Current staff and retirement benefits drive operating costs

- **$9.3M Existing Staff Salaries & Benefits**
  - 54 Full Time Equivalent (FTE) positions, no change
  - COLA, as per Commission-approved MOUS
- **$5.6M in Non-Labor Costs**
- **$4.5M Retiree Obligations**
  - $2.3M for current pension
  - $2.2M for current retiree health benefits

Operations: Non-Labor Expenditure

Work Orders with City Departments are the highest non-labor expenditure.

Department	Amount ($M)
Work Orders with City Departments	$2.8
Professional Services	$0.8
Software and Information Technology	$0.7
Other Current Expenses	$0.5
Insurance	$0.5
Legal Services	$0.3
Total	**$5.6**

Operations: Work Orders with City Departments Detail

Work Order with Mayor's Office of Housing is largest.

Department	Service	Amount ($M)
MOH	Affordable Housing Services	$1.1
Office of City Administrator	Rent, Mail, OLSE	$0.9
CON	Accounting and Audit Services	$0.3
DT	IT Services	$0.3
OEWD	Contract Compliance Support	$0.1
CAT	Legal Services	$50k
TTX	Investment Management	$30k
Planning	Planning Review	$1k
Total		**$2.8**

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	$167,951,949
Less 20-21 Approved RPTTF Admin	$4,464,005
Sub-Total	$163,487,944
Rate	3%
21-22 RPTTF Admin	$4,904,638
YOY RPTTF Admin Change	$440,633

Retirement of ROPS Lines

Line	Description	Reason
17	College Track	Line was kept for recapture amount, but period of eligibility has expired.
92	Owner Participation Agreement - 72 Townsend Street	Line retired due to wind down of obligation.
101	Contract for design services for Folsom Street	Line retired due to completion of design phase of project.
118	Fillmore Heritage Center	Line retired due to wind down of obligation.
119	Fillmore Heritage Center	Line retired due to wind down of obligation.
129	Working Capital Loan - Food For Soul	Line retired due to wind down of obligation.
130	Tenant Improvement Loan - Sheba Lounge	Line retired due to wind down of obligation.
131	Tenant Improvement Loan - Sheba Lounge	Line retired due to wind down of obligation.
134	Owner Participation Agreement - 1301 Divisadero	Line retired due to wind down of obligation.
135	Disposition and Development Agreement - 1210 Scott Street	Line retired due to wind down of obligation.
145	Community Benefit District Assessment	Line retired due to wind down of obligation.
147	Legal Review	Line retired due to wind down of obligation.
152	Owner Participation Agreement - 680 Folsom	Line retired due to wind down of obligation.
153	Agreement for Disposition of Land for Private Development - The Paramount/680 Mission	Line retired due to wind down of obligation.
154	Agreement for Disposition of Land for Private Development - W Hotel	Line retired due to wind down of obligation.
155	Agreement for Disposition of Land for Private Development - the Westin Hotel	Line retired due to wind down of obligation.
156	Disposition and Development Agreement - San Francisco Museum of Modern Art	Line retired due to wind down of obligation.
158	Owner Participation Agreement - St. Patrick's Church	Line retired due to wind down of obligation.
159	Owner Participation/Disposition and Development Agreements - Emporium & Bloomingdales	Line retired due to wind down of obligation.
309	Tax Allocation Bond Series 2009A	Line retired due to defeasance of bond.
373	Asset Management & Disposition Costs	Line retired and remaining costs absorbed within administration.
405	Mission Bay South Block 6 West Affordable Housing Funding	Line retired due to completion of project.
425	Memorandum of Understanding (MOU) to Fund Ferry Terminal	Line retired due to transfer of funds to Port for Ferry Terminal.
432	Streetscape Improvement Reimbursements for Folsom Streetscape	Line retired due to completion of design phase of project.

ROPS 21-22 Process

- **1/11/21** ROPS Oversight Board Workshop
- **1/19/21** **ROPS Commission Workshop**
- **1/25/21** ROPS Oversight Board Approval Action
- **2/1/21** ROPS Submission to DOF

Questions?