Office of Community Investment and Infrastructure

Recognized Obligation Payment Schedule 20-21

July 1, 2020 – June 30, 2021

Commission Workshop

January 21, 2020

Funding Sources

Bond Proceeds	Prior & Anticipated Bond Proceeds
Reserve Funds	Property tax increment approved to be retained by DOF at dissolution, prior year property tax increment for current year use
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 20-21 Sources

Bond Proceeds and RPTTF Non-Admin are primary sources.

Sources	Proposed Amount ($M)
Bond Proceeds	$184.9
Reserve Funds	$6.1
Other Funds	$41.5
RPTTF Non-Admin	$185.3
RPTTF Admin	$4.5
Total Sources	**$422.2**

ROPS 19-20 v. ROPS 20-21 Sources

Bond Proceeds and RPTTF Non-Admin remain primary sources.

Sources	ROPS 19-20 Amount ($M)	ROPS 20-21 Proposed ($M)	Difference ($M)	Percent Change	Explanation
Bond Proceeds	$199.7	$184.9	($14.8)	-7.4%	Decrease due to spending down on Mission Bay and Transbay infrastructure bonds.
Reserve Funds	$0.0	$6.1	$6.1	0.0%	Increase due to use of prior year Pledged RPTTF Non-Admin in current year.
Other Funds	$42.0	$41.5	($0.5)	-1.3%	Decrease due to project timing in HPS/CP.
RPTTF Non-Admin	$200.4	$185.3	($15.1)	-7.5%	Decrease due to reduction in Pledged RPTTF Non-Admin for Affordable Housing.
RPTTF Admin	$3.7	$4.5	$0.8	22.2%	Increase due to formula.
Total Sources	**$445.8**	**$422.2**	**($23.6)**	**-5.3%**	

ROPS 20-21 Uses

Affordable Housing and Debt are primary uses.

Uses	Proposed Amount ($M)
Affordable Housing	$109.8
Mission Bay	$100.1
Transbay	$52.4
HPS/CP	$17.2
Asset Management	$7.8
Debt	$111.9
Operations	$23.2
Total Uses	**$422.2**

ROPS 19-20 v. ROPS 20-21 Uses

Affordable Housing and Debt remain primary uses.

Uses	ROPS 19-20 Amount ($M)	ROPS 20-21 Proposed ($M)	Difference ($M)	Percent Change	Explanation
Affordable Housing	$123.5	$109.8	($13.7)	-11.1%	Decrease due to reduction in Pledged RPTTF Non-Admin for Affordable Housing.
Mission Bay	$104.3	$100.1	($4.2)	-4.0%	Decrease due to spending down on bond proceeds on infrastructure.
Transbay	$57.1	$52.4	($4.7)	-8.2%	Decrease due to spending down of bond proceeds on infrastructure offset by increase in Pledged RPTTF Non-Admin.
HPS/CP	$16.6	$17.2	$0.6	3.4%	Increase due to Phase 1 DPW.
Asset Management	$7.8	$7.8	-	0.0%	No change.
Debt	$118.5	$111.9	($6.6)	-5.6%	Decrease due to debt service schedule.
Operations	$18.0	$23.2	$5.1	28.3%	Increase due to increase in retiree health and pension costs and COLA.
Total Uses	**$445.8**	**$422.2**	**($23.6)**	**-5.3%**	

ROPS 20-21 Proposed RPTTF Uses

Mission Bay and Debt are primary uses.

Uses	Proposed Amount ($M)*
Affordable Housing	$6.7
Mission Bay	$41.3
Transbay	$26.0
HPS/CP	$1.4
Asset Management	$0.0
Debt	$97.7
Operations	$16.6
Total	**$189.8**

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

ROPS 19-20 v. ROPS 20-21 RPTTF Request

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

Uses	ROPS 19-20 Amount ($M)	ROPS 20-21 Proposed ($M)	Difference ($M)	Percent Change	Explanation
Affordable Housing	$20.8	$6.7	($14.1)	-67.8%	Decrease due to reduction in Pledged RPTTF Non-Admin.
Mission Bay	$42.3	$41.3	($1.0)	-2.3%	Decrease due to reduction in Pledged RPTTF Non-Admin pay-go, net of debt service and staffing costs.
Transbay	$25.2	$26.0	$0.8	3.2%	Increase due to growth in Pledged RPTTF Non-Admin.
HPS/CP	$1.4	$1.4	$0.0	3.6%	Slight increase due to growth in Pledged RPTTF Non-Admin.
Asset Management	-	$0.0	$0.0	-	
Debt	$103.6	$97.7	($5.9)	-5.7%	Decrease due to debt service schedule.
Operations	$10.7	$16.6	$5.8	54.2%	Increase due to increase in AGAD by formula, retiree health and pension costs, and COLA.
Total	**$204.1**	**$189.8**	**($14.3)**	**-7.0%**	

