

**MINUTES OF A SPECIAL MEETING OF THE
OVERSIGHT BOARD OF THE CITY AND
COUNTY OF SAN FRANCISCO HELD ON THE
16TH DAY OF JANUARY 2025**

The members of the Oversight Board of the City and County of San Francisco met in a special meeting in person at 10:00 a.m. on the 16th day of January 2025 at City Hall, Room 408, 1 Dr Carlton B. Goodlett Place, San Francisco, CA 94102

The Oversight Board will convene hybrid meetings that will allow in-person attendance, remote access, and public comment via teleconference. Members of the public may provide public comment in-person at the notified location or remotely via teleconference (detailed instructions available at: <https://sfocii.org/remote-meeting-information>). Members of the public may also submit their comments by email to: commissionsecretary.ocii@sfgov.org; all comments received will be made a part of the official record.

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TO LISTEN TO THE LIVE MEETING OR TO PROVIDE PUBLIC COMMENT:

DIAL: 1-415-655-0001 ENTER ACCESS CODE: 2663 359 9281 PRESS #, then PRESS # again to enter the call. When prompted, press *3 to submit your request to speak.

1. CALL TO ORDER/ROLL CALL

The meeting was called to order by Chair Van Degna at 10:07 a.m.

Roll call was taken.

Board member Moses Corrette - present

Board member Licinia Iberri - absent

Board member Janice Li - present

Vice-Chair Lydia Ely - present

Chair Anna Van Degna - present

Board member Iberri was absent. All other Board members were present. It was noted that seat for the City and County of San Francisco and the seat for San Francisco Community College were still vacant.

Chair Van Degna read the obligatory land statement.

2. APPROVAL OF MINUTES – Regular Meeting of September 9, 2024

PUBLIC COMMENT - None

Board member Corrette motioned to move Item 2 and it was seconded by Board member Li.

Voice vote was taken for Item 2.

Board member Corrette - yes
Board member Iberri - absent
Board member Li - yes
Vice-Chair Ely - yes
Chair Van Degna - yes

ADOPTION: IT WAS VOTED BY FOUR BOARD MEMBERS WITH ONE ABSENCE THAT APPROVAL OF MINUTES FOR THE REGULAR MEETING SEPTEMBER 9, 2024, BE ADOPTED.

3. ANNOUNCEMENTS

- A. The next scheduled Board meeting will be a special meeting held in person at City Hall on Thursday, January 30, 2025 at 10:00 a.m. in Room 408.

- B. Announcement of Prohibition of Sound Producing Electronic Devices during the Meeting:
Please be advised that the ringing of and use of cell phones, pagers and similar sound-producing electronic devices are prohibited at this meeting. Please be advised that the Chair may order the removal from the meeting room of any person(s) responsible for the ringing of or use of a cell phone, pager, or other similar sound-producing electronic device.

- B. Announcement of Time Allotment for Public Comments:
Please be advised a member of the public has up to three minutes to make pertinent public comments on each agenda item unless the Board adopts a shorter period on any item. It is recommended that members of the public who are attending the meeting in person fill out a “Speaker Card” and submit the completed card to the Board Secretary. All dial-in participants from the public will be instructed to call a toll-free number and use their touch-tone phones to register any desire to provide public comment. Audio prompts will signal to dial-in participants when their audio input has been enabled for commenting.

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4. CONSENT AGENDA - None

5. REGULAR AGENDA

- A. Workshop on the Recognized Obligation Payment Schedule for July 1, 2025 to June 30, 2026 (“ROPS 25-26”) (Discussion)

Presenters: Executive Director, Thor Kaslofsky; Rosa Torres, Deputy Director, Finance and Administration; Elizabeth Colomello, Housing Program Manager; Gretchen Heckman, Project Manager, Mission Bay (MB); Benjamin Brandin, Project Manager, Transbay (TB); Lila Hussain, Senior Project Manager, Hunters Point Shipyard/Candlestick Point (HPS/CP); Nicholas Jones, Debt Manager

Board member Corrette thanked staff for the presentation. He referred to the fact that new San Francisco Mayor, Daniel Lurie, had recently made a public declaration to all departments about putting a pause on all professional services contracts and inquired about how that would affect the OCII work plan and whether that would result in any delays in production of housing because of it.

