DRAFT 10.09.13

FINAL AND CONCLUSIVE DETERMINATION REQUEST FORM

Instructions: Please fill out this form in its entirety to request Finance to provide a final and conclusive determination on an approved enforceable obligation. Additional supporting documents may be included with the submittal of this form as justification related to the enforceable obligation, including documents that may have been previously submitted. Upon completion, email a PDF version of this document (including any attachments) to:

Redevelopment_Administration@dof.ca.gov

The subject line should state “[Agency Name] Final and Conclusive Determination Request”. Finance will contact the requesting agency upon receipt for any additional information that may be necessary. Questions related to the final and conclusive determination process should be directed to (916) 445-1546 or by email to Redevelopment_Administration@dof.ca.gov.

Health and Safety Code (HSC) section 34177.5 (i), allows a Successor Agency to request the Department of Finance (Finance) to provide written confirmation that its determination of such enforceable obligation as approved in a Recognized Obligation Payment Schedule (ROPS) is final and conclusive, and reflects Finance’s approval of subsequent payments made pursuant to the enforceable obligation.

GENERAL INFORMATION:

Agency Name: Successor Agency to the Redevelopment Agency of the City and County of San Francisco

ROPS Period: ROPS 13-14A (July 2013 to December 2013)

Date of Finance's Determination/Approval Letter: May 17, 2013

DETAIL OF REQUEST

Summary of Enforceable Obligation:


2. Project-Specific obligations:
   a) under construction: 160, 173, 227, 236, 245;
   b) pre-construction: 166, 177, 191, 234, 235.

Project Name: San Francisco's Replacement Housing Obligation
Contract/Agreement Execution and Termination Date:


2. (a) San Francisco Ordinance No. 256-09 (Dec. 18, 2009), attached as Exhibit B and available at http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances09/o0256-09.pdf (implementing the Statutory Replacement Housing Obligations under the Yerba Buena Center Redevelopment Plan);

(b) San Francisco Ordinance No. 316-08 (Dec. 19, 2008), attached as Exhibit C and available at http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances08/o0316-08.pdf (implementing the Statutory Replacement Housing Obligations under the Western Addition A-2 Redevelopment Plan);

(c) San Francisco Ordinance No. 115-07 (May 18, 2007), attached as Exhibit D and available at http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances07/o0115-07.pdf (implementing the Statutory Replacement Housing Obligations under the Rincon Point-South Beach Redevelopment Plan); and

(d) San Francisco Ordinance No. 15-05 (Jan. 21, 2005), attached as Exhibit E and available at http://www.sfbos.org/ftp/uploadedfiles/bdsupvrs/ordinances05/o0015-05.pdf (implementing the Statutory Replacement Housing Obligations under the Embarcadero-Lower Market (Golden Gateway) Redevelopment Plan, the Hunters Point Redevelopment Plan, and the India Basin Redevelopment Plan).

Payees:

<table>
<thead>
<tr>
<th>ROPS Line</th>
<th>Payee</th>
</tr>
</thead>
<tbody>
<tr>
<td>160</td>
<td>Third &amp; LeConte Associates, LP</td>
</tr>
<tr>
<td>166</td>
<td>Bayview Supportive Housing, LLC</td>
</tr>
<tr>
<td>173</td>
<td>HV Partners 1, LP</td>
</tr>
<tr>
<td>177</td>
<td>Hunters View Associates LP</td>
</tr>
<tr>
<td>191</td>
<td>Affordable housing developer to be determined</td>
</tr>
<tr>
<td>227</td>
<td>Mercy Housing California XLIV, LP</td>
</tr>
<tr>
<td>234-235</td>
<td>Mercy Housing California 51, LP</td>
</tr>
<tr>
<td>236</td>
<td>474 Natoma, LLC</td>
</tr>
<tr>
<td>185-190</td>
<td>Affordable housing developers to be determined</td>
</tr>
</tbody>
</table>

