

File No. 091212

Committee Item No. 5

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee BUDGET AND FINANCE

Date 11/18/09

Board of Supervisors Meeting

Date _____

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| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget Analyst Report |
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| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form (for hearings) |
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Completed by: Gail Johnson

Date 11/13/09

Completed by: _____

Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

1 [Redevelopment Agency Budget]
2

3 **Resolution approving an amendment to the budget of the Redevelopment Agency of**
4 **the City and County of San Francisco for fiscal year 2009-2010 Budget to (1) authorize**
5 **the expenditure in an amount not to exceed \$28.7 million for payment to the**
6 **Educational Revenue Augmentation Fund; (2) authorize an increase in expenditures in**
7 **an amount not to exceed \$156,000 for additional grant reimbursements from the U.S.**
8 **Department of Commerce, Economic Development Administration (EDA); and (3)**
9 **authorize an increase in expenditures in an amount not to exceed \$1,033,417 for**
10 **additional Housing Opportunities for Persons with AIDS (HOPWA) funding; and (4)**
11 **approving the issuance by the Redevelopment Agency of Bonds in an additional**
12 **principal amount not to exceed \$28 million to finance a portion of redevelopment**
13 **activities described in the approved Budget as amended for fiscal year 2009-2010 of**
14 **which additional tax increment will be needed in FY 2010-2011 for such financing**
15 **thereof.**
16

17 WHEREAS, The Redevelopment Agency of the City and County of San Francisco (the
18 "Agency") is implementing various Redevelopment Plans and programs in the City and
19 County of San Francisco (the "City") in accordance with the California Community
20 Redevelopment Law California Health and Safety Code section 33000 et. seq. (the "Law");
21 and,

22 WHEREAS, Section 33606 of the Law provides for approval of the annual budget of
23 the Agency, and any amendments to the budget, by the legislative body of the City (the
24 "Board of Supervisors"); and,
25

1 WHEREAS, The Board of Supervisors approved the Agency's budget for the fiscal year
2 2009-10 (the "Budget") and approved the issuance of bonds in the principal amount of not to
3 exceed \$87.5 million for the purposes of financing a portion of the Budget ("Bonds") by
4 Resolution No. 267-09; and,

5 WHEREAS, on July 24, 2009, the California Legislature enacted, in a special legislative
6 session, Assembly Bill No. 26 (Statutes 2009, Chapter 21), which added Sections 33690 and
7 33690.5 and required the Agency to make a payment estimated to be \$28.7 million in fiscal
8 year 2009-10 for deposit into the Educational Revenue Augmentation Fund ("ERAF") of the
9 City and County of San Francisco; and

10 WHEREAS, the Economic Development Administration of the U.S. Department of
11 Commerce ("EDA") has recently authorized the reimbursement of certain costs associated
12 with the Agency's implementation of EDA grants in an amount not to exceed \$ 156,000 and

13 WHEREAS, the Agency's Budget did not include \$1,033,417 in Housing Opportunities
14 for Persons with AIDS ("HOPWA") funds that the Department of Housing and Urban
15 Development will provide to the Agency over and above the amount described in the Budget;
16 and

17 WHEREAS, The Agency wishes to amend its Budget for the fiscal year 2009-10 to (i)
18 allocate \$28.7 million for payment to ERAF; (ii) increase expenditure authority by the amount
19 of additional grant reimbursements received from the EDA; and (iii) increase expenditure
20 authority by the amount of \$1,033,417 in additional HOPWA funds; and

21 WHEREAS, Section 33690 (b) of the Law authorizes the Agency to make its ERAF
22 payment by using any funds that are legally available and not legally obligated for other uses,
23 including but not limited to bond proceeds or other indebtedness; and

1 WHEREAS, the Agency seeks to make the ERAF payment by financing a portion of its
2 Budget, as amended, whereby the Agency will enter into loans and/or issue and refund, as
3 necessary, or cause to be loaned and/or issued and/or refunded on its behalf by a public
4 finance authority, tax allocation bonds, notes, or other evidence of indebtedness in an
5 additional principal amount of not to exceed \$28 million, which will be repaid from and secured
6 by the taxes allocated to and paid to the Agency pursuant to the Law (and in particular but not
7 limited to Sections 33670-33674) and to Section 16 of Article XVI of the California
8 Constitution; now, therefore, be it

