Office of Community Investment and Infrastructure

Recognized Obligation Payment Schedule 24-25

July 1, 2024 – June 30, 2025

Workshop

January 8, 2024

OCII Mission and Strategic Goals

Within Mission Bay, Transbay & Shipyard/Candlestick

- Invest in these communities by accelerating delivery of and access to new housing, especially affordable units
- Create new public infrastructure and open spaces
- Maximize opportunities for local business and workers
- Implement wind down of activities under State Redevelopment Dissolution Law

Mission Bay, Transbay, & Shipyard /Candlestick to provide:

- 22,000 new housing units, approximately 30% affordable
- 379 acres parks and open space
- 13 million sq. ft. commercial space

OCII FY 24-25 Major Initiatives – Projects

Transbay Block 3 Park & Streetscape Improvement Project

Mission Bay Block 9A

Infrastructure & Community

- Complete Mission Bay parks, pump station, streets
- Design Transbay Block 3 Park & Streetscape Improvement Project and Under Ramp Park
- Begin Block 48 horizontal infrastructure construction

Housing

- Fund TB 2E, TB 2W, TB 4
- Begin pre-development on MBS 12W, MBS 4E, TB 12
- Continue construction on MBS 9A, HPS 52/54, and HPS 56

Funding Sources

Bond Proceeds	Bond Proceeds from bonds issued
Reserve Balance	Property tax increment approved to be retained by DOF in prior year for use in current year
Other Funds	Developer Payments, Grants, etc.
RPTTF Non-Admin	Redevelopment Property Tax Trust Fund ("RPTTF") to fund enforceable obligations
RPTTF Residual	RPTTF from the residual pool of funds after the distribution to the taxing entities to fund replacement housing
RPTTF Admin	Administrative Cost Allowance; Maximum of 3% of prior year's ROPS RPTTF distribution less prior year's RPTTF Admin less Prior Period Adjustment

ROPS 24-25 Sources

Bond Proceeds and Other Funds are primary sources.

Sources	Proposed Amount ($M)
Bond Proceeds	$263.3
Reserve Funds	$39.7
Other Funds	$229.9
RPTTF Non-Admin	$156.4
RPTTF Residual	$0.3
RPTTF Admin	$3.8
Total Sources	**$693.4**

**Numbers are slightly off due to rounding.*

ROPS 23-24 v. ROPS 24-25 Sources

Bond Proceeds and Other Funds are primary sources.

Sources	ROPS PY Amount ($M)	ROPS CY Proposed ($M)	Difference ($M)	Percent Change	Explanation
Bond Proceeds	$383.1	$263.3	($119.7)	-31.3%	Decrease due to spend down of bond proceeds on infrastructure and housing projects and refunding bond proceeds included in PY.
Reserve Funds	$24.1	$39.7	$15.6	64.9%	Increase due to use of PY RPTTF to fund TB 2 and infrastructure reimbursements in Mission Bay North.
Other Funds	$196.1	$229.9	$33.8	17.2%	Increase due to affordable housing projects: TB 2E, TB 2W, TB 4, MBS 4E, MBS 9A, MBS 4E, MBS 12W, TBY 12, HPS 48.
RPTTF Non-Admin	$138.1	$156.4	$18.2	13.2%	Increase in pledged RPTTF to fund infrastructure reimbursements not requested in prior year and planned increase in debt service schedule due to issuance of new bonds in PY.
RTTF Residual	$0.0	$0.3	$0.3	100.0%	This is the first year requesting RPTTF Residual. Increase due to environmental consultant professional services related to Replacement Housing legislation.
RPTTF Admin	$3.5	$3.8	$0.4	10.7%	Increase due to formula is based on percentage of prior year's RPTTF distribution and adjustments.
Total Sources	**$744.8**	**$693.4**	**($51.4)**	**-6.9%**	

**Numbers are slightly off due to rounding.*

ROPS 24-25 Uses

Affordable Housing and Transbay Infrastructure are primary uses.