Funding Source: Redevelopment Property Tax Trust Fund (RPTTF) and existing bond proceeds
Total Outstanding Debt or Obligation:

$1,520,000,000.00 (based on the remaining number of replacement housing units to be constructed (5842) and the historical per-unit subsidy of approximately $260,000.00)

Total Due During Fiscal Year (ROPS 13-14 A and 13-14B):

$4,207,389.00 (consisting of $1,000,000 of RPTTF for ROPS line 191, $2,307,389 of RPTTF for ROPS line 177, and $1,100,000 of RPTTF for line 235)

Six Month Total:

$1,000,000.00 (Line 191 of ROPS 13-14A)

SUMMARY OF REQUEST

1. Background/History (Provide relevant background/history, if applicable)

   a. Introduction

   The Community Redevelopment Law obligated redevelopment agencies to replace dwelling units that they destroyed in the course of implementing a redevelopment project if the units were occupied by low- or moderate-income persons. In several redevelopment project areas, the Redevelopment Agency of the City and County of San Francisco (“Former Redevelopment Agency”) destroyed thousands of units of housing occupied by lower income persons and never replaced them. The destruction of these units and the statutory obligation to replace them with affordable units existed long before June 28, 2011, the date of the enactment of Redevelopment Dissolution Law.\(^1\)

   In 2003, the California Department of Housing and Community Development (“HCD”) confirmed “a net loss of 6709 affordable units the [Former Redevelopment Agency must replace.]”\(^2\) As will be described below, completion of the 6709 units is, under Redevelopment Dissolution Law, an enforceable obligation that requires an irrevocable commitment and allocation of property tax revenue over time and that has been approved in previous Recognized Obligation Payment Schedules (“ROPS”). It is an obligation that the Successor Agency to the Former Redevelopment Agency has assumed and that the Oversight Board has approved since early in the redevelopment dissolution process\(^3\) and continues to approve through specific expenditures under the ROPS. Notably, the Department of Finance has not objected to these ROPS items. Accordingly, the Statutory Replacement Housing Obligations meet the criteria for a final and conclusive determination of an enforceable obligation under Section 34177.5 (i) of the Health and Safety Code. (All statutory references are to the California Health and Safety Code unless otherwise specified.)

2. The Statutory Replacement Housing Obligation.

   Starting in the 1950’s, the Former Redevelopment Agency received a significant amount of federal urban renewal funds to implement locally-adopted redevelopment plans. In some instances, these redevelopment projects authorized the widespread clearance and relocation of communities, particularly lower income and African-American populations. The displacement caused wide-spread social, economic, cultural, political, and emotional upheaval, which has been extensively documented.\(^4\)

\(^{1}\) Assembly Bill No. 1X 26 (Chapter 5, Statutes of 2011-12, First Extraordinary Session) (“AB 26”), as amended by Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session) ("AB 1484") are referred to as “Redevelopment Dissolution Law.”

\(^{2}\) Letter, J. Bornstein, Director, HCD, to M. Rosen, Executive Director, San Francisco Redevelopment Agency (April 18, 2003), attached as Exhibit F.


Notably, the vast majority of lost affordable units were from three project areas: Yerba Buena Center (3,217 units), Western Addition A-1 (3,208 units) and Golden Gateway (1,301 units).\(^5\)

Since 1976, the Community Redevelopment Law ("CRL") has required the replacement of lower income housing that a redevelopment agency destroys or removes from the housing market as part of a redevelopment project. Until 2000, the CRL replacement housing obligation did not apply to San Francisco’s early urban renewal program because the affordable housing had been destroyed prior to 1976. At its core, the replacement housing obligation requires that:

\[\text{whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project . . . the agency shall . . . rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income, an equal number of replacement units that have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs. . . .}\]