9 RESOLVED, By the Board of Supervisors of the City and County of San Francisco that
10 it does hereby approve the following amendments to the Budget, which are on file with the
11 Clerk of the Board of Supervisors in File No. _____ and are hereby declared to be a part of
12 this Resolution as if set forth fully herein; (1) authorize an expenditure in an amount not to
13 exceed \$28.7 million for payment to the ERAF; (2) increase expenditures in an amount not to
14 exceed \$156,000 for additional grant reimbursements from the EDA; and (3) increase
15 expenditures in an amount not to exceed \$1,033,417 for additional HOPWA funding; and be it

16 FURTHER RESOLVED, That the issuance of the Bonds by the Agency is approved in
17 an additional principal amount of not to exceed \$28 million for the purposes of financing a
18 portion of the Agency's Budget related to the ERAF payment; and be it

19 FURTHER RESOLVED, That the Agency is authorized to refund such Bonds if the sale
20 of refunding Bonds produces a minimum net debt service savings (net of reserve fund
21 earnings and other offsets) of at least 3% of the par value of Bonds that are refunded to
22 achieve a more favorable debt to debt service coverage ratio.

Item 5 - File 9-1212

Department: San Francisco Redevelopment Agency (SFRA)

Item: Resolution approving an amendment to the FY 2009-2010 budget of the San Francisco Redevelopment Agency to: (1) authorize an expenditure in the amount of not to exceed \$28.7 million for a required payment to the State's Educational Revenue Augmentation Fund (ERAF); (2) authorize an increase in expenditures for a new Senior Development Specialist position in an amount of not to exceed \$156,000 annually, to be funded by additional grant reimbursements from the U.S. Department of Commerce, Economic Development Administration (EDA); (3) authorize an increase in expenditures in an amount of not to exceed \$1,033,417 with additional Federal Housing Opportunities for Persons with AIDS (HOPWA) funding from the U. S. Department of Housing and Urban Development for SFRA's facilities maintenance program; and, (4) approve the issuance by the Redevelopment Agency of Tax Increment Bonds of an additional principal amount not-to-exceed \$28,000,000 to finance a portion of redevelopment activities described in SFRA's Fiscal Year 2009-2010 budget previously approved by the Board of Supervisors. Funding for payment of debt service for such Tax Increment Bonds will not be required until FY 2010-2011.

Requested Expenditure

Amounts:

\$28,700,000	Required Payment due to the State's Educational Revenue Augmentation Fund (ERAF)
156,000	Annual Expenditures for a new Senior Development Specialist position for the remainder of the Grant period, ending August 15, 2012
<u>1,033,417</u>	Additional expenditures for the Federal Housing Opportunities for Persons with AIDS SFRA facilities maintenance program
\$ 29,889,417	Total Requested Expenditures

Source of Funds:	Net proceeds from additional Tax Increment Bond issuance of \$28,000,000
\$ 24,921,272	
	Tax increment funds available from current and prior year SFRA budget balances.
3,778,728	
	U.S. Department of Commerce Economic Development Administration (EDA) Annual Grant reimbursements
156,000	
	Increased allocation of Federal Housing Opportunities for Persons with AIDS (HOPWA) funds from the U.S. Department of Housing and Urban Development
<u>1,033,417</u>	
\$ 29,889,417	Total Funding Sources

Description: Attachment I to this report, a memorandum from Mr. Frank Blackwell, Executive Director of the SFRA, provides an explanation of the requested amendments for additional expenditures for the SFRA FY 2009-2010 budget. Beginning on Page 2 of Attachment I, the amendments are described as follows:

- One new Senior Development Specialist position to be funded by the Federal EDA to oversee EDA grant funded activities (\$156,000 annually until expiration of the grant period on August 15, 2012).

