ADOPTION OF A RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY 1, 2015 TO JUNE 30, 2015 (ROPS 14-15B) AND SUPPORTING DOCUMENTATION, INCLUDING THE ADMINISTRATIVE BUDGET FOR THE SUCCESSOR AGENCY, THE EXPENDITURE OF $2,950,968 IN PARTIAL REPAYMENT TO THE LOW AND MODERATE INCOME HOUSING ASSET FUND OF THE CITY AND COUNTY OF SAN FRANCISCO FOR AMOUNTS BORROWED FROM THE FORMER REDEVELOPMENT AGENCY LOW AND MODERATE INCOME HOUSING FUND, AND THE EXPENDITURE OF UP TO $9,840,000 IN EXCESS BOND PROCEEDS AND ACCRUED INTEREST TO PROVIDE FUNDS TO THE CITY AND COUNTY OF SAN FRANCISCO FOR USES CONSISTENT WITH BOND COVENANTS

WHEREAS, Under Chapter 5, Statutes of 2011, ABx1 26 and Assembly Bill No. 1484 (Chapter 26, Statutes of 2011-12, Regular Session), the San Francisco Redevelopment Agency ("SFRA") was dissolved and certain obligations of SFRA were transferred to the successor agency, now known as the Office of Community Investment and Infrastructure ("OCII"), the successor to the San Francisco Redevelopment Agency by operation of law. ABx1 26 and Assembly Bill No. 1484 amended Sections 33500 et seq. of the California Health and Safety Code, which sections, as amended from time to time, shall be referred to herein as the "Dissolution Law; and,

WHEREAS, Dissolution Law requires successor agencies to make payments due for enforceable obligations and to perform obligations required pursuant to an enforceable obligation. Cal. Health & Safety Code § 34177 (a) and (c). In addition, Dissolution Law authorizes successor agencies to create new enforceable obligations if they are "in compliance with an enforceable obligation that existed prior to June 28, 2011." Cal Health & Safety Code § 34177.3 (a). The Law, however, authorizes payments under an enforceable obligation only if the expenditure appears on a Recognized Obligation Payment Schedules ("ROPS") that the Oversight Board and the Department of Finance have approved for each six-month period (January-June, July-December), beginning January 1, 2012. Each ROPS must state the minimum payment amounts and due dates for payments required by enforceable obligations for each six-month fiscal period. Only those payments listed on the ROPS may be made by the successor agency from funds specified in the ROPS; and,

WHEREAS, California Health & Safety Code § 34177(m) requires the submittal of an Oversight Board approved ROPS no fewer than 90 days before the date of the next property tax distribution; therefore the deadline for submitting the ROPS for January 1, 2015 to June 30, 2015 (ROPS 14-15B) is October 3, 2014. OCII is therefore submitting the ROPS 14-15B to the Oversight Board for approval. In adopting this Resolution approving ROPS 14-15B, the Oversight Board also would be approving the following related items as described in greater detail
below: (1) an administrative budget for OCII; (2) the repayment of money to the Low and Moderate Income Housing Asset Funds; and (3) the expenditure of excess bond proceeds, all as described in more detail below; and,

WHEREAS, Pursuant to California Health & Safety Code § 34177(j), successor agencies are required to prepare an administrative budget for oversight board approval for each six month ROPS period. The administrative budget for January 1, 2015 to June 30, 2015 is estimated to be $5,484,000, and appears in ROPS 14-15B as items 1 and 4 (the “Administrative Budget”); and,

WHEREAS, On March 16, 2010, pursuant to Resolution 25-2010, SFRA borrowed $16,483,000 from the Low and Moderate Income Housing Fund for payment to the Supplemental Educational Revenue Augmentation Fund (“SERAF”); and,

WHEREAS, Pursuant to California Health & Safety Code §34171(d)(1)(G) and §34176, amounts borrowed from, or payments owing to, the Low and Moderate income Housing Fund of a redevelopment agency are considered enforceable obligations may be repaid to the Low and Moderate Income Housing Asset Fund of the city, county, or city and county electing to retain the housing assets of the former redevelopment agency, according to a repayment schedule approved by the oversight board and subject to maximum amounts in any ROPS period established by formula in Cal. Health & Safety Code §34191.4(b)(2)(A); and,

WHEREAS, The Successor Agency budgeted in its Fiscal Year 2014-15 budget to repay $2,950,868 of the Low and Moderate Income Housing Fund loan to the City and County of San Francisco Low and Moderate Income Housing Asset Fund;

WHEREAS, Pursuant to California Health & Safety Code § 34191.4(c)(2)(A), successor agencies that have been issued a finding of completion by the Department of Finance may expend bond proceeds derived from bonds issued on or before December 31, 2010 in excess of the amounts needed to satisfy approved enforceable obligations in a manner consistent with the original bond covenants, and the expenditure of such excess bond proceeds must be listed separately on the ROPS; and,

WHEREAS, The Successor Agency was issued a finding of completion by the Department of Finance on May 29, 2013; and,

WHEREAS, The Successor Agency has determined that there are $601,000 in excess bond proceeds plus accrued interest from South of Market Series 1992A, 1994A, 1995A, 1996A, 1996B, 2000A, 2003B, 2009B and 2009F tax-exempt bond issuances that will remain unspent after December 31, 2014, and is requesting through ROPS 14-15B the approval of the Oversight Board to provide the funds to the City for uses consistent with the original bond covenants, including pedestrian safety improvements on Sixth Street and alleyway improvements (Item # 384); and,