Section 33413 (a). This obligation requires, among other things, that: 1) the replacement units “remain available at affordable housing cost to, and occupied by, person and families of low-income, moderate-income, and very low income households, respectively, for the longest feasible time, but for not less than 55 years for rental units, 45 years for home ownership units,” Section 33413 (c) (1); 2) for dwelling units destroyed prior to September 2, 1989, the affordability levels for the replacement units shall not exceed 120 percent of area median income, Section 33413 (a); and 3) the replacement units must be located anywhere within the territorial jurisdiction of the redevelopment agency. \(\text{id.}\)

The replacement housing obligation is an important remedy to redress the destruction of affordable housing. The Legislature has long acknowledged that this remedy supersedes any statutory limitations that would impede the construction of replacement units. The termination of project areas and redevelopment plans does not affect an agency’s obligation to redress the harm caused by the destruction of affordable housing. For example, Assembly Bill No. 1290 (Statutes 1993, Chapter 942) ("AB 1290")—the landmark redevelopment reform legislation—imposed time limitations on redevelopment plans for the first time, but provided an exception for replacement housing obligations. “The limitations established in the ordinance [implementing AB 1290] shall not be applied to limit allocation of taxes to an agency to the extent required . . . to implement a replacement housing program pursuant to Section 33413.” Statutes 1993, Chapter 942, Section 9 (amending 33333.6 (g))\(^6\).

3. San Francisco’s Unique Replacement Housing Obligation.

In 2000, the California Legislature enacted special legislation acknowledging that the Former Redevelopment Agency had an unfulfilled replacement housing obligation resulting from its destruction of housing that had been occupied by lower income persons. Senate Bill No. 2113, Statutes 2000,


\footnote{Although the total amount of lost units from these three project areas was over 7700 units, the Former Redevelopment Agency produced “excess” affordable housing units in other project areas and thus the net amount of affordable housing that was destroyed and not replaced was 6709 units. \ See Letter, J. Bornstein, Director, HCD, to M. Rosen, San Francisco Redevelopment Agency (April 18, 2003) ("The information shows 14,207 units were demolished and 7,498 units have been replaced resulting in a net loss of 6,709 affordable the Agency must replace.") (\textit{attached as Exhibit F0}]. One author has described the redevelopment of these three project areas in these terms: “In essence, the idea was to create a \textit{cordon sanitaire} around the renewal project’s central development peripheral construction that would provide an effective physical barrier to deter former residents from moving back into or adjacent to the area. In San Francisco, the notion originally took shape with the Western Addition and Golden Gateway projects. As applied to Yerba Buena Center, “creating a protected environment” obviously meant large-scale demolition and people removal; its served as a code for ridding the area totally and permanently of its poor and “skid-row populations.” C. Hartman, \textit{City for Sale: The Transformation of San Francisco}, Loe 808 of 7097 (2002).}

\footnote{\textit{Available at} \url{http://www.leginfo.ca.gov/pub/93-94/bill/asm/ab_1251-1300/ab_1290_bill_931008_chaptered}.}
Chapter 661 § 1 (codified at Health & Safety Code § 33333.7) ("SB 2113"). In adopting SB 2113, the Legislature made the following findings:

It is the intent of the Legislature in enacting this act to enable the Redevelopment Agency of the City and County of San Francisco to redress the demolition of a substantial number of residential dwelling units affordable to very low, low-, and moderate-income households during the agency’s earlier urban renewal efforts. San Francisco’s housing situation is unique, in that median rents and sales prices are among the highest in the state even though it has consistently exceeded the housing production goals of the Community Redevelopment Law and has used local funds beyond the Low and Moderate Income Housing Fund to assist affordable housing development. San Francisco’s early redevelopment activities, including the removal of previously existing dwelling units serving a lower income population, have compounded the effects of the private market that have led to the city's current affordable housing crisis.

* * *

In particular, some of San Francisco’s existing redevelopment project areas have fewer housing units affordable to low- and moderate-income households than were in existence prior to the initiation of urban renewal activities. Four of San Francisco’s project areas adopted prior to 1970 experienced a combined net loss of approximately 7000 units of housing affordable to low- and moderate-income households since the initiation of redevelopment activities. The Redevelopment Agency of the City and County of San Francisco, due to its unique housing situation and net loss of affordable housing units in [older] project areas, wishes, to the greatest extent feasible, to replace these lost units according to the formulas set forth in Section 33413 of the Health and Safety Code.

