

Pier 70

Community Facilities Districts Formation

September 30, 2019

Presented By:

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Presentation Overview

- Project Overview
- Horizontal Development Costs
- Proposed CFDs
 - 3 CFDs
 - Tax rates
- Next Steps

City Actions



August 24, 2017

- Certified FEIR + adopted CEQA Findings
- Recommended Pier 70 SUD approval
- Approved D4D
- Recommended Development Agreement to BOS



September 26, 2017

- Adopted CEQA Findings
- Approved DDA, Form of Lease and Vertical Disposition and Development Agreement
- Approved Trust Exchange
- Consented to Pier 70 SUD & approved D4D
- Amended Waterfront Plan
- Recommended Development Agreement to BOS

Board of Supervisors



November 14, 2017

- Certified FEIR + adopted CEQA Findings
- Approved Pier 70 SUD + D4D, and amended General Plan
- Approved Development Agreement
- Approved DDA, Form of Lease and Vertical Disposition and Development Agreement
- Approved Trust Exchange

September & October 2018

- IFD & IRFD formation complete

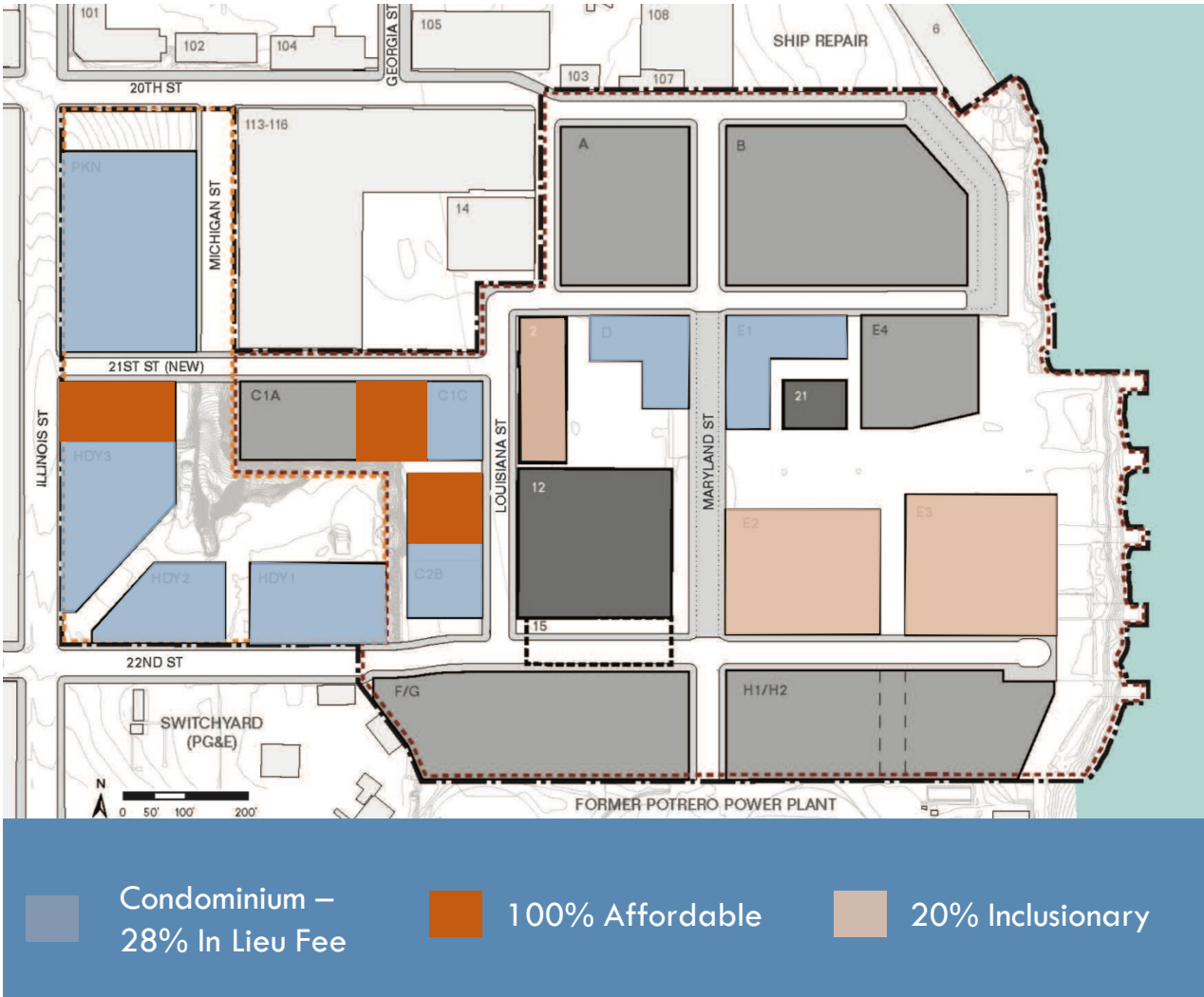
Special Use District Project Overview



- **Open Space:**
9 acres
- **Retail, Arts + Light Industrial:**
480,000–486,000 gsf
- **Commercial Office:**
1.1M – 1.75M gsf
- **Residential:**
1,645 – 3,025 units

 Residential	 Commercial-Office	 RALI	 Open Space
1,645-3,025 units	1.1M-1.75M gsf	480,000 gsf	9 acres

470+ Units of Affordable Housing



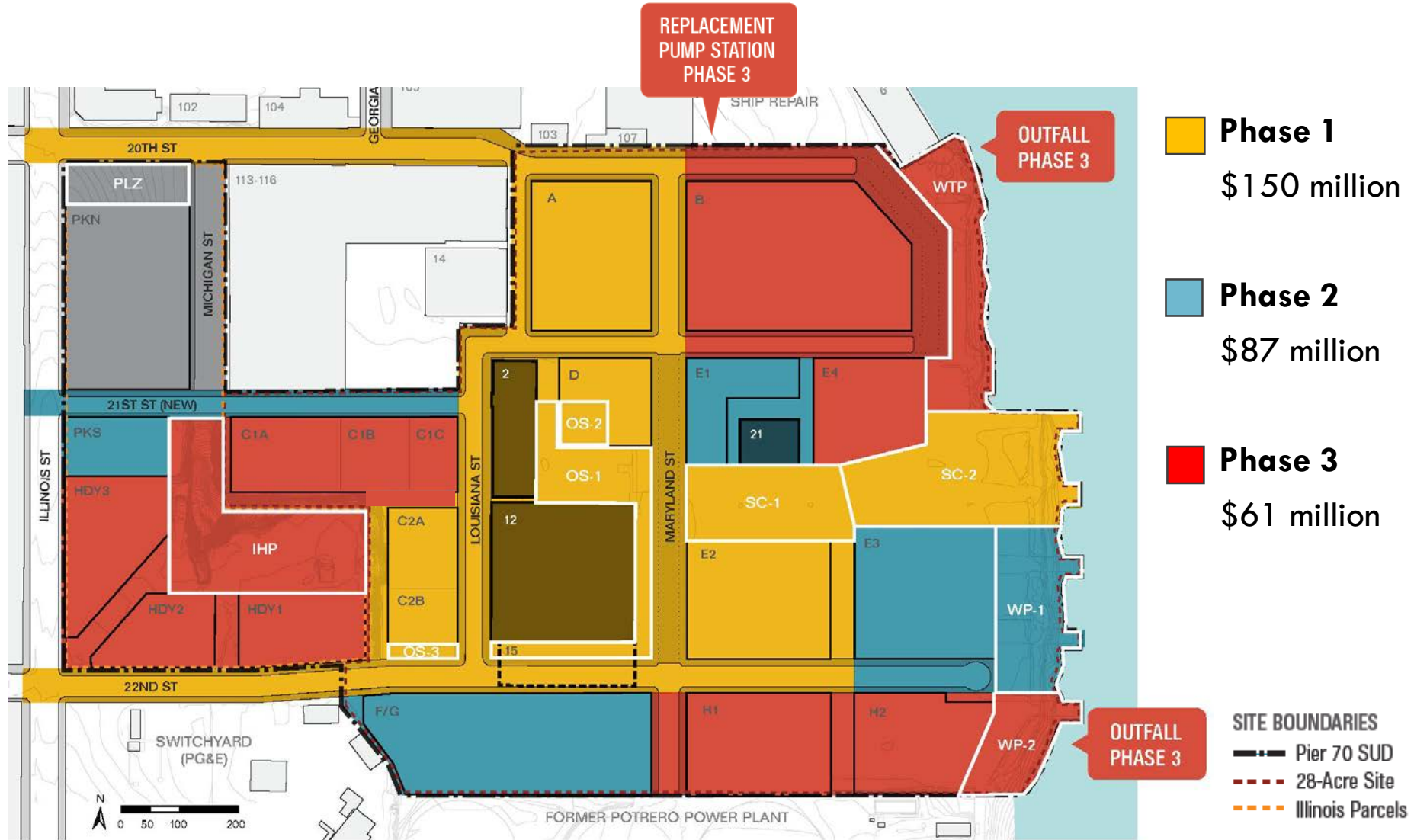
20% inclusionary units in rental buildings