Uses	Proposed Amount ($M)	% of Total
Affordable Housing	$342.9	49.5%
Replacement Housing	$0.7	0.1%
Mission Bay	$37.2	5.4%
Transbay	$150.7	21.7%
HPS/CP	$11.5	1.7%
Debt	$124.3	17.9%
Operations	$26.1	3.8%
Total Uses	**$693.4**	**100.0%**

**Numbers are slightly off due to rounding.*

ROPS 23-24 v. ROPS 24-25 Uses

Affordable Housing and Transbay Infrastructure are primary uses.

Uses	ROPS PY Amount ($M)	ROPS CY Proposed ($M)	Difference ($M)	Percent Change	Explanation
Affordable Housing	$364.0	$342.9	($21.0)	-5.8%	Decrease due to completion of MBS 9 and spend down on housing loans.
Replacement Housing	$0.0	$0.7	$0.7	100.0%	This is the first year requesting Replacement Housing authority. Increase due to staffing and professoinal service cost related to Replacement Housing legislation.
Mission Bay	$43.6	$37.2	($6.3)	-14.6%	Decrease due to spend down of bond proceeds on infrastructure reimbursements.
Transbay	$153.1	$150.7	($2.5)	-1.6%	Decrease due to spend down on parks projects.
HPS/CP	$11.6	$11.5	($0.1)	-0.8%	Decrease due to spend down of Community Benefits Agreement funds.
Debt	$146.1	$124.3	($21.8)	-14.9%	Decrease due to refunding bond costs, offset by increase in debt service payments on new bonds.
Operations	$26.4	$26.1	($0.4)	-1.4%	Decrease due to positions held vacant, offset by increase in Retiree healthcare and pension costs, new bond activity, and housing certificate of preference costs.
Total Uses	**$744.8**	**$693.4**	**($51.4)**	**-6.9%**	

**Numbers are slightly off due to rounding.*

ROPS 24-25 Proposed RPTTF Uses

Debt and Transbay Infrastructure are primary uses.

Uses	Proposed Amount ($M)*
Affordable Housing	$0.0
Replacement Housing	$0.3
Mission Bay	$5.1
Transbay	$33.9
HPS/CP	$1.5
Debt	$106.8
Operations	$12.9
Total	**$160.5**

**Numbers are slightly off due to rounding.*

**Includes both RPTTF Non-Admin, RPTTF Residual, and RPTTF Admin.*

ROPS 23-24 v. ROPS 24-25 RPTTF Request

RPTTF request is higher due to debt and Mission Bay reimbursement request, offset by reduction in affordable housing request.

Uses	ROPS PY Amount ($M)	ROPS CY Proposed ($M)	Difference ($M)	Percent Change	Explanation
Affordable Housing	$9.0	$0.0	($9.0)	-100.0%	Decrease due to encumbering of Prior Year ("PY") RPTTF to TBY 2.
Replacement Housing	$0.0	$0.3	$0.3	100.0%	This is the first year requesting Replacement Housing authority. Increase due to professoinal service cost related to Replacement Housing legislation.
Mission Bay	$0.0	$5.1	$5.1	100.0%	Increase due to request for pledged RPTTF to fund infrastructure reimbursements not requested in PY.
Transbay	$34.5	$33.9	($0.6)	-1.7%	Decrease due to rightsizing of pledged RPTTF for TJPA.
HPS/CP	$1.4	$1.5	$0.2	11.1%	Increase due to growth in pledged RPTTF.
Debt	$87.4	$106.8	$19.3	22.1%	Increase due to debt service for 2023 money bond issuances and planned debt service increase.
Operations	$9.4	$12.9	$3.6	38.1%	Increase due to retirement healthcare and pension costs per actuarial schedule, use of RPTTF for staffing costs funded by Other in PY, and due to RPTTF Admin by formula.
Total	**$141.6**	**$160.5**	**$18.9**	**13.4%**	