Statutes 2000, Chapter 661, § 1 (a) & (b). These legislative findings establish the basis for the “obligation[] imposed by state law.” Section 34171 (d) (1) (C). More importantly, SB 2113 provided the means by which the Former Redevelopment Agency could fulfill this obligation.

SB 2113 applies to redevelopment plans adopted in San Francisco before 1994; it authorized the Former Redevelopment Agency to amend these older redevelopment plans to extend the dates for issuance of tax increment debt until 2014 and extend the dates for repayment of indebtedness until 2044. The legislation also removed the “cap” on the cumulative amount of tax increment that the Former Redevelopment Agency could receive from a project area. After a redevelopment plan is amended pursuant to SB 2113, all subsequent tax increment funds generated in the project area (other than amounts needed to repay previous bond issues, pay for public schools’ share of property tax, and make pass-through payments to other taxing entities) must be used solely to finance the replacement housing that is necessary to redress the Agency’s destruction of affordable units prior to 1976. The Agency’s use of this tax increment must be consistent with the local housing element and HUD Consolidated Plan and must address the unmet housing needs of very low-, low- and moderate-income households, with at least fifty percent of the funds dedicated to addressing the housing needs of very low-income households.

Furthermore, the Agency must limit planning and administrative costs to no more than ten percent of the total housing program costs.

Although SB 2113 extended tax increment authority for housing purposes, it protected school funding. Under SB 2113, property tax revenues for schools increased to the higher levels available upon the expiration of a redevelopment plan. The revenues received under SB 2113 do not include “the amount necessary to pay prior outstanding indebtedness” and “the amount of the project area’s property tax revenue that school entities are entitled to receive pursuant to Chapter 3 (commencing with Section 75) and Chapter 6 (commencing with Section 95) of Part 0.5 of Division 1 of the Revenue and Taxation

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8 HCD has certified the amount of units to be replaced as 6,709 units. Letter, J. Bornstein to M. Rosen (April 18, 2003).
Code if the plan had not been amended.” Section 33333.7 (b). In addition, SB 2113 preserved the pass-through payments to affected taxing entities. Id. As a result of these protections for taxing entities, the Legislature concluded “that the Redevelopment Agency of the City and County of San Francisco should be granted a limited continuance of specific tax increment financing powers to achieve its goal of replacing housing units, and that this continuance will have no fiscal impact on the state.” SB 2113, Statutes 2000, Chapter 661, § 1 (e). In essence, fulfillment of San Francisco’s replacement housing obligation would not come at the expense of state funding for schools.

4. The Legislative Priority to Replace Affordable Housing Destroyed Prior to Dissolution.

In 2001, the Legislature clarified that agencies must fulfill all replacement housing obligations irrespective of other limitations on redevelopment activities. Senate Bill No. 211, Statutes 2001, Chapter 741, Section 7 (codified at Section 33333.8) (“SB 211”) required redevelopment agencies to fulfill replacement housing obligations by the deadlines for redevelopment plan effectiveness and the receipt of tax increment. If, however, an agency failed to replace the affordable housing that it had destroyed by these deadlines, SB 211 suspended the redevelopment plan’s termination and any limit on tax increment, required the extension of the redevelopment plan, and restricted the use of additional tax increment for the purpose of satisfying the replacement housing obligations.

A legislative body shall not adopt an ordinance terminating a redevelopment project area if the agency has not complied with subdivision (a) of Section 33413 with respect to replacement housing. . . . ¶ If, on the date of the time limit on the effectiveness of the redevelopment plan, a redevelopment agency has not complied with subdivision (a), the time limit on the effectiveness of the redevelopment plan shall be suspended and the agency shall use all tax increment funds that are not pledged to repay indebtedness to comply with subdivision (a). If, on the date of the time limit on the repayment of indebtedness, the agency has not complied with subdivision (a), the time limit on the repayment of indebtedness shall be suspended and the agency shall receive and use tax increment funds to comply with subdivision (a).