Three 100% affordable housing parcels

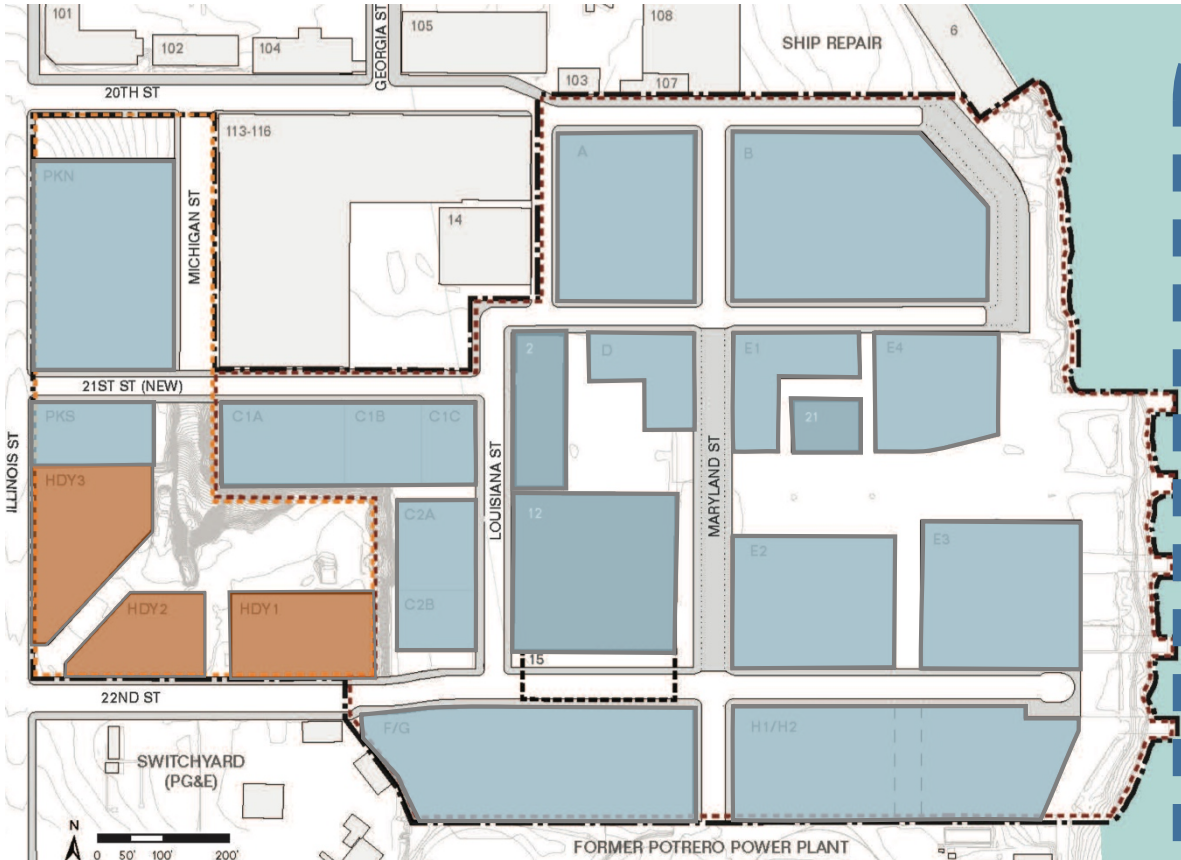
Generates gap funding for affordable housing:

- Tax increment from Hoedown Yard
- Jobs Housing Linkage Fees from office development
- In lieu fees from condo projects

\$298M of Horizontal Improvement Costs



IFD - Tax Increment Growth



Infrastructure Financing District

Infrastructure Revitalization Financing District

IFD

- Local & state tax increment
- 92% to 28-Acre facilities
- **8% to other Pier 70 needs;** Port and BOS decide allocation later (**\$24M**)
- After Project needs, **\$40M** to seawall & sea level rise
- **General Fund** and **Harbor Fund** protected