**Numbers are slightly off due to rounding.*

Affordable Housing

Hunters Point Shipyard Phase 1 Blocks 52/54

Affordable Housing: Sources and Uses

Other Funds are primary source.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Permanent Funding	$125.5	$21.7	$171.4	-	-	$318.6
Predevelopment Funding	$3.9	$7.0	$13.5	-	-	$24.3
Total	**$129.4**	**$28.7**	**$184.9**	**-**	**-**	**$342.9**

**Numbers are slightly off due to rounding.*

Permanent Funding is primary use

Affordable Housing: By Project Area

Affordable housing expenditure occurs in all major project areas.

Sources ($M) Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
HPS/CP	$72.8	-	$4.0	-	-	$76.8
Mission Bay	$13.5	$7.0	$14.0	-	-	$34.5
Transbay	$43.0	$21.7	$166.9	-	-	$231.6
Total	**$129.4**	**$28.7**	**$184.9**	**-**	**-**	**$342.9**

**Numbers are slightly off due to rounding.*

Majority of expenditure is in Transbay

Affordable Housing

Work program includes 4 new and 8 existing affordable housing loans.

Project	Type	Amount ($M)	Number of Units
Existing Loans			
CP Block 11a	Predevelopment Loan	$1.2	176 units
CP Block 10a	Predevelopment Loan	$1.6	156 units
HPS Block 52/54	Construction Loan	$43.6	112 units
HPS Block 56	Construction Loan	$26.5	73 units
MBS Block 9A	Additional Loan	$8.0	148 units
MBS Block 4E	Predevelopment Loan	$7.3	273 units
Transbay Block 2 West	Construction Loan	$61.9	151 units
Transbay Block 2 East	Construction Loan	$69.2	184 units
New/Additional Loans			
MBS Block 12W (A&B)	Predevelopment Loan	$7.0	318 units
HPS Block 48	Predevelopment Loan	$4.0	144 units
Transbay Block 4	Predevelopment or Construction Loan	$93.5	202 units
Transbay Block 12	Predevelopment Loan	$3.5	80 units
Total		**$342.9**	**2,017 units**

**Numbers are slightly off due to rounding.*

Replacement Housing

Replacement Housing Background

- SB 593 establishes the Replacement Housing Obligation as an enforceable obligation. OCII is working with DOF and the City to set up a review and approval process for Replacement Housing funding and projects. The Commission is also discussing a framework for prioritizing Replacement Housing projects. Priorities being considered are:
  - Adding affordable housing to existing project areas.
  - Adding affordable housing to former project areas, particularly those subject to urban renewal displacement.
  - Developing affordable housing in other areas of the City where the City has identified priority projects in need of funding that are also consistent with the goals of SB 593.
  - Enhance the Certificate of Preference Program

For further detail, see Attachment A-3: Commission Workshop on Senate Bill NO. 593 authorizing OCII to finance the construction of replacement affordable housing units.

Replacement Housing: Sources and Uses

Other and RPTTF Residual are the sources.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Residual	RPTTF Admin	Total
Admin	-	-	$0.4	-	$0.3	-	$0.7
Total	**-**	**-**	**$0.4**	**-**	**$0.3**	**-**	**$0.7**

**Numbers are slightly off due to rounding.*

Predevelopment Funding is primary use.
The funds will be used for staffing and professional services costs.

Mission Bay


Park P2 / P8


Gladstone Expansion

Mission Bay: Sources by Uses

Bond Proceeds is primary source.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	$15.4	$10.0	$2.2	$5.0	-	$32.6
Professional Services	$2.9	-	$0.6	$0.1	-	$3.6
Art Program	-	-	$1.0	-	-	$1.0
Total	**$18.2**	**$10.0**	**$3.8**	**$5.1**	**-**	**$37.2**

**Numbers are slightly off due to rounding.*

Infrastructure is primary use.