According to Ms. Amy Lee, Deputy Director of SFRA, the U. S. Department of Commerce EDA has agreed to fund a new Senior Development Specialist position, until the expiration of the current grant period on August 15, 2012 at a cost of \$156,000 annually (salary of \$120,000 annually plus \$36,000 in fringe benefits) to provide oversight and reporting to the U. S. Department of Commerce EDA for the expenditure of EDA grant funds. According to Ms. Lee the position to be created with EDA grant funding would be deleted when the EDA grant funding expires unless additional funding is received by the SFRA. (See Comment No. 1)

Memo to Budget and Finance Committee
November 18, 2009 Budget and Finance Committee Meeting

- Additional expenditures for the Housing Opportunities for People with AIDS (HOPWA) SFRA Facilities Maintenance Program (\$1,033,417)

The SFRA's FY 2009-2010 budget includes \$8,200,000 for the U. S. Department of Housing and Urban Development HOPWA program. The SFRA administers the program on behalf of the Eligible Metropolitan Survey Area (EMSA), which includes the Counties of San Mateo and Marin as well as San Francisco.

Attachment II to this report provides a project description for the HOPWA program included in the SFRA's original FY 2009-2010.

According to Ms. Lee, HUD has allocated an additional \$1,033,417 to the HOPWA program for FY 2009-2010. Ms. Lee further states that the additional funds will be used to accelerate the SFRA's facilities maintenance program above current spending levels, in order to maintain 113 residential housing units that serve approximately 125 persons with AIDS annually. However, since the SFRA has just been notified of such additional funding, the specific facilities maintenance projects have not been identified as of the writing of this report.

- Required payment to the State Education Revenue Augmentation Fund (ERAF).

Additionally the requested amendment to the SFRA 2009-2010 budget would authorize the SFRA to issue a not-to-exceed amount of \$28,000,000 in taxable Tax Increment Bonds to fund the required ERAF payment to the State.

The SFRA currently has a balance of \$23,700,000 in taxable Tax Increment bond proceeds to be used for the SFRA's Low and Moderate Income Housing Fund (LMIHF) in the SFRA's approved budget for FY 2009-2010.

The existing \$23,700,000 could be applied as a source of funds to make the required ERAF payment to the State. However, according to Ms. Lee, the SFRA is requesting authorization to issue a not-to-exceed

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amount of \$28,000,000 in additional Tax Increment Bond for use by the SFRA to make the required ERAF payment to the State so that the SFRA can use its existing \$23,700,000 in its existing Tax Increment proceeds for its previously approved FY 2009-2010 LMIHF Program.

Under the Educational Revenue Augmentation Fund (ERAF) Property Tax shift, the State adopted legislation as part of its FY 2009-2010 budget requiring all Redevelopment Agencies in the State to use a portion, as determined by the State, of Redevelopment Agency Tax Increment proceeds to pay the State for educational funding.

The sources and uses of the proposed not-to-exceed \$28,000,000 in additional Tax Increment bond proceeds for FY 2009-2010 are shown in the table below.

Sources of Funds	
Bond Proceeds - Par Amount	\$28,000,000
Uses of Funds	
ERAF Payment	\$ 24,921,272
Cost of Bond Issuance	70,331
Debt Service Reserve Fund	2,800,028
Underwriters Discount	205,868
Contingency (0.01%)	2,501
Total Uses	\$ 28,000,000

As shown in the table above, the net proceeds available for the SFRA's required ERAF payment to the State is estimated to be \$24,921,272. The total ERAF payment is estimated to be \$28,700,000, or \$3,778,728 more than the \$24,921,272 in bond proceeds available for the ERAF payment. According to Ms. Lee, the required \$3,778,728 balance is available from current and prior year SFRA budget balances.

According to Ms. Lee, no additional debt service payments for the tax increment, taxable bonds will be required for FY 2009-2010. Based on an estimated average taxable interest rate of 9.0 to 9.5 percent

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annually, Ms. Lee estimates that the FY 2010-2011 debt service payment for the not-to-exceed \$28,000,000 in additional Tax Increment Bonds will be approximately \$1.77 million and that, beginning in FY 2011-2012, the annual debt service requirement will be approximately \$2.73 million over 30 years. According to Ms Lee, the fiscal impact of the proposed ordinance on the City would be 57 cents of each Tax Increment dollar provided to SFRA, which comes from the City's General Fund. The other 43 cents would be paid to other tax entities in the City, including the Community College District, the San Francisco Unified School District, the Bay Area Rapid Transit District, and the Bay Area Air Quality Management District. Therefore, the annual cost to the City's General Fund for the proposed increased debt service would range from \$1,008,900 (57 percent of \$1.77 million) to \$1,556,100 (57 percent of \$2.73 million) over 30 years. Total estimated debt service over the 30-year period for repayment of the bonds is \$79.9 million, of which 57 percent, or \$45.54 million will be paid from the City's General Fund.

