MEMORANDUM

TO: Community Investment and Infrastructure Commissioners

FROM: Tiffany Bohee
Executive Director

SUBJECT: Authorizing the Executive Director to Enter into a Memorandum of Understanding between the San Francisco Office of Community Investment and Infrastructure and the City and County of San Francisco City Administrator’s Office, for an amount not to exceed $1,317,000 for Fiscal Year 2014-15 for certain City employees and services under OCII’s exclusive direction and control, and payment of OCII’s rent at 1 South Van Ness

EXECUTIVE SUMMARY

The Office of Community Investment and Infrastructure as Successor to the San Francisco Redevelopment Agency (“OCII”) staff seeks to enter into a Memorandum of Understanding (“MOU”) with the City Administrator’s Office of the City and County of San Francisco for staffing of executive and human resources management services to be under OCII’s exclusive direction and control, Office of Labor Standards Enforcement services, rent at One South Van Ness pursuant to the existing lease, Flood Insurance Program coordination, and mail services. The MOU covers Fiscal Year 2014-15 for an amount not to exceed $1,317,000. The MOU services are allowable within Redevelopment Dissolution Law and the proposed amounts are consistent with amounts contained in the approved Fiscal Year 2014-15 OCII budget and with the administrative allowances included in Department of Finance-approved ROPS 14-15A.

DISCUSSION

After dissolution of the former Redevelopment Agency on February 1, 2012, the City and County of San Francisco provided that unrepresented employees of the former San Francisco Redevelopment Agency (SFRA) would be separated from their old positions and become employees of the City Administrator’s Office, including the Executive Director, two Deputy Directors, the General Counsel, and the Human Resources Manager. After Redevelopment dissolution law was amended by AB 1484 in June 2012 to establish that the Successor Agencies to Redevelopment Agencies should be independent from their sponsoring organizations, the City Administrator continued to be the employer of record for three management employees (i.e. the Executive Director and two Deputy Directors, one of whom is now Interim General Counsel) and to provide human resources staff support to OCII. The City Administrator’s Office also
oversees the City's Department of Real Estate which owns the building at One South Van Ness where OCII offices are located and provides mail service to that building.

The City Administrator's Office also contains the City's Office of Risk Management which coordinates Flood Insurance Program policy issues on behalf of the City and County of San Francisco and OCII. During FY 2013-14, the Office of Risk Management also obtained property insurance on behalf of OCII, but for FY 2014-15, OCII was able to obtain its own property insurance at favorable rates and no longer requires Office of Risk Management services for this item.

The City Administrator's Office also oversees the Office of Labor Standards Enforcement ("OLSE"), which conducts prevailing wage and other labor standards investigations.

The services proposed under this MOU include:

- Executive management serving the OCII hired through the City Administrator's Office, including the Executive Director, Deputy Director for Finance and Administration, and Interim General Counsel. The Executive Director shall be under the exclusive direction and control of the OCII Commission. The Deputy Director for Finance and Administration and the Interim General Counsel shall be under the exclusive direction and control of the OCII Commission and the Executive Director.

- Human resource management support for OCII, which will have exclusive direction and control of these services.

- Services from the Office of Labor Standards Enforcement, including prevailing wage investigations.

- Department of Real Estate property management services for OCII office space and shared space in the City-owned building at 1 South Van Ness, 5th floor at a rate in FY 2013-14 of $1.88/square foot/month, for the 19,553 square foot of office space occupied by or allocated to OCII, pursuant to the existing lease.

- Risk Management Division flood insurance program coordination.

- Mailing and reproduction services.

The services are allowable under Redevelopment Dissolution Law pursuant to Health and Safety §34177.3(b), which authorizes successor agencies to create enforceable obligations for operations, including hiring staff, acquiring necessary professional administrative services and procuring insurance. Enforceable obligations are defined to include "[c]ontracts or agreements necessary for the administration or operation of the successor agency, in accordance with this part, including, but not limited to, agreements concerning litigation expenses related to assets or obligations, settlements and judgments, and the costs of maintaining assets prior to disposition, and agreements to purchase or rent office space, equipment and supplies, and pay-related
expenses pursuant to Section 33127 and for carrying insurance pursuant to Section 33134.” Cal.

The not-to-exceed budget in this MOU are consistent with amounts contained in the approved
Fiscal Year 2014-15 OCII budget and with the administrative allowances included in Department
of Finance-approved ROPS 14-15A.

Staff requests and seeks the Commission’s authorization and approval of a Memorandum of
Understanding with the City Administrator’s Office for an amount not to exceed $1,317,000 for
Fiscal Year 2014-15.

(Originated by Leo Levenson, Deputy Director, Finance and Administration)

Tiffany Bohee
Executive Director