Mission Bay: Work Program

- **Overview**
  - Facilitate completion of infrastructure including parks, a pump station, and streets
  - P2/P8 (Mission Creek Park) SWPS #3 and 5th and King intersection

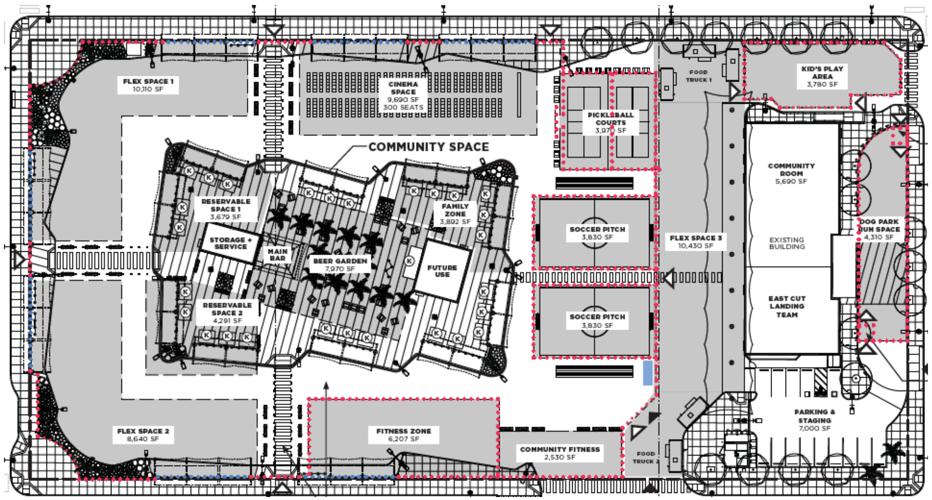
- **Detail**
  - Infrastructure
    - $32.6 million for infrastructure reimbursements
  - Professional Services
    - $3.6 million in Professional Services
  - Art Program
    - $1.0 million for a public art project in Park P2/P8 in Mission Bay being administered by the SF Arts Commission. Fabrication of the Grizzley Bears artwork will occur in FY 24-25.

Transbay

Block 3 Park and Streetscape Improvement Project

Under Ramp Park

Interim Activation of former Temp Terminal



Under Ramp Park

Transbay: Sources by Uses

Bond Proceeds are primary sources.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	$106.7	-	$9.0	$0.6	-	$116.2
Professional Services	-	-	$1.2	$0.1	-	$1.2
TJPA Pledge	-	-	-	$33.2	-	$33.2
Total	**$106.7**	**-**	**$10.1**	**$33.9**	**-**	**$150.7**

**Numbers are slightly off due to rounding.*

Infrastructure is primary use.

Transbay: Work Program

- **Overview**
  - Design open space: Under Ramp Park and Block 3 Park and Streetscape Improvement Project
  - Activate and manage Temporary Terminal Site and Essex Open Space
  - Monitor Folsom streetscape improvements (Long Term Plant Establishment ["LTPE"])

- **Detail**
  - **Infrastructure**
    - $116.2 million for predevelopment and constructions of Under Ramp Park and Block 3 Park and Streetscape Improvement Project and Folsom Street Improvement Project Long-Term Plant Establishment
      - $205K for Folsom Street Improvement Project Long-Term Plant Establishment
  - **Professional Services**
    - $1.2 million for environmental, legal, management, and consultant services related to the Block developments and property management
  - **TJPA Pledge**
    - $34.6 million pledged to TJPA

Office of Community Investment and Infrastructure

Hunters Point Shipyard Phases 1 & 2 / Candlestick Point

HPS/CP: Sources by Uses

Other Funds are primary source.

Sources ($M) Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Infrastructure	-	-	$4.2	$1.5	-	$5.7
Professional Services	-	-	$3.6	-	-	$3.6
Community Benefits	-	-	$1.8	-	-	$1.8
Lease Payments to Navy	-	-	$0.4	-	-	$0.4
Total	**-**	**-**	**$9.9**	**$1.5**	**-**	**$11.5**

**Numbers are slightly off due to rounding.*

Infrastructure is primary use.