- Amend the SFRA FY 2009-2010 Statement of Indebtedness

According to State of California Redevelopment Law, the SFRA must annually file a Statement of Indebtedness with the State in order to receive Tax Increment funding. Currently, based on the FY 2009-2010 SFRA budget, as previously approved by the Board of Supervisors, the SFRA is authorized to issue \$87.5 million in Tax Increment bond proceeds. The proposed amendment to the Statement of Indebtedness would increase the amount authorized to be issued by a not-to-exceed \$28,000,000 amount or 32.0% from \$87.5 million to \$115.5 million.

Comments:

1. As noted above, the requested new Senior Development position, to be funded from U. S. Department of Commerce, Economic Development Administration (EDA) grant funds, would be deleted when the grant funding expires unless additional funding is received by the SFRA. The Budget Analyst therefore recommends that this proposed resolution be amended to specifically require deletion of the proposed new position

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once such EDA grant funds expire unless additional grant funds are obtained by the SFRA.

2. As noted above, the SFRA's FY 2009-2010 Low and Moderate Income Housing Fund (LMIHF) program would be implemented by the SFRA if the requested issuance of the not-to-exceed \$28,000,000 in Tax Increment Bonds is approved by the Board of Supervisors to fund the majority of the \$28.7 million in funds that the State requires the SFRA to pay to the State for the required Educational Revenue Augmentation Fund. However, as noted above, the proposed amendment to the SFRA's FY 2009-2010 Statement of Indebtedness would significantly increase the amount of Tax Increment Bonds authorized to be issued by \$28.0 million or 32.0% from \$87.5 million to \$115.5 million. Of the total debt service required to repay such tax increment bonds over 30 years, 57 percent or \$45.54 million would be funded by the City's General Fund. Therefore the Budget Analyst considers approval of the proposed resolution to be a policy matter for the Board of Supervisors.

Recommendations:

1. In accordance with Comment No. 1, amend the proposed resolution to specifically require deletion of the proposed new U.S. Department of Commerce Economic Development Administration (EDA) grant-funded Senior Development Specialist position once such grant funds expire, unless additional grant funds are obtained by the SFRA.

2. In accordance with Comment No. 2, approval of the proposed resolution is a policy matter for the Board of Supervisors.

107-195.09-002

Agenda Item No. 4 (h)
Meeting of October 6, 2009

MEMORANDUM

TO: Agency Commissioners

FROM: Fred Blackwell
Executive Director

SUBJECT: Approving An Amendment Of The Agency's Fiscal Year 09/10 Budget To (1) Increase Expenditure Authority For Additional Grant Reimbursements From The U.S. Department Of Commerce, Economic Development Administration; (2) To Increase Expenditure Authority For Additional HOPWA Funds; (3) To Allocate \$28.6 Million For Payment To The Educational Revenue Augmentation Fund; (4) To Increase The Amount Of Bond Proceeds To Be Received By The Agency In An Additional Aggregate Principal Amount Not To Exceed \$28.0 Million; (5) To Amend The Agency's Fiscal Year 2009-10 Statement Of Indebtedness To Conform To The Changes In The Budget As Set Forth In The Supplemental Appropriations Request And Corresponding Obligations.

EXECUTIVE SUMMARY

On June 30, 2009, the Board of Supervisors of the City and County of San Francisco ("Board of Supervisors") approved, by Resolution No. 267-09, the fiscal year 2009-10 budget for the Redevelopment Agency ("Budget"). On July 24, 2009, the California Legislature enacted, in a special legislative session, Assembly Bill No. 26 (Statutes 2009, Chapter 21) ("AB 26"), which requires the Agency to make a payment this fiscal year of approximately \$28.6 million to the Educational Revenue Augmentation Fund ("ERAF") of the City and County of San Francisco. The Agency must amend the Budget to allocate the ERAF payment. In addition to the impact of the State legislation, the Agency staff has become aware of the need for other changes to the Budget. However, until recently, the Agency did not have current figures to include such changes.