SB 211, § 7.10 Significantly, the obligation to replace housing survived the expiration of a redevelopment plan’s effectiveness or the expiration of deadlines for the receipt of tax increment. Similarly, the Redevelopment Dissolution Law’s authorization of successor agencies to fulfill “obligations imposed by state law,” Section 34171 (d) (1) (C), allows San Francisco to fulfill its unique replacement housing obligation after redevelopment dissolution.

In 2002, the Legislature further clarified the continuing obligation to provide replacement housing. Senate Bill No. 701, Statutes 2002, Chapter 782 (“SB 701”), amended Section 33333.8 and established that not only limits on the receipt of tax increment, but also limits on the overall amount of tax increment and on incurring debt were suspended for purposes of complying with the replacement housing

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10 Available at http://www.leginfo.ca.gov/pub/01-02/bill/sen/sb_0201-0250/sb_211_bill_20011011_chaptered.html. The Legislature also made conforming amendments to specific provisions governing a redevelopment plan’s limitations. See e.g., Section 33333.6 (f) (limitations on allocation of taxes do not apply “to any agency to the extent required to comply with [the replacement housing obligation in] Section 33333.8. In the event of a conflict between these limitations and the obligations . . . , the limitations . . . shall be suspended.”) SB 211 also provided judicial remedies that any interested person could seek for an agency’s failure to fulfill its replacement housing obligations. The remedies included “requir[ing] the agency to take all steps necessary to comply with those obligations, including as necessary the adoption of ordinances, to incur debt, to obtain tax increments, to expend tax increments, and to enter into contracts as necessary to meet its housing obligations under this part.” SB 211, § 7. These judicial remedies remain available for violations of the replacement housing obligation that occurred prior redevelopment dissolution.

11 Available at http://www.leginfo.ca.gov/pub/01-02/bill/sen/sb_0701-0750/sb_701_bill_20020922_chaptered.html
obligation. The amended language also expressly superseded all other CRL provisions to ensure satisfaction of replacement housing obligations:

Notwithstanding any other provision of law, this section shall apply to each redevelopment agency and each redevelopment project area established or merged pursuant to this part and Part 1.5 (commencing with Section 34000), including project areas authorized pursuant to this chapter and each individual project area that is authorized pursuant to any other provision of law. The affordable housing obligations specified above shall include . . . (E) The obligation to provide replacement housing pursuant to subdivision (a) of Section 33413, Article 9 (commencing with Section 33410), and other similar and related statutes.

Section 33333.8 (a). This language provides the broadest possible authorization for remedying unfulfilled replacement housing obligations, even though statutory and redevelopment plan limitations would otherwise prohibit the use of tax increment funding. SB 701 reaffirmed that redevelopment agencies had a statutory obligation similar to other forms of indebtedness that survive termination: “the agency shall receive and use all tax increment funds that are not pledged to repay indebtedness until the agency has fully complied with its obligations.” Section 33333.8 (b).

Although Redevelopment Dissolution Law repealed most of the CRL affordable housing obligations, the Legislature intended that San Francisco’s replacement housing program, as an enforceable obligation, could continue to provide a remedy for the pre-dissolution harm caused by the massive destruction of affordable housing. SB 2113 establishes a unique “obligation imposed by state law” that the Successor Agency has assumed and the Oversight Board has approved. Section 34171 (d) (1) (C). Redevelopment Dissolution Law did not repeal this pre-dissolution housing obligation, but provides a narrow exception for its fulfillment and thus authorizes the funding of affordable replacement housing in one of the most expensive housing markets in the country.  

