

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

**RESOLUTION NO. 2-2015
Adopted February 3, 2015**

**CONDITIONALLY AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO
A GRANT AGREEMENT WITH THE CITY AND COUNTY OF SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY FOR USE OF UP TO \$526,000 IN TAX-
EXEMPT BOND PROCEEDS FOR SIXTH STREET PEDESTRIAN IMPROVEMENTS
PER RECOGNIZED OBLIGATIONS PAYMENT SCHEDULE ITEM 384, SUBJECT TO
APPROVAL BY THE OVERSIGHT BOARD AND DEPARTMENT OF FINANCE**

WHEREAS, Pursuant to California Health & Safety Code § 34191.4(c)(2)(A), successor agencies to redevelopment agencies that have been issued a finding of completion by the Department of Finance may expend former redevelopment agency 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. Successor Agency to the City and County of San Francisco Redevelopment Agency, operating as the Office of Community Investment and Infrastructure (“OCII”) received a Finding of Completion on May 29, 2013; and,

WHEREAS, OCII has approximately \$526,000 in excess bond proceeds including interest remaining from tax-exempt bonds issued prior to 2011 for capital improvements in the South of Market Area (“SOMA”); and,

WHEREAS, OCII’s Recognized Obligations Payment Schedule (“ROPS”) 2014-15B, Item 384 included payment authority to transfer up to \$601,000 in excess SOMA bond proceeds to the City and County of San Francisco for uses consistent with the bond covenants, subject to Department of Finance approval, with \$75,000 of that amount already programmed through Resolution 99-2014 for the SOMA Alleyways II project managed by the City and County of San Francisco Department of Public Works; and,

WHEREAS, As shown in the attached proposed Grant Agreement (“Exhibit A”), the City and County of San Francisco Municipal Transportation Agency (“MTA”) has proposed to use up to \$526,000 of the SOMA excess bond proceeds toward capital costs associated with its Sixth Street Pedestrian Improvements project within the former South of Market redevelopment project area. Proposed improvements include the conversion of existing temporary painted sidewalk bulbouts at Howard and Sixth streets to permanent constructed sidewalk bulbouts; and the installation of new tree grates around Sixth Street to reduce tripping hazards; and,

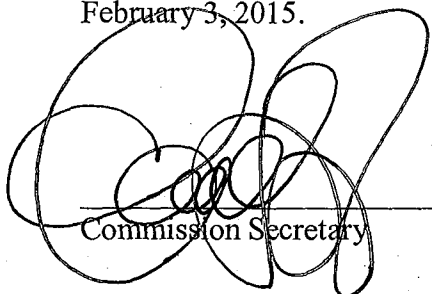
WHEREAS, The uses for excess bond proceeds proposed in Exhibit A are consistent with the bond covenants; and,

WHEREAS, Approval of a Grant Agreement to transfer bond proceeds to the MTA is not a "Project," as defined by the California Environmental Quality Act ("CEQA") Guidelines Sections 15378(b)(4) and 15378(b)(5). Actions related to the proposed Grant Agreement will not independently result in a physical change in the environment are not subject to environmental review under CEQA; now, therefore, be it

RESOLVED, That the Executive Director is hereby authorized to enter into a Grant Agreement with the City and County of San Francisco Municipal Transportation Agency substantially in the form of the attached Exhibit A, subject to Oversight Board and California Department of Finance approval.

Exhibit A: Grant Agreement by and between the Successor Agency to the Redevelopment Agency, also known as the Office of Community Investment and Infrastructure and The City and County of San Francisco Municipal Transportation Agency

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of February 3, 2015.



Commission Secretary

GRANT AGREEMENT

by and between

the Successor Agency to the Redevelopment Agency, commonly known as
the Office of Community Investment and Infrastructure

and

The City and County of San Francisco, through its
Municipal Transportation Agency (SFMTA)

for

6th and Howard Permanent Bulbs Project

Executed by the parties as of _____, 2015

Concurred to by the OCII Commission through Resolution __-2015 on _____, 2015

Concurred to by the Successor Agency Oversight Board through Resolution __-2015 on
_____, 2015

Concurred to by the California Department of Finance on _____, 2015

GRANT AGREEMENT

This Grant Agreement ("Agreement") is entered into between the Successor Agency to the San Francisco Redevelopment Agency, also known as the Office of Community Investment and Infrastructure, ("Successor Agency"), and the City and County of San Francisco ("City"), through its Municipal Transportation Agency ("SFMTA"), for the "6th and Howard Permanent Bulbs Project," to improve pedestrian safety on 6th Street within the boundaries of the South of Market Redevelopment Project Area. The Successor Agency and SFMTA are the parties to this Agreement (collectively, the "Parties").

RECITALS

A. Pursuant to California Health & Safety Code § 34191.4(c)(2)(A), successor agencies to redevelopment agencies that have been issued a finding of completion by the Department of Finance may expend former redevelopment agency 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. The Successor Agency received a Finding of Completion on May 29, 2013.

