

COMMISSION ON COMMUNITY INVESTMENT AND INFRASTRUCTURE

RESOLUTION NO. 05-2023

Adopted March 21, 2023

AUTHORIZING A FIRST AMENDMENT TO THE PERSONAL SERVICES CONTRACT WITH PFM CALIFORNIA ADVISORS, LLC FOR FINANCIAL ADVISOR SERVICES TO MODIFY THE SCOPE OF THE CONTRACT TO INCLUDE AN AFFORDABLE HOUSING BOND SERIES WITHOUT INCREASING THE NOT-TO-EXCEED AMOUNT

WHEREAS, On September 20, 2022, the Commission approved, by Resolution 28-2022, a Personal Services Contract (the “Contract”) with PFM California Advisors, LLC (“PFM”) to provide financial advisory services related to the issuance of Tax Allocation Revenue Bonds (the “2023 Transbay Bonds”) and tax allocation revenue refunding bonds; and,

WHEREAS, PFM has performed satisfactorily under its existing contract and OCII wishes to amend the contract to modify the scope to include services related to the issuance of approximately \$25 million taxable third lien tax allocation bonds to fund affordable housing (“2023 Housing Bonds”); and,


WHEREAS, Staff recommends amending the Contract to modify the scope of the Contract to include financial advisory services related to the 2023 Housing Bonds without increasing the maximum compensation to be paid to PFM pursuant to the Contract in the amount of \$170,000; and,

WHEREAS, The modification of the Contract pursuant to the First Amendment will allow the 2023 Housing Bonds to be issued simultaneously with the 2023 Transbay Bonds, providing timely funding for an affordable housing project; and,

WHEREAS, Authorization of the modifications of the Contract pursuant to the First Amendment is not a project, as defined by the California Environmental Quality Act (“CEQA”) in CEQA Guidelines Section 15378(b)(5), because the action is an administrative activity of government that will not result in a direct or indirect physical change in the environment and is not subject to environmental review under CEQA; now, therefore, be it

RESOLVED, That the Executive Director of the Office of Community Investment and Infrastructure is authorized to execute the First Amendment to the Contract as provided therein, without increasing the maximum compensation to be paid to PFM pursuant to the Contract in the amount \$185,000.

I hereby certify that the foregoing resolution was adopted by the Commission at its meeting of March 21, 2023.



Commission Secretary

Exhibit 1: First Amendment to the Personal Services Contract with PFM California Advisors, LLC

**FIRST AMENDMENT TO LEGAL SERVICES CONTRACT
(Financial/Municipal Advisor)**

This FIRST AMENDMENT FINANCIAL SERVICES CONTRACT (this “First Amendment”) is entered into this 21st day of March 2023 (the “First Amendment Date”), by and between the SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body, corporate and politic, commonly known as the Office of Community Investment and Infrastructure (the “OCII” or the “Agency”), and PFM California Advisors, LLC, Delaware Limited Liability Corporation (“Contractor”).

WHEREAS, the OCII and Contractor previously entered into that certain Personal Services Contract dated as of September 20, 2022, by and between the OCII and Contractor (the “Original Contract”) (capitalized terms used but not defined herein have the meanings given to such terms in the Original Contract); and

WHEREAS, Pursuant to the Original Contract, the OCII engaged and appointed Contractor to serve as Municipal Advisor to the OCII in connection with its issuance of the 2023 A Transbay Tax Allocation Bonds (hereafter the “2023 B Transbay Tax Allocation Bonds”) and 2023 B Mission Bay Tax Allocation Refunding Bonds (hereafter the 2023 C Mission Bay Tax Allocation Refunding Bonds) (together, the “Bonds”); and

WHEREAS, the OCII desires to engage and appoint Contractor to serve as Municipal Advisor on an additional series of tax allocation bonds to finance affordable housing pursuant to the authority granted under Section 34177.7(a)(1)(A) of the California Health and Safety Code (such bonds hereinafter referred to as the “2023 A Affordable Housing Tax Allocation Bonds”) to be issued concurrently with the 2023 B Transbay Tax Allocation Bonds; and

WHEREAS, the OCII and Contractor desire to amend the Original Contract to engage and appoint Contractor to serve as Municipal Advisor on the 2023 A Affordable Housing Tax Allocation Bonds and other related amendments to the Original Contract;

NOW THEREFORE, in consideration of the promises, the parties hereto hereby agree as follows:

SECTION 1. AMENDMENTS.

(a) Recital B of the Original Contract is hereby amended to read in its entirety as follows:

Pursuant to Section 34177.7(a)(1)(A) of the HSC, OCII intends to issue tax allocation revenue bonds to fund infrastructure in the Transbay Redevelopment Area and, concurrently, to issue taxable tax allocation revenue bonds to fund affordable housing projects.

(b) The second paragraph of Schedule A to the Original Contract is hereby amended to read in its entirety as follows:

Bond Financings Under this Scope: approximately \$25 million 2023 Series A Taxable Third Lien Tax Allocation Bond (“2023A Housing Bonds”); and approximately \$45 million 2023 Series B Third Lien Tax Allocation Revenue Bonds (Transbay

Redevelopment Project) (“2023B Transbay Infrastructure Bonds”); and approximately \$46 million 2023 C Revenue Refunding Tax Allocation Bonds (Mission Bay South Redevelopment Project). The final size of the bond issuances may change prior to the time of sale.

(c) Schedule B to the Original Contract is hereby amended to read in its entirety as set forth on Exhibit A hereto:

SECTION 2. CONDITION PRECEDENT.

This First Amendment shall be effective as of the First Amendment Date upon the delivery by the OCII and Contractor of an executed counterpart of this First Amendment.

SECTION 3. MISCELLANEOUS.

Except as specifically amended by this First Amendment, the Original Contract shall continue in full force and effect in accordance with its terms.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the OCII and Contractor have executed this First Amendment as of the date first above written.

OCII:
SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE CITY
AND COUNTY OF SAN FRANCISCO, a public
body, corporate and politic

By: _____
Thor Kaslofsky
Executive Director

CONTRACTOR:
PFM CALIFORNIA ADVISORS, LLC, a
Pennsylvania limited liability corporation

By: _____
Sarah Hollenbeck
President

Exhibit A

Fee Schedule

Contractor shall be compensated as follows for services provided under this contract.

Financial Advisor Services			
Issuance	Fees	Reimbursable Expenses	Max Total Compensation
2023 A Affordable Housing Tax Allocation Bonds 2023 B Transbay Infrastructure Bonds and (issued concurrently)	\$85,000		\$85,000
2023C Mission Bay Refunding Bonds	\$85,000		\$85,000
Total			\$170,000

All amounts under this contract are payable solely from the proceeds of the applicable Series of Bonds and are contingent upon the closing of such Series of Bonds. The maximum payable under this contract shall be \$170,000.