- Justification for Request (Provide additional attachments to this form, as necessary)

In the DOF Guidance for a Final and Conclusive Determination, available at http://www.dof.ca.gov/redevelopment/final_and_conclusive/view.php, DOF states that it will issue a formal letter confirming the final and conclusive determination of an enforceable obligation if three conditions are met: an irrevocable commitment of property tax revenue; an allocation of this revenue over time; and the previous listing of the enforceable obligation on an approved ROPS. The enforceable obligations that are the subject of this Request for a Final and Conclusive Determination (“Request”) meet these conditions. First, the Statutory Replacement Housing Obligations require the Agency to construct and fund with property tax revenue approximately 6709 units of affordable housing (of which 867 have been completed or are under construction). Second, the scope of the enforceable obligation requires the allocation of property tax revenues over time as the revenues are generated in six project areas subject to the Statutory Replacement Housing Obligations. Third, DOF has approved the ROPS I, II, III, and 2013-14A, each of which listed the Statutory Replacement Housing Obligations and specific projects relying on funding authorized under that obligation.

1. Irrevocable Commitment of Property Tax Revenue in Enforceable Obligations.

SB 2113, enacted in 2000 and codified in Section 33333.7, acknowledges that the Former Redevelopment Agency had an unfulfilled replacement housing obligation of “approximately 7000 units,” subject to verification by the California Department of Housing and Community Development. Statutes 2000, Chapter 661 § 1 (b). SB 2113 authorized San Francisco to commit irrevocably property tax revenue from certain San Francisco project areas to fulfill the Former Redevelopment Agency’s obligation. SB 2113 became operative when 1) HCD

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certified in 2003 “a net loss of 6709 affordable units the [Former Redevelopment Agency] must replace” and 2) the Board of Supervisors of the City and County of San Francisco (“Board of Supervisors”) adopted a series of ordinances amending certain redevelopment plans to issue debt and receive tax increment for funding of the replacement housing. All of these ordinances implementing SB 2113 were adopted prior to Redevelopment Dissolution Law. Ordinance No. 15-05 (Jan. 21, 2005) (amending the Embarcadero-Lower Market (Golden Gateway) Redevelopment Plan, the Hunters Point Redevelopment Plan, and the India Basin Redevelopment Plan); Ordinance No. 115-07 (May 18, 2007) (amending the Rincon Point-South Beach Redevelopment Plan); Ordinance No. 316-08 (Dec. 19, 2008) (amending the Western Addition A-2 Redevelopment Plan); Ordinance No. 256-09 (Dec. 18, 2009) (amending the Yerba Buena Center Redevelopment Plan).

2. Allocation of Property Tax Revenues over time.

The Statutory Replacement Housing Obligations require the production of 6709 units of affordable housing. SB 2113 authorizes the Successor Agency to receive property tax revenue until January 1, 2044 to repay indebtedness related to the unfulfilled housing obligation. On several occasions, the Former Redevelopment Agency issued tax allocation bonds, which provided funding for the pre-development and construction of 867 units of replacement housing. See ROPS 13-14A, line 291 (Tax Allocation Bond (“TAB”) Series 2005C); line 297 (TAB Series 2006A); line 303 (TAB 2007A); line 309 (TAB Series 2009A); line 321 (TAB Series 2009E); and line 327 (TAB Series 2010A). The Successor Agency has a remaining obligation to replace 5,842 units, which will require the Successor Agency to enter into new contracts with affordable housing developers and to expend property tax revenues. The only feasible method of funding the construction of these units is to allocate property tax revenues as they are generated over time.