HPS/CP: Work Program

- **Overview**
  - Construct four development blocks
    - Three affordable housing blocks (185 affordable housing units)
  - Manage and transfer Phase 1 parks
  - Facilitate HPS Phase 1 Street acceptance
  - Complete Block 48 horizontal infrastructure
  - Implement Community Benefits Agreements
  - Monitor Navy's re-testing and clean up of HPS Phase 2 parcels

- **Detail**
  - **Infrastructure**
    - $5.7 million for Phase 1 and Phase 2
  - **Professional Services**
    - $3.5 million for financial consulting services, legal services, as-needed engineering services, etc.
  - **Community Benefits – Legacy Fund**
    - $1.8 million in fund balance to be allocated over time through a community process for scholarships and educational improvement and contractor assistance
  - **Lease Payments to Navy**
    - $0.4 million for lease for Parcel B and Building 606

Debt

Debt: Sources & Uses

RPTTF Non-Admin is primary source.
Debt Service for existing bonds is primary use.

Sources ($M) / Uses	Bond Proceeds	Reserve Funds	Other Funds	RPTTF Non-Admin	RPTTF Admin	Total
Debt Service	$3.2	-	$9.7	$106.8	-	$119.6
Other Debt	-	-	$4.7	-	-	$4.7
Total	**$3.2**	**-**	**$14.3**	**$106.8**	**-**	**$124.3**

**Numbers are slightly off due to rounding.*

Operations

Operations: Sources & Uses

RPTTF Non-Admin and Other Funds are primary sources.

Operations	Amount ($M)
Sources	
Bond Proceeds	$5.9
Reserve Funds	$1.0
Other Funds	$6.3
RPTTF Non-Admin	$9.1
RPTTF Admin	$3.8
Total	**$26.1**
Uses	
Salaries and Benefits	$9.4
Non-Labor	$12.8
Retiree Health and Pension	$3.9
Total	**$26.1**

**Numbers are slightly off due to rounding.*

Operations: Uses Detail

- $9.4M Existing Staff Salaries & Benefits
- $3.9M Retiree Obligations
- $12.8M in Non-Labor Costs

Operations: Uses Detail

- **$9.4M Existing Staff Salaries & Benefits**
  - 55 Full Time Equivalent (FTE) positions, no change
  - COLA
- **$3.9M Retiree Obligations**
  - $3.0M for current pension
  - $0.9M for current retiree health benefits

Operations: Uses Detail

$12.8M in Non-Labor Costs

Department	Amount ($M)
Grant Agreements	$6.6
Work Orders with City Departments	$3.1
Professional Services	$1.1
Other Current Expenses	$0.7
Insurance	$0.6
Software and Information Technology	$0.5
Legal Services	$0.2
Total	**$12.8**

**Numbers are slightly off due to rounding.*

Grant Agreements and Work Orders with City Departments are the highest non-labor expenditure.

Operations: Sources & Uses YOY

RPTTF Non-Admin and Other Funds are primary sources.

Operations	ROPS PY Amount ($M)	ROPS CY Proposed ($M)	Difference ($M)	Explanation
Sources				
Bond Proceeds	$5.1	$5.9	$0.8	Increase due to staff time on bond related projects.
Reserve Funds	$0.6	$1.0	$0.4	Increase due to use of prior year Mission Bay South RPTTF to fund staffing costs in current year.
Other Funds	$11.3	$6.3	($5.0)	Decrease due to use of RPTTF Admin, instead of Other Funds as in PY, to fund staffing costs.
RPTTF Non-Admin	$5.9	$9.1	$3.2	Increase due to use of RPTTF Admin, instead of Other Funds as in PY, to fund staffing costs.
RPTTF Admin	$3.5	$3.8	$0.3	Increase due to formula.
Total	**$26.4**	**$26.1**	**($0.3)**	
Uses				
Salaries and Benefits	$10.5	$9.4	($1.1)	Decrease due to positions held vacant, offset by COLA.
Non-Labor	$12.4	$12.8	$0.4	Increase due to new bond activity and housing certificate of preference costs.
Retiree Health and Pension	$3.5	$3.9	$0.4	Increase due to actuarial liability schedule.
Total	**$26.4**	**$26.1**	**($0.3)**	