B. The Successor Agency has approximately \$591,202 in excess bond proceeds and up to \$10,000 associated interest issued for capital improvements in the South of Market Area remaining from Series 1992A, 1994A, 1995A, 1996A, 1996B, 2000A, 2003B, 2007A, 2009B, and 2009F issuances. On September 22, 2014, the Oversight Board, through its Resolution 10-2014, provided preliminary approval to the Successor Agency to transfer up to \$526,000 of these funds to SFMTA for uses consistent with the bond indentures.

C. SFMTA has proposed programming up to \$526,000 of the bond proceeds for disbursement under this Agreement for the 6th and Howard Permanent Bulbs Project ("Project"), to provide traffic calming and improve pedestrian safety within the boundaries of the South of Market ("SoMa") Redevelopment Project Area.

D. Disbursement of funds under this Agreement is subject to OCII Commission, Oversight Board and Department of Finance concurrence.

NOW, THEREFORE, in consideration of the above recitals and the mutual promises and covenants set forth in this Agreement, the Parties agree as follows:

1. **Scope of Work, Budget and Schedule.** The 6th Street Pedestrian Improvements project has two elements:
 - a. **6th at Howard Permanent Intersection Safety Improvements:** Make permanent the existing temporary bulbs and additionally include Accessible Pedestrian Signals (APS) and a protected left turn phase. The preliminary cost estimate is \$450,000, and the timeline for completion is 36 months from availability of funding.
 - b. **Sidewalk Pedestrian Safety Improvements – 6th Street from Market to Howard or Folsom:** Installation of tree-wells to reduce tripping and safety hazards on the sidewalk. The preliminary cost

estimate is up to \$150,000, and the timeline for completion is 12 months from availability of funding.

2. **Adjustments to Scope of Work to Accommodate Funding Limitations:** If the final budget exceeds the amount of funding available under this Agreement, SFMTA will have discretion to reduce the scope to accommodate the funding available or seek other sources of funds to complete the scope. The Successor Agency will not provide any more funds towards the scope of work beyond the amount specified in Section 3 of this Agreement.
3. **Disbursement.** The Successor Agency agrees to transfer \$516,202 in bond proceeds plus interest of up to \$9,798 accrued, for a total amount not to exceed \$526,000 as of the Effective Date of this Agreement (as defined in Section 5 below), using the transfer mechanism and accounting codes approved by the City Controller's Office no later than five business days after the Effective Date of this Agreement.
4. **Compliance with Internal Revenue Service Requirements Related to the Management and Expenditure of Tax-Exempt Bond Proceeds.** With respect to compliance with Internal Revenue Service requirements related to the management and expenditure of tax-exempt bond proceeds, SFMTA will ensure that adequate documentation is maintained to show that expenditures meet the eligible requirements for use of tax-exempt bond proceeds. Such documentation shall be retained for at least seven years following completion of the work funded under this Agreement.
5. **Effective Date and Term.** This Agreement shall become effective on the date that the Department of Finance concurs with an Oversight Board resolution approving this Agreement ("Effective Date"), and shall expire on the earlier of: (a) 36 months from the Effective Date, except if extended in writing by the Successor Agency, or (b) the date SFMTA receives a written notice from the Successor Agency acknowledging the completion of the Project.
6. **Report of Expenditures.** SFMTA will provide to the Successor Agency records demonstrating the expenditure of Bond Proceeds for the Scope of Work on an annual basis, by the last business day in August of each year, until the funds are fully expended or returned to the Successor Agency.
7. **Unexpended Bond Proceeds.** SFMTA shall return to the Successor Agency any Bond Proceeds that have not been expended pursuant to this Agreement within 30 days of the completion of the Scope of Work or the termination of this Agreement, whichever is sooner.
8. **Indemnification.** The SFMTA agrees to defend, hold harmless and indemnify the Successor Agency, and its commissioners, members, officers, agents and employees of and from any and all claims, demands, losses, costs, expenses including attorney's fees, obligations, damages, injuries, actions, causes of action and liabilities ("damages") of every kind, nature and description directly or indirectly, arising out of or connected with this Agreement, and any of the SFMTA's activities related thereto, including any liabilities associated with the SFMTA's management of tax-exempt bond funds and associated interest arising from Internal Revenue Service audits, but excluding any damages arising from the willful misconduct or negligence of the Successor Agency.
9. **Amendments.** The Successor Agency and the SFMTA reserve the right to amend this Agreement by mutual consent. It is mutually understood and agreed that no amendment, modification, alteration or variation of the terms of this Agreement

shall be valid unless in writing and signed and acknowledged and approved by both parties.

This Agreement is agreed to on the date(s) below, subject to OCII Commission, Oversight Board and California Department of Finance Concurrence:

1. City and County of San Francisco Municipal Transportation Agency

Sonali Bose
Chief Financial Officer

Date: _____

Approved as to Form

Dennis J. Herrera
City Attorney

By: _____
Robin M. Reitzes
Deputy City Attorney

2. OCII/Successor Agency to the San Francisco Redevelopment Agency

Tiffany Bohee, Executive Director

Date: _____