Affordable Housing

Mission Bay South Block 6 West

Affordable Housing: Sources and Uses

Primary source is Bond Proceeds.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Gap Loan	$81.7	-	$0.5	$6.7	-	$88.9
Predevelopment Loan	$13.6	-	$7.3		-	$20.9
Total	**$95.3**	-	**$7.8**	**$6.7**	-	**$109.8**

Primary use is Gap Loans.

Affordable Housing: By Project Area

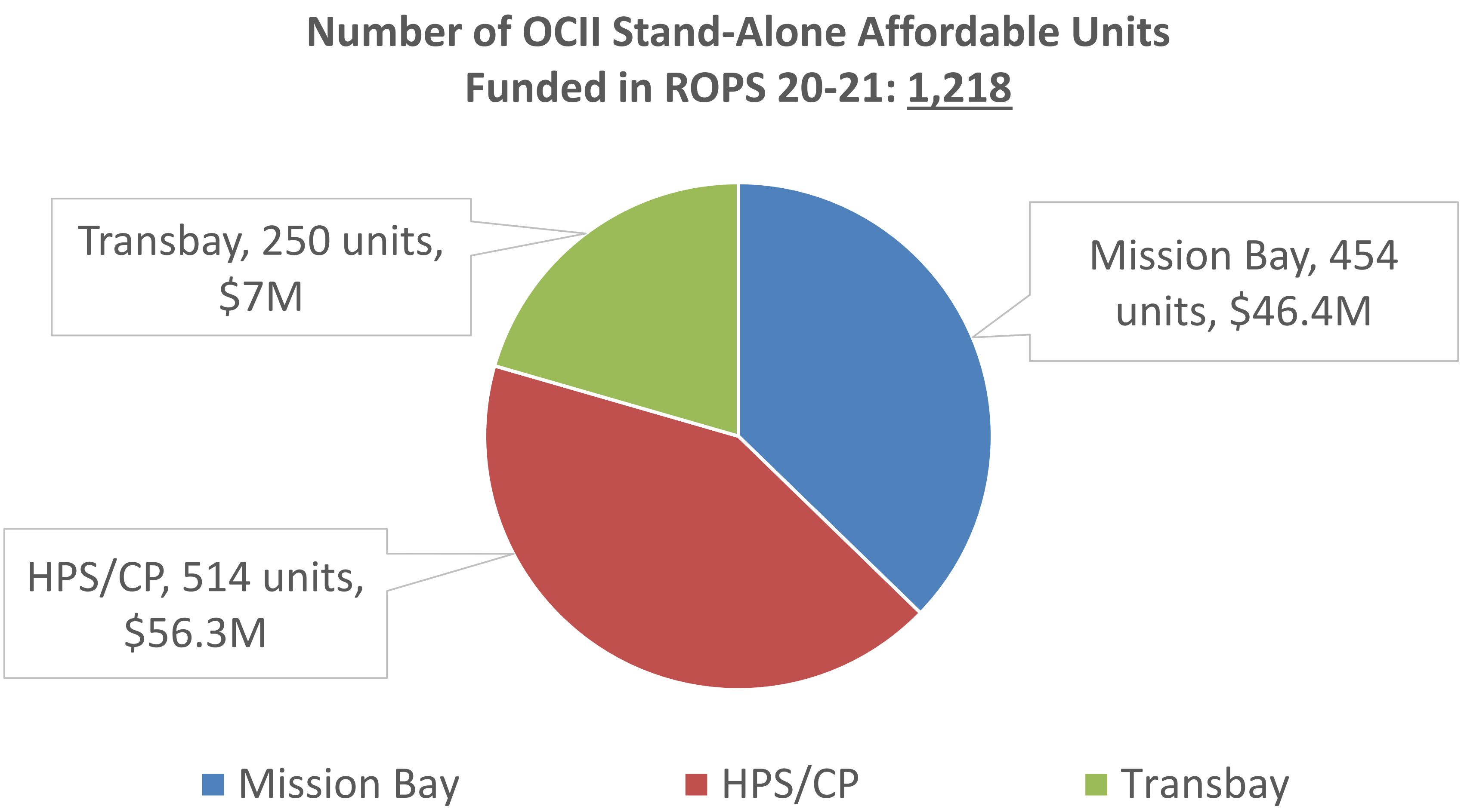
Most affordable housing expenditure occurs in HPS/CP and Mission Bay.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
HPS/CP	$56.3	-	-	-	-	$56.3
Mission Bay	$35.2	-	$0.7	$6.7	-	$46.4
Transbay	-	-	$7.0	-	-	$7.0
Total	**$91.6**	-	**$7.8**	**$6.7**	-	**$109.8**