**Numbers are slightly off due to rounding.*

Operations: Work Orders with City Departments Detail

Work Orders with Mayor's Office of Housing & Comm. Dev. and with ADM for Rent, Mail, OLSE & are largest.

Department	Service	Amount ($M)
Mayor's Office of Housing & Community Development (MOHCD)	Affordable Housing Services	$1.4
Office of City Administrator (ADM)	Rent, Mail, Office of Labor Standards	$0.9
Controller	Accounting and Audit Services	$0.3
Department of Technology	IT Services	$0.3
Office of Economic and Workforce Development (OEWD)	Contract Compliance Support	$0.1
City Attorney	Legal Services	$0.1
Treasurer Tax Collector	Investment Management	$30k
Planning Department	Planning Review	$26k
Total		**$3.1**

**Numbers are slightly off due to rounding.*

RPTTF Admin Calculation

SB107 limits the administrative cost allowance to an amount not to exceed 3% of the actual property tax distributed in prior year, less prior year RPTTF Admin and City/County Loan Repayments.

RPTTF Admin	
23-24 Actual RPTTF Non-Admin Distribution	$132,735,508
Less 23-24 Approved RPTTF Admin	$3,465,223
Less Prior Year City/County Loan Repayments	$1,371,035
Sub-Total	$127,899,249
Rate	3%
24-25 RPTTF Admin	$3,836,977
YOY RPTTF Admin Change	$371,754

Retirement of ROPS Lines

Line	Project Name	Project Area	Description/ Project Scope	Explanation for Line Retirement
417	Mission Bay South Block 9 Affordable Housing Funding	Mission Bay South - Housing	Funding required for predevelopment and construction subsidy for affordable housing project in partial fulfillment of MBS OPA Requirements	Project was completed in FY 23-24.

New ROPS Lines

Line	Project Name	Project Area	Description/ Project Scope	Amount ($M)	Explanation for New Line
440	Tax Allocation Bond Series 2023C	All Project Areas with Bond/Loan Obligations	Bond Debt Service	$2.9	Debt service payment line for refunding bond issuance for Mission Bay South infrastructure reimbursements (taxable). This line replaces line 402.
441	Tax Allocation Bond Series 2023D	All Project Areas with Bond/Loan Obligations	Bond Debt Service	$2.9	Debt service payment line for refunding bond issuance for Mission Bay South infrastructure reimbursements (tax-exempt). This line replaces line 402.
442	Replacement Housing Support	Replacement Housing	Various, $296k to third party contractor	$0.7	New line for staffing and professional service costs related to replacement housing.
443	Transbay Block 12	Transbay - Housing	TB 12 Funding required for predevelopment and construction	$3.5	New line for affordable housing loan.
444	Community Facilities District 6 Series 2023 - Special Tax Bond	All Project Areas with Bond/Loan Obligations	Bond Debt Service	$9.7	Debt service payment line for refunding bond issuance for Community Facilities District 6 bonds, per DOF instructions in November 2023.
445	HPS Phase 1 Block 48 - Replacement Housing	HPS-CP-Housing	HPS Block 48 Funding required for predevelopment and construction	$4.0	New line for new affordable housing project.

ROPS 24-25 Process

- **1/8/24** Oversight Board Workshop
- **1/16/24** Commission Workshop
- **1/24/24** Oversight Board Approval Action
- **2/1/24** ROPS Submission to DOF

Questions?