Agency Staff recommends approval of amendments to the 2009-10 Budget and the transmittal of the Budget amendments to the Board of Supervisors for final approval

DISCUSSION

The Agency is seeking to make the following changes to the FY 2009-10 budget:

1. Seek reimbursement for expenses related to an additional fulltime Senior Development Specialist. Over the next three years, the Agency will receive approximately \$11.6 million in EDA funds and must provide oversight and reporting for the expenditure of such funds. The Agency has received advance authorization from the U.S. Department Of Commerce, Economic Development Administration ("EDA") that it will reimburse the Agency for the costs associated with a Senior Development Specialist staff person necessary in managing and reporting of all the expenditures related to all the Agency's EDA grants. The Agency expects the salary and fringes to be approximately \$156,000.
2. Receive additional Housing Opportunities for Persons With AIDS (HOPWA) funds in the amount of \$1,033,417. The Agency will expend an equivalent amount as the grant's fiscal agent.
3. Allocate \$28.6 million in State Education Revenue Augmentation Fund (ERAF) from the FY 2009-2010 budget. Under AB 26, all California redevelopment agencies are required to make ERAF payments. The California Director of Finance will notify the Agency of the exact amount due by November 15, 2009. The Redevelopment Agency's payment is currently estimated to be \$28.6 million. The Agency must remit the amount due in fiscal year 2009-10 to the ERAF by May 10, 2010. When a redevelopment agency is required to make an ERAF payment and the agency has allocated the full amount of the payment, the local legislative body may amend a redevelopment plan to extend by one year the time limit on the effectiveness of the plan (the "ERAF Extension").

Currently, the Agency has tax increment funds available in the amount of \$4.9 million dollars from current and prior year balances and bond proceeds of \$23.7 million that the Agency received in September 2009 for the purposes of allocating the ERAF payment.

Pursuant to the Agency's FY 2008-09 budget, the \$23.7 million in bond proceeds were approved for affordable housing activities through the Low and Moderate Income Housing Fund ("LMIHF"). These funds are taxable bond proceeds--as opposed to tax-exempt bond proceeds. Federal tax regulations require that the Agency use tax-exempt bond proceeds for capital projects. Given the need to allocate the ERAF payment from taxable bond proceeds and the fact that most of the Agency's non-housing bond proceeds are tax-exempt, the Agency is setting aside these taxable housing funds to ensure that there is an current allocation of \$28.6 of funds for ERAF. The Agency, however, intends to issue bonds in December 2009 and will replenish the \$23.7 million of taxable bond proceeds in the LMIHF. The proposed allocation of the \$23.7 million from housing funds will not affect any housing projects because the Agency did not intend to use these funds until early 2010.

Given that the Yerba Buena Center Redevelopment Plan ("YBC Plan") will expire on January 1, 2010, the Agency Commission will consider, in a separate action, a one year ERAF Extension of the YBC Plan. At a later date, Agency staff will recommend ERAF Extensions of other redevelopment plans. Extending the effectiveness of the YBC Plan

will serve multiple purposes and provide benefits to the Agency and to the project area. In particular, the one year extension will allow the Agency to receive an additional year of tax increment to provide funds necessary to fulfill its ERAF obligations in the current year. Furthermore, the ERAF Extension will also benefit the project area by providing the opportunity to seek additional funding for maintenance of the YBC Plan's public improvements and to fund the Agency's housing program.

The ERAF payment is not due to the State until May 2010; however, to implement this project area extension for YBC the Agency must allocate the payment prior to the project area expiration. As a result, staff is seeking to set aside the funds immediately in order to initiate the process for extension prior to the December 2009 expiration.

4. Increase the Agency's authority to issue bonds by an additional amount not to exceed \$28.0 million and not to exceed an aggregate FY 2009-10 amount of \$115.5 million. The Agency has previously received approval to issue \$87.5 million in bond proceeds to fund the FY 2009-10 budget for the purposes of redevelopment activities. The additional \$28.0 million will allow the Agency to raise additional bond proceeds, inclusive of fees, to backfill the funds that were used to make the State ERAF payment that we are currently allocating and that is due in May 2009. The Agency will also identify savings throughout the Agency, but should the need arise, the Agency is seeking to obtain bond issuance authority up to the \$28.0 amount. The additional taxable bond proceeds are necessary to fund our ERAF payment without delaying or eliminating program funds that were previously approved for redevelopment activities.