Executive Director Kaslofsky responded that he had attended that meeting with all department heads and through the Mayor's Budget Office a directive about "no new programs" had been issued. He referred to Benjamin McCloskey, the Mayor's Interim Budget Director, who further refined some of that language. Mr. Kaslofsky stated that he clarified with the Mayor regarding housing and especially regarding the fact that OCII issued bonds for housing projects and inquired about whether that directive applied to OCII. It was clarified through the Budget Office that these were enforceable obligations and the projects ensuing from them should not be considered new programs. Nonetheless, Mr. Kaslofsky further explained that like in prior years the OCII budget would have to go through the Mayor's budget reconciliation process, which was already beginning with a 15% mandatory reduction, hiring freezes, among other things, and OCII would be working through that process and but first must seek financial authority from the state. He clarified that this was only a state authorization for financial authority and since 2012 OCII had had to go through the Mayor's budget reconciliation process and the Oversight Board for final approval. He added that this was the first step and it would have to be vetted by the Mayor's Budget Office.

Board member Corrette referred to slide #20 and to one of the new lines 447, regarding TB Block 4E and the withdrawal of the developer from that project and inquired about additional costs to OCII resulting from that withdrawal.

Executive Director Kaslofsky responded that TB Block 4E had previously gone through a process of negotiations with developer Hines with their affordable housing partner, Mercy. He explained that there were two components to this: an affordable phase and a mixed-income phase. He reported that, with the state of the economy, Hines could not make the mixed income portion of it work and also the fact that they would have to fund the affordable portion as well. They let that option expire and were no longer involved in the project. Mr. Kaslofsky explained that currently, instead of having the developer fund the majority of the project, OCII was evaluating the possibility of funding the affordable housing portion of that project more directly. He explained that the TB plan required that 35% of the total housing in the whole area be affordable and so the enforceable obligation was that overall the Implementation Agreement and Redevelopment Plan requirement would be 35%. As a result, OCII would have access to the tax increment financing. Mr. Kaslofsky added that this would require OCII to issue debt for that project and they were considering pursuing that later this year.

Chair Van Degna thanked staff for the very detailed presentation. She referred to page 13 regarding the right-sizing of the pledged RPTTF for TJPA and inquired about whether that would be at the same time.

Executive Director Kaslofsky responded that this was initially an estimate.

Ms. Torres responded that because OCII got the numbers of the parcels so early and ahead of time that by the time the ROPS came in, they got a true number and now they were getting better numbers.

Executive Director Kaslofsky responded that these were the estimates of the property tax that were available through the pledge agreement from the Comptroller's Office and OCII relied on an estimate initially. He explained that this would get reconciled as they went through the ROPS process after they received the actuals from the Comptroller's Office of the property tax collected. So there were always minor adjustments to the ROPS and the "right-sizing" was just language in the memorandum to describe that process.

Chair Van Degna noted that in the detail of the tax allocation bonds of the newer series TBD was listed as the payee but others had U.S. Bank, which she assumed was the trustee. She referred to the 2023A & B affordable housing and infrastructure bonds and inquired about whether that was because the trustee was changing or whether there was some other reason.

Mr. Jones responded that the trustee for those should have been U.S. Bank. He stated that they would make that correction but clarified that they had some newer bonds for which it would still be TBD as pending.

PUBLIC COMMENT - None

Chair Van Degna announced that there would be no action taken at this time but that staff would return later in the month to seek Oversight Board approval.

6. NEW MATTERS FOR FUTURE CONSIDERATION

Executive Director Kaslofsky stated that he had no announcements at this time.

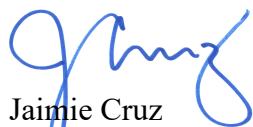
7. PUBLIC COMMENT ON NON-AGENDA ITEMS - None

8. ADJOURNMENT

Board member Li motioned to move Item 8 and it was seconded by Vice-Chair Ely.

The meeting was adjourned by Chair Van Degna at 10:56 a.m.

Respectfully submitted,



Jaimie Cruz
Board Secretary