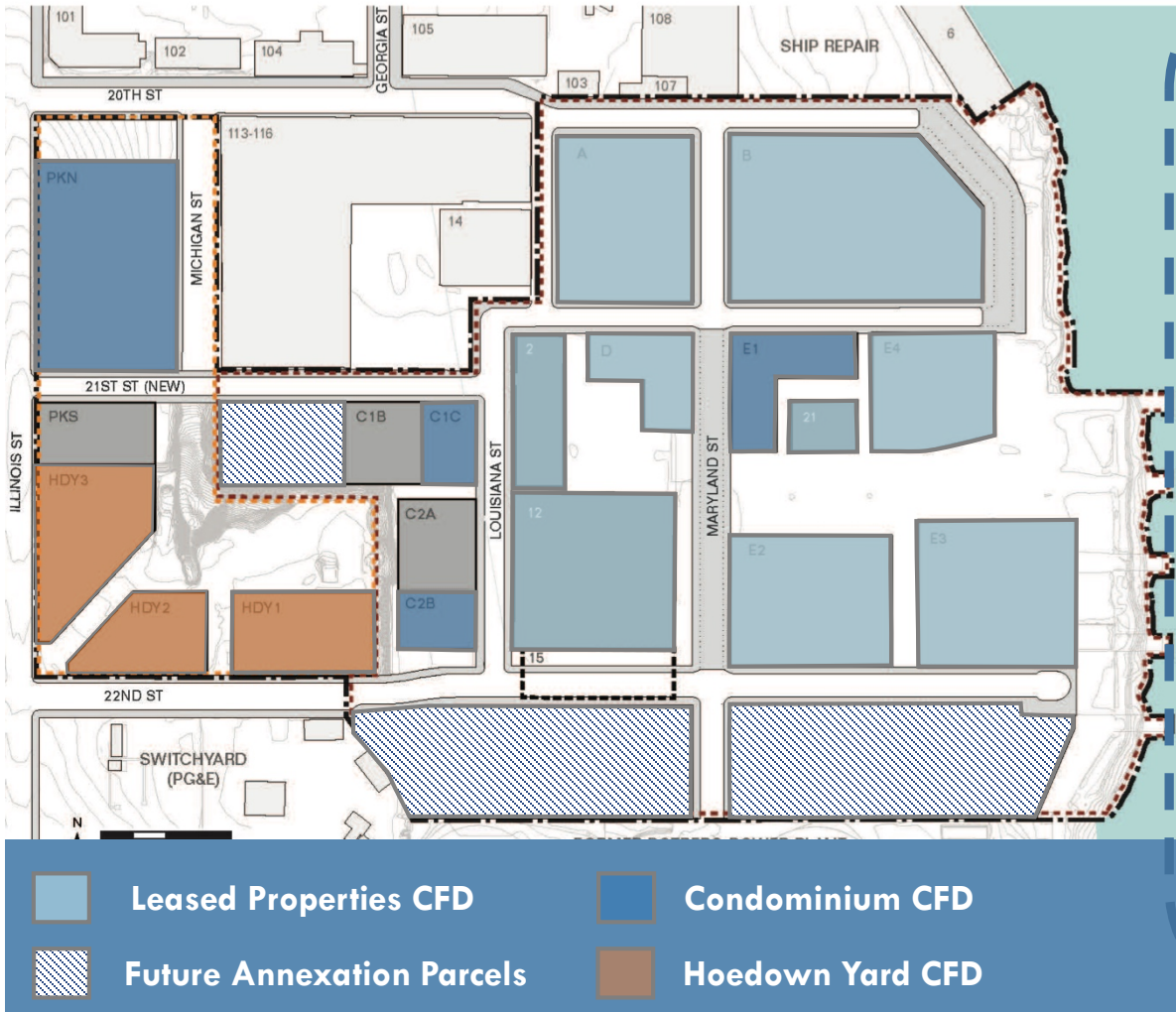
IRFD

- Affordable housing (**\$16 M**)
- Remainder to General Fund

Both Formed in 2018

IFD #180773
IRFD #180784

CFDs - Early, Lower Cost Financing



28-Acre Site Maintenance: \$2.8M/year
Irish Hill Park, Michigan St & Crane Cove Park: \$730k/yr

- ### Leased Properties CFD
- Public Improvements (credited)
 - Arts Building
 - Maintenance
 - SLR Improvements

- ### Condominium CFD
- Approx. \$6,000/unit annually:
- Public Improvements
 - Arts Building
 - Maintenance
 - SLR Improvements