The Mayor's Budget Office has agreed to provide the additional tax increment necessary to make the payments for this bonded amount in FY 2010-11 when it will be necessary to make the debt service payments. The additional tax increment needed will come from all our project areas with the priority being those areas that have additional capacity such as Yerba Buena Center and Transbay.

5. Amend the Agency's fiscal year 2009-10 Statement of Indebtedness to the changes in the budget as set forth in the supplemental appropriations request and corresponding obligations; All Redevelopment Project Areas and City-Wide Housing. An amendment must be made to the Agency's fiscal year 2009-10 Statement of Indebtedness to reflect the receipt of the additional tax increment and corresponding obligations. The Statement of Indebtedness is a document that is filed annually pursuant to State Redevelopment law that permits the Agency to receive tax increment.

The Amendment to the Budget and amendment of the Statement of Indebtedness are not "Projects," as defined by the California Environmental Quality Act ("CEQA") Guidelines Sections 15378(b)(4) and 15378(b)(5). The proposed actions will not change conditions in any redevelopment project or survey area or at any affordable housing site, will not independently result in a physical change in the environment, and are not subject to environmental review under CEQA.

RECOMMENDATION

Staff recommends amending the Agency's Fiscal Year 09/10 Budget to (1) seek additional EDA Grant Fund reimbursements to increase expenditure authority by the same amount to provide for personnel; (2) to receive additional HOPWA funds and increasing the Agency's expenditure authority by the same amount; (3) to increase the issuance by the Agency of Bonds by an additional aggregate principal amount not to exceed \$28.0 million; (4) to appropriate \$28.6 million in tax increment and bond proceeds for the purpose of allocating the State 2009-10 Educational Relief Augment Fund payment and (5) to amend the Agency's fiscal year 2009-10 Statement of Indebtedness to the changes in the budget as set forth in the supplemental appropriations request and corresponding obligations.

Originated by: Amy Lee, Deputy Executive Director Finance and Administration

ORIGINAL SIGNED BY
FRED BLACKWELL
Fred Blackwell
Executive Director

**SAN FRANCISCO REDEVELOPMENT AGENCY
PROJECT DESCRIPTION, ACHIEVEMENTS AND GOALS
PROJECT: CITY WIDE HOUSING TAX INCREMENT PROGRAM, SB2113
HOUSING & HOPWA PROGRAMS
JULY 1, 2009 - JUNE 30, 2010**

PROGRAM DESCRIPTION

The Agency has a Citywide Tax Increment Program that finances the production of new low- and moderate-income housing and the preservation of existing Section 8 housing in all parts of the City and a federally funded housing program for persons with AIDS. It also has programs to develop and rehabilitate affordable housing in redevelopment project areas as part of the Agency's obligation to alleviate blight. In fiscal year 2004-2005, the Agency began implementing, as part of the Citywide Tax Increment Program, Senate Bill 2113 (Stats. 2000), state legislation authorizing the Agency to use additional tax increment capacity from otherwise expiring project areas for the sole purpose of replacing low-income housing lost in the early years of redevelopment activity. The implementation of SB 2113 will significantly expand the Agency's Housing Program.

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

The Redevelopment Agency administers the federal Housing Opportunities for Persons with AIDS (HOPWA) program for San Francisco and acts as the HOPWA fiscal agent for the Eligible Metropolitan Survey Area (EMSA), which includes the counties of San Mateo and Marin. In fiscal year 2008-2009, the Agency administered \$8.2 million in HOPWA funding. HOPWA funding available to the EMSA for the 2008-2009 fiscal year will be approximately \$8.2 million. The Agency works closely with the Department of Public Health AIDS Office and the Mayor's HIV/AIDS Health Services Planning Council to establish priorities for the program.

FISCAL YEAR 2008-2009 GOALS

1. Continue to fund supportive services of existing 113 units in Residential Care Facilities for the Chronically Ill (RCF-CI) and/or new capital development of HIV/AIDS units in larger mixed-population low-income housing developments to the extent that resources are available.
2. Continue to fund the Partial Rent Subsidy Program which serves up to 125 HIV-disabled persons and 10 homeless persons with AIDS.
3. Continue to fund on-going administrative contracts to implement the HIV/AIDS rental assistance program.
4. Continue to fund on-going rental assistance for up to 275 HIV-disabled persons.
5. Continue to fund an operating contract for 68 units of very-low income rental housing for people living with HIV/AIDS.
6. Complete rehabilitation of 3 HOPWA capital projects.
7. Continue to pursue alternative funding options for services and operating costs at the five RCF-CIs.
8. Continue to evaluate the changing housing needs of cognitively impaired people with AIDS.