Affordable Housing

Project	Type	Amount ($M)	Number of Units
HPS Block 52/54	Predevelopment Loan and Gap Loan	$50.0	112 units
HPS Block 56	Predevelopment Loan	$3.5	70 units
CP Block 11a	Predevelopment Loan	$1.2	176 units
CP Block 10a	Predevelopment Loan	$1.6	156 units
MBS 9	Gap Loan	$38.9	141 units
MBS 9a	Predevelopment Loan	$3.5	140 units
MBS 12 West	Predevelopment Loan	$4.0	173 units
Transbay Block 2 West	Predevelopment Loan	$3.5	80 units
Transbay Block 2 East	Predevelopment Loan	$3.5	170 units
Total		**$109.8M**	**1,218 units**

Affordable Housing: Work Program



Mission Bay

Chase Center


Park P22


SOMA
Hotel


Uber Headquarters

Mission Bay: Sources by Uses

Bond Proceeds is primary source.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	$45.4	-	-	$33.2	-	$78.6
Other Debt	$6.1	$6.1	-	$7.3	-	$19.5
Professional Services	-	-	-	$0.9	-	$0.9
Art Program	-	-	$1.1	-	-	$1.1
Total	**$51.5**	**$6.1**	**$1.1**	**$41.3**	**-**	**$100.1**

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
    - $78.6 million for infrastructure reimbursements
  - Other Debt
    - $19.5 million to repay CFD #4 bond
  - Professional Services
    - $0.9 million for third party review of reimbursements and other consultants
  - Art Program
    - $1.1 million for public art in Mission Bay

Office of Community Investment and Infrastructure

Transbay

Transbay: Sources by Uses

Bond Proceeds is the primary source.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	$20.5	-	$5.5	$1.6	-	$27.6
Professional Services	-	-	$0.4	$0.3	-	$0.7
TJPA Pledge	-	-	-	$24.1	-	$24.1
Total	**$20.5**	-	**$5.9**	**$26.0**	-	**$52.4**

Infrastructure is primary use.

Transbay: Work Program

- **Overview**
  - Monitor construction of the Folsom Street Improvement Project through completion
  - Obtain Commission approval of Schematic Designs for Under Ramp Park
  - Obtain Commission approval of Schematic Designs and draft plans for Transbay Park
  - Facilitate Commission review of Redevelopment Plan Amendment, DDA, Schematic Designs, and Design Guidelines amendment for Transbay Block 4; Staff review of Block 4 Design Development and Construction Document plans
  - Oversee environmental, financial, and legal services related to the Block developments

- **Detail**
  - Infrastructure
    - $9.0 million for construction administration of the Folsom Street Improvement Project
    - $13.1 million for Design Development documentation and Construction documentation for Under Ramp Park and Transbay Park
    - $5.5 million to Block Developers for reimbursement of adjacent streetscape improvement costs
  - Professional Services
    - $0.7 million for environmental, legal, management, and consultant services related to the Block developments
  - TJPA Pledge
    - $24.1 million pledged to TJPA to fund Salesforce Terminal Center

Office of Community Investment and Infrastructure

Hunters Point Shipyard Phases 1 & 2 / Candlestick Point

HPS/CP: Sources by Uses

Other Funds are primary source.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	-	-	$9.9	$1.4	-	$11.3
Professional Services	-	-	$3.0	-	-	$3.0
Community Benefits	-	-	$2.4	-	-	$2.4
Lease Payments to Navy	-	-	$0.4	-	-	$0.4
Total	**-**	**-**	**$15.8**	**$1.4**	**-**	**$17.2**

Infrastructure is primary use.

