OCII
office of
COMMUNITY INVESTMENT
and INFRASTRUCTURE

107-0232026-002

Agenda Item **Nos. 5(c & d)**
Meeting of April 21, 2026

INFORMATIONAL MEMORANDUM

TO: Commission on Community Investment and Infrastructure

FROM: Thor Kaslofsky, Executive Director

SUBJECT: Approving the budgets and levies of special taxes for July 1, 2026 through June 30, 2027 for Community Facility Districts administered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco

Establishing the Annual Appropriations Limits for July 1, 2026 through June 30, 2027 for Community Facility Districts administered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco

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EXECUTIVE SUMMARY

The Office of Community Investment and Infrastructure or "OCII," as the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, administers seven Mello-Roos Community Facilities Districts ("CFDs"), across specific areas in the Mission Bay North and South, Bayview Hunters Point and Hunters Point Shipyard Redevelopment Project Areas, as well as in the former Rincon Point South Beach Redevelopment Project Area. When the Redevelopment Agency or OCII established these CFDs, resolutions of formation specified the public facilities and services that a particular CFD would fund. The public facilities and services eligible for funding must be in accordance with the Mello-Roos Community Facilities Act of 1982 ("Mello Roos Act"), Cal. Govt § 53311 et seq. and with the resolutions of formation for the particular CFD. Moreover, as required under the Mello-Roos Act, qualified voters in each CFD approved, by a two-thirds vote, the imposition of special taxes to fund the specified facilities and services.

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Once approved, the legislative body, i.e. the Commission ("Commission"), levies the special tax, which cannot exceed the rate authorization in the resolutions of each CFD's formation documents. Separately, California law requires a CFD to establish an appropriation limit (also known as the Gann Limit) to limit the annual growth in appropriations of a special district, subject to adjustments for cost of living and population changes ("Annual Appropriations Limit").

DISCUSSION

The CFD budgets for the costs to be expended must be established and appropriated annually. The proposed Fiscal Year 2026-27 CFD Budgets ("FY 2026-27 CFD Budgets") includes an estimate of the annual special tax levy, which will be finalized in August 2026.[1] The FY 2026-27 CFD Budgets detail the projected expenditures of this revenue, including 2026 debt service amounts and are within the Annual Appropriations Limit, as adjusted under law. The FY 2026-27 CFD Budgets and the Annual Appropriations Limits for each CFD are shown in the table below, demonstrating that the budgets do not exceed their respective limits.

Table 1: FY 2026-27 CFD Budgets and Annual Appropriations Limits

CFD	FY 26-27 Budget	Annual Appropriations Limits (Millions)
CFD No. 1	$891,808	$94,186,572
CFD No. 5	$4,338,385	$60,311,694
CFD No. 6	$37,811,578	$150,779,235
CFD No. 7	$10,987,148	$128,193,099
CFD No. 8	$2,325,837	$49,305,038
CFD No. 9	$459,065	$289,159,520

Resolution No. 10-2026 provides for the approval of the FY 2026-27 CFD Budgets. The budgets narrative attached as Attachment A to Resolution No. 10-2026 provides more detail, including background on CFDs and the CFD budgets process as well as a budget and workplan for each CFD. Resolution No. 11-2026 establishes the Appropriation Limits for each of the CFDs.

[1] The CFD budget year runs from July 1 to June 30. All of the service CFDs escalate by the change in consumer price index ("CPI") for either April (CFD No. 1) or June (all other CFDs). The FY 2026-27 CFD Budgets use the most recent CPI (December) as a placeholder. For CFD areas that are not fully built out, the maximum special taxes are based on the current status of construction for the FY 2026-27 special tax levy. Development cut-offs for each particular CFD occur either June 1 or June 30. Once these past, building permit data is shared that may impact maximum special tax numbers.

A workshop was presented to the Commission on April 7, 2026, detailing the CFD's work plans and budgets, along with the Annual Appropriations Limits, for each CFD for the Fiscal Year 2026-27. No changes were requested from the Commission. Staff recommends approval of Resolution No. 10-2026 approving the proposed budgets and special taxes for the period of July 1, 2026 through June 30, 2027, and approval of Resolution No. 11-2026 establishing the Annual Appropriations Limit for the CFDs administered by the Successor Agency to the Redevelopment Agency of the City and County of San Francisco.

(Originated by Mina Yu, Deputy Director of Finance & Administration)

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Thor Kaslofsky

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Thor Kaslofsky
Executive Director