WHEREAS, The Successor Agency has determined that there are up to $88,000 in excess bond proceeds and accrued interest from Western Addition A-2 Series 1991A, 1992A, 1994A, 1995A and 1998A tax-exempt bond issuances that will remain unspent
WHEREAS, The Successor Agency has determined that there are up to $896,000 in excess bond proceeds from Bayview Hunters Point Series 1996B, 1998A, 2009B, and 2009F tax-exempt bond issuances plus accrued interest that will remain unspent after December 31, 2014, and is requesting through ROPS 14-15B the approval of the Oversight Board to provide the funds to the City for uses consistent with the original bond covenants, including façade improvements along the Third Street commercial corridor, Bayview community challenge grants for public sidewalk gardens and other street greening projects, and streetscape improvements through the “Model Block” program to implement the City’s federal Choice Neighborhood Initiatives Grant (Item # 386 & 387); and,

WHEREAS, The Successor Agency has determined that there are up to $8,255,000 in excess bond proceeds from tax-exempt bond issuances Series 1996B, 2000A, 2001A and 2003B plus accrued interest that will remain unspent after December 31, 2014, and is requesting through ROPS 14-15B the approval of the Oversight Board to provide the funds to the City for uses consistent with the original bond covenants, including urgent capital repairs at public housing sites, modernization of public housing elevators that have been in constant disrepair, and grants to nonprofit affordable housing developers for capital repairs or creation of new affordable housing units (Item #388); and,

WHEREAS, The ROPS for the period January 1, 2015 to June 30, 2015 is attached to this resolution as Exhibit A, and fully incorporated in this resolution (“ROPS 14-15B”); and,

WHEREAS, Having determined the validity of the ROPS 14-15B, the Successor Agency staff recommends that the Oversight Board approve ROPS 14-15B, and authorize its submission to the State Controller and Department of Finance in accordance with AB 1484; now, therefore, be it

RESOLVED, That this Oversight Board approves the expenditure of $2,950,968 to provide funds to the City and County of San Francisco Low and Moderate Income Housing Asset Fund as an initial repayment of a portion of the $16,483,000 borrowed from the former redevelopment agency’s Low and Moderate Income Housing Fund, as provided for in ROPS 14-15B Item #12; and be it further

RESOLVED, That this Oversight Board approves the expenditure of up to $601,000 in excess bond proceeds from South of Market Series 1992A, 1994A, 1995A, 1996A, 1996B, 2000A, 2003B, 2009B and 2009F tax exempt bond issuances plus accrued interest by provide the funds to the City and County of San Francisco for expenditures consistent with the bond covenants, which require expenditures for tax-exempt projects in the South of Market Redevelopment Project Area, including pedestrian safety improvements on 6th Street and alleyway improvements, as provided for in ROPS 14-15B Item #384; and be it further
RESOLVED, That this Oversight Board approves the expenditure of $88,000 in excess bond proceeds from Western Addition A-2 Series 1991A, 1992A, 1994A, 1995A and 1998A tax exempt bond issuances plus accrued interest by providing the funds to the City of San Francisco for expenditures consistent with the original bond covenants, including capital improvements to the Ella Hill Hutch Community Center in the WA-A2 neighborhood, as provided for in ROPS 14-15B Item #385; and be it further

RESOLVED, That this Oversight Board approves the expenditure of $896,000 in excess bond proceeds from Bayview Hunters Point Series 1996B, 1998A, 2009B, and 2009F tax exempt bond issuances plus accrued interest by providing the funds to the City of San Francisco for expenditures consistent with the original bond covenants, including façade improvements along the Third Street commercial corridor, Bayview community challenge grants for public sidewalk gardens and other street greening projects, and streetscape improvements through the “Model Block” program to implement the City’s federal Choice Neighborhood Initiatives Grant (Item # 386 & 387); and be it further

RESOLVED, That this Oversight Board approves the expenditure of up to $8,255,000 in excess bond proceeds from tax-exempt bond issuances Series 1996B, 2000A, 2001A and 2003B plus accrued interest by providing the funds to the City of San Francisco for expenditures consistent with the original bond covenants, including urgent capital repairs at public housing sites, modernization of public housing elevators that have been in constant disrepair, and grants to nonprofit affordable housing developers for capital repairs or creation of new affordable housing units (Item #388); and be it further

RESOLVED, That this Oversight Board approves ROPS 14-15B, including the Administrative Budget for the Successor Agency, as required by California Health & Safety Code §34177(j), and directs the Executive Director or her designee to take such actions as may be necessary to submit the ROPS 14-15B to the City Controller, Department of Finance, and State Controller, post ROPS 14-15B on the internet website of the Oversight Board, and to take any other actions appropriate to comply with the Redevelopment Dissolution Law’s requirements relating to the ROPS.

Exhibit A:  ROPS 14-15B
A-1: ROPS Detail
A-2: Notes
A-3: Report of Prior Period Adjustments
A-4: Report of Cash Balances
A-5: Summary

I hereby certify that the foregoing resolution was adopted by the Oversight Board at its meeting of September 22, 2014.

[Signature]
Board Secretary