HPS/CP: Work Program

- **Overview**
  - Complete 7 public parks in HPS Phase 1
  - Finalize designs for 2 development block in HPS Phase 1
  - Re-design of Candlestick Point Retail Center site and supporting infrastructure
  - Implement Community Benefits Agreements
  - Monitor Navy's re-testing and clean up of HPS Phase 2 parcels

- **Detail**
  - Infrastructure
    - $1.9 million for Phase 1 costs
    - $4.4 million for Phase 2 costs
    - $5.0 million for Phase 1 and 2 costs
  - Professional Services
    - $3.0 million for financial consulting services, legal services, as-needed engineering services, etc.
  - 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

Sources ($M) Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
YBC	$7.8	-	-	-	-	$7.8
Total	**$7.8**	**-**	**-**	**-**	**-**	**$7.8**

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.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Debt Service - Existing TAB Bonds	-	-	-	$96.0	-	$96.0
Other Debt	-	-	$4.5	$1.8	-	$6.3
Ferry Landing Terminal	$9.6	-	-	-	-	$9.6
Total	**$9.6**	**-**	**$4.5**	**$97.7**	**-**	**$111.9**

Debt Service for existing TAB Bonds is primary use.

Operations

Operations: Sources & Uses

Primary sources for operations are RPTTF Non-Admin and Other Funds.

Operations	Amount ($M)
Sources	
Bond Proceeds	$0.2
Reserve Funds	-
Other Funds	$6.4
RPTTF Non-Admin	$12.1
RPTTF Admin	$4.5
Total	**$23.2**
Uses	
Salaries and Benefits	$10.2
Non-Labor	$6.4
Retiree Health and Pension	$6.5
Total	**$23.2**

Operations: Uses Detail

Current staff and retirement benefits drive operating costs of $23.2M

- **$10.2M Existing Staff Salaries & Benefits**
  - 54 Full Time Equivalent (FTE) positions, no change
  - COLA, as per Commission-approved MOUS
- **$6.4M in Non-Labor Costs**
- **$6.5M Retiree Obligations**
  - $2.0M for current pension
  - $2.3M to reduce long-term pension liability
  - $1.4M for current retiree health benefits
  - $0.8M to reduce long-term retiree health benefit liability

Operations: Non-Labor Expenditure

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

Department	Amount ($M)
Work Orders with City Departments	$3.7
Professional Services	$0.8
Software and Information Technology	$0.6
Other Current Expenses	$0.5
Insurance	$0.5
Legal Services	$0.3
Total	**$6.4**

Operations: Work Orders with City Departments Detail

Work Order with MOH for affordable housing services is largest.

Department	Service	Amount ($M)
MOH	Affordable Housing Services	$1.5
ADM	Rent, Mail, OLSE	$1.2
OEWD	Contract Compliance Support	$0.3
CON	Accounting and Audit Services	$0.2
Planning	Project Areas Support	$0.2
DT	IT Services	$0.2
CAT	Legal	$0.1
TTX	Investment Management	$0.1
Total		**$3.7**

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	
19-20 Approved RPTTF Non-Admin Distribution	$152,452,246
Less 19-20 Approved RPTTF Admin	$3,652,262
Sub-Total	$148,800,174
Rate	3%
20-21 RPTTF Admin	**$4,464,005**
RPTTF Admin Change	$811,743

Changes in ROPS Lines

- **Retired Lines**
  - Line 108- retiring due to completion of artwork in streetscape and open space improvements in Transbay
  - Line 133- retiring 1450 Franklin Owner Participation Agreement as the obligations under the OPA with the developer have been completed
  - Line 177- retiring Hunters View Phase II-III Loan due to transfer of asset to MOHCD in ROPS 19-20
  - Lines 250, 251, 252, 255, 257, 348, 369, 370, 371 – retiring due to transfer of South Beach Harbor to Port in ROPS 18-19
  - Line 270 – retiring due to maturation of TAB Series 2003B
  - Line 388 – retiring due to completion of Memorandum of Understanding with MOHCD
  - Line 394 – retiring MBS 3E due to completion of affordable housing project
  - Lines 429 and 430- retiring due to change in bond issuance timeline for HPS/CP

ROPS 20-21 Process

- **1/21** ROPS Commission Workshop
- **1/27** ROPS Oversight Board Approval Action
- **2/1** ROPS Submission to DOF

Questions?