INFORMATIONAL MEMORANDUM

TO: Oversight Board

FROM: Tiffany Bohee, Executive Director

SUBJECT: Submission to the California Department of Finance of a Request for a Final and Conclusive Determination that Senate Bill No. 2113 (2000) established an Enforceable Obligation regarding the funding and development of affordable replacement housing units

EXECUTIVE SUMMARY

On October 15, 2013 the Commission on Community Investment and Infrastructure approved a resolution authorizing OCII to submit a Request for a Final and Conclusive Determination to the California Department of Finance ("DOF") regarding OCII's Replacement Housing Obligation (the "Request"). Specifically the Request seeks confirmation from DOF that Senate Bill No. 2113 ("SB 2113"), which was passed in 2000, established an enforceable obligation regarding the funding and development of affordable replacement housing units. These replacement housing units are intended to replace the units destroyed the former San Francisco Redevelopment Agency ("Former Redevelopment Agency") had destroyed and never replaced during the urban renewal era prior to 1976. Subsequent to the passage of SB 2113, the California Department of Housing and Community Development ("HCD") confirmed that the Former Redevelopment Agency had destroyed 6,709 affordable units that had not been replaced. Attached to this informational memorandum is the Commission memorandum and resolution (including attachments) authorizing the submission of the Request to DOF, which provide a detailed description of the enforceable obligation. Please note that the final version of the Request is included here as an attachment to the Commission Resolution, rather than the version identified on the Commission Resolution as a draft as of October 9th. The Request was submitted to DOF on October 21, 2013.

DISCUSSION

Redevelopment Dissolution Law provides a procedure whereby successor agencies may petition DOF for a written determination that an enforceable obligation that DOF has previously approved on a ROPS is "final and conclusive." Cal. Health & Safety Code § 34177.5 (i). The effect of this final and conclusive determination is to limit DOF's review of the enforceable obligation on future ROPS to the appropriateness of an expenditure and to preclude DOF from questioning the existence of the obligation. This determination provides a degree of certainty to the Successor Agency about the enforceable obligation.

This is the fourth Final and Conclusive Determination request that OCII has submitted to DOF. OCII previously submitted requests associated with the Hunters Point Shipyard/Candlestick...
Point, Transbay, and Mission Bay enforceable obligations in November of 2012. DOF approved the Hunters Point Shipyard/Candlestick point request in December of 2012 and the Transbay request in April of 2013. The Mission Bay request is still pending.

NEXT STEPS

Since there are no statutory timelines for DOF’s review and determination of Final and Conclusive Determination requests, there is no projected timeframe when DOF might make their determination on the Request. However, staff will keep the Oversight Board informed on the status of the pending Mission Bay and Replacement Housing requests.

(Originated by Sally Oerth, Deputy Director)

Attachment 1: OCII Commission Memorandum for the Meeting of October 15, 2103, including attachment

Attachment 2: OCII Resolution No.51-2013, including attachments