3. DOF’s previous approval of ROPS listing the enforceable obligations.

The Successor Agency has listed the Statutory Replacement Housing Obligations and the Project-Specific Obligations on all five ROPS that the Successor Agency has submitted to DOF. In ROPS I, the Statutory Replacement Housing Obligations are listed on lines CH-16 to CH-21 at page 4 of Exhibit A-2, Housing, available at http://sfgsa.org/index.aspx?page=5269. In approving ROPS I, the Oversight Board not only approved the Statutory Replacement Housing Obligations but also made findings supporting the Statutory Replacement Housing Obligations. See Resolution No. 5-2012 at pp. 5-6 (April 10, 2012), attached as Exhibit G and available at http://sfgsa.org/index.aspx?page=5254 (finding that the Successor Agency had assumed the “the former SFRA’s enforceable obligations . . . [to] develop approximately 6700 affordable housing units . . . to replace affordable housing units that the SFRA previously destroyed and did not replace as part of an obligation imposed by state law under Sections 33413 (a), 33333.8 and 33333.7 of the California Health and Safety Codes.”) In ROPS II, these obligations are also listed on lines CH-16 to CH-21 at page 4 of Exhibit A-2, Housing. Id. In ROPS III, the obligations are listed on lines 140 to 145 at page 16 of Exhibit A-3. Id. In ROPS 13-14A, the obligations are listed on lines 185 to 190 at page 8 of Exhibit A-3. Id. In the recently-submitted ROPS 13-14B, the obligations again appear on lines 185 to 190 at page 10 of Exhibit A-3, available under Attachment 3 at http://sfgsa.org/index.aspx?page=6274. In reviewing and approving the Successor Agency ROPS, DOF has not objected to the above-referenced line items for the Statutory Replacement Housing Obligations.

Several Project-specific Obligations and their expenditures have also appeared on the various ROPS that DOF has approved. In most cases, these enforceable obligations have used bond proceeds that the Former Redevelopment Agency had received under the authority of SB 2113. For example, lines 234 and 235 at page 10 of ROPS 13-14A list $1,200,000 in expenditures that are SB 2113 bond

13 Letter, J. Bornstein, Director, HCD, to M. Rosen, Executive Director, San Francisco Redevelopment Agency (April 18, 2003).
14 Technically, the Rincon Point-South Beach Redevelopment Plan remains in effect until 2021, but its limits on tax increment authority had been reached by 2007 when the Board of Supervisors amended it to provide financing for replacement housing.
proceeds; other payees that are listed at the beginning of this Request have also received SB 2113 bond proceeds under recently-approved ROPS.

In the last year, however, the Successor Agency has requested RPTTF for a new replacement housing project, the completion of which would count toward the fulfillment of the obligation. Line 146 at page 17 of ROPS III listed an expenditure of $1 million in RPTTF for the “Central Freeway Parcel O Predevelopment & Construction Funding.” In reviewing ROPS III, DOF requested additional documentation to support the expenditure. E-mail from Brown Moua, Financial and Performance Evaluator I, DOF to Tiffany Bohee, Executive Director, Successor Agency (Sep. 14, 2012, 11:32 PM), attached as Exhibit H. In response, the Successor Agency provided a detailed description of the Statutory Replacement Housing Obligation. E-mail from Sally Oerth, Deputy Director, Successor Agency, to Brown Moua, Financial and Performance Evaluator I, DOF (Sep. 25, 2012, 5:12 PM) (see response to (8) Item 146 at pp. 2-4), attached as Exhibit I. Subsequently, DOF approved the ROPS with the expenditure on Line 146. Letter, S. Szalay, Local Government Consultant, DOF, to T. Bohee, Executive Director, Successor Agency (Dec. 14, 2012).

Conclusion.

Based on the foregoing, the Successor Agency requests that, pursuant to California Health and Safety Code Section 34177.5(i), the Department of Finance make a final and conclusive determination that the Statutory Replacement Housing Obligations are enforceable obligations, that they require the allocation of property tax revenues and that they are not subject to further review by the Department of Finance except to confirm that future payments, including payments for new projects on a future ROPS, are required by the Statutory Replacement Housing Obligations.

Agency Contact Information

Name: 
Title: 
Phone: 
Email: 
Date: 

Department of Finance Local Government Unit Use Only

DETERMINATION OF FINAL AND CONCLUSIVE STATUS: ☐ APPROVED ☐ DENIED

APPROVED/DENIED BY: __________________________ DATE: __________________________

APPROVAL OR DENIAL LETTER PROVIDED: ☐ YES DATE AGENCY NOTIFIED: __________________________

Form DF-FC (10/23/12)