FISCAL YEAR 2008-2009 ACHIEVEMENTS

1. Continued to fund supportive services of existing 113 units in Residential Care Facilities for the Chronically Ill (RCF-CI) and/or new capital development of HIV/AIDS units in larger mixed-population low-income housing developments to the extent that resources are available.
2. Continued to fund the Partial Rent Subsidy Program which serves up to 125 HIV-disabled persons and 10 homeless persons with AIDS.
3. Continue to fund on-going administrative contracts to implement the HIV/AIDS rental assistance program.
4. Continued to fund on-going rental assistance for up to 275 HIV-disabled persons.
5. Continued to fund an operating contract for 68 units of very-low income rental housing for people living with HIV/AIDS.
6. Continued preconstruction work of 3 HOPWA capital projects.
7. Continue to pursue alternative funding options for services and operating costs at the five RCF-CIs.
8. Continued to evaluate the changing housing needs of cognitively impaired people with AIDS.

FISCAL YEAR 2009-2010 GOALS

1. Continue to fund supportive services of existing 113 units in Residential Care Facilities for the Chronically Ill (RCF-CI) and/or new capital development of HIV/AIDS units in larger mixed-population low-income housing developments to the extent that resources are available.
2. Continue to fund the Partial Rent Subsidy Program which serves up to 125 HIV-disabled persons and 10 homeless persons with AIDS.
3. Continue to fund on-going administrative contracts to implement the HIV/AIDS rental assistance program.
4. Continue to fund on-going rental assistance for up to 275 HIV-disabled persons.
5. Continue to fund an operating contract for 68 units of very-low income rental housing for people living with HIV/AIDS.
6. Complete rehabilitation of 3 HOPWA capital projects.
7. Continue to pursue alternative funding options for services and operating costs at the five RCF-CIs.
8. Continue to evaluate the changing housing needs of cognitively impaired people with AIDS.

GENERAL CITYWIDE TAX INCREMENT HOUSING PROGRAM

Each year, the Agency makes available a certain amount of funds to be used to assist general citywide housing developments. The amount of funds available is determined in part by the amount of outstanding tax increment loans repaid and on the extent to which new tax-exempt or taxable bonds are issued. Available funds for this program will be allocated in consultation with the Mayor's Office of Housing. Projects funded by the Citywide Tax Increment Housing Program also include projects located within redevelopment project areas; however those projects are listed under the Redevelopment Project Area portion of this document. The projects that will be funded during the upcoming fiscal year may be funded by both prior year Citywide funding as well as new Citywide dollars from Fiscal Year 2009-2010. Projects to be funded by



TO: Angela Calvillo, Clerk of the Board of Supervisors
FROM: Mayor Gavin Newsom
RE: Resolution approving an amendment to the budget of the
Redevelopment Agency of the City and County of San Francisco for
fiscal year 2009-2010 Budget
DATE: October 20, 2009

Dear Madame Clerk:

Attached for introduction to the Board of Supervisors is a resolution approving an amendment to the budget of the Redevelopment Agency of the City and County of San Francisco for fiscal year 2009-2010 Budget to (1) authorize the expenditure in an amount not to exceed \$28.7 for payment to the Educational Revenue Augmentation Fund; (2) authorize an increase in expenditures in an amount not to exceed \$156,000 for additional grant reimbursements from the U.S. Department of Commerce, Economic Development Administration (EDA); (3) authorize an increase in expenditures in an amount not to exceed \$1,033,417 for additional Housing Opportunities for Persons with AIDS (HOPWA) funding; and (4) approving the issuance by the Redevelopment Agency of Bonds in an additional principal amount not to exceed \$28 million to finance a portion of redevelopment activities described in the approved Budget as amended for fiscal year 2009-2010 of which additional tax increment will be needed in FY 2010-2011 for such financing thereof.

I request that this item be scheduled together in Budget and Finance Committee on October 28, 2009.

Please note that Supervisor John Avalos is a co-sponsor of this legislation.

Should you have any questions, please contact Starr Terrell (415) 554-5262.

CC: Supervisor John Avalos