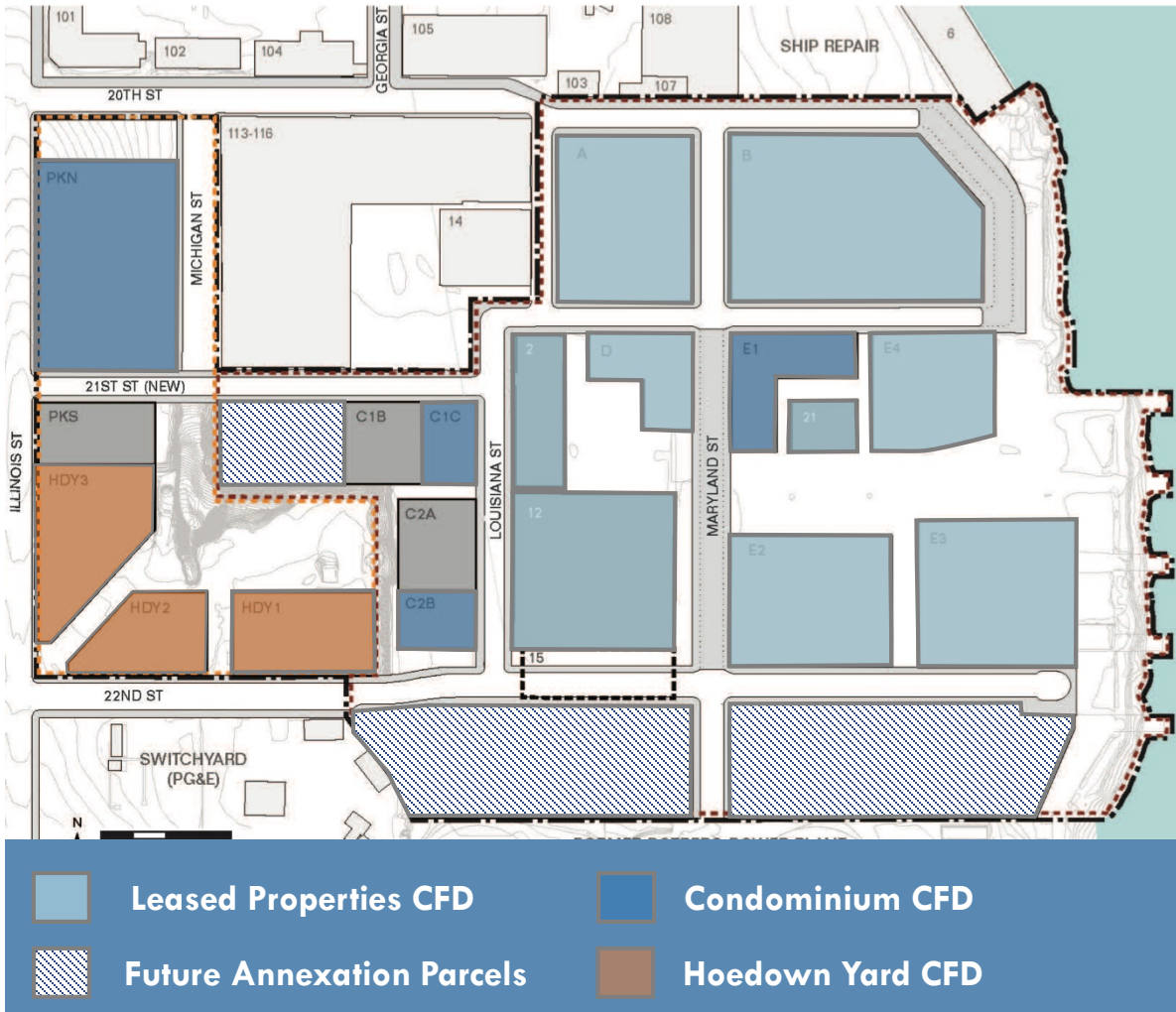
- ### Hoedown Yard CFD*
- Approx. \$6,000/unit annually:
- Irish Hill Park, purchase shoreline property
 - Maintenance
 - SLR Improvements

Total CFD SLR Funding:
\$60 M (2017\$)

Seeking CPC recommendation to form on 9/30.

* Discussions with PG&E may impact timing

Tax Uses



Facilities Tax

- All Horizontal Infrastructure & Parks
- 40 years of bonding authority

Arts Tax

- Noonan Replacement Space, Community Space, & Arts Building (or public building)
- 40 years of bonding authority

Shoreline Tax

- Project Reserve and Shoreline Account (for sea level rise improvements on Port property)
- 120 years of bonding authority

Services Tax

- Park, special street elements & custodial maintenance & security
- Perpetual tax collection

TAX RATES

	CFD	Parcels*	Facilities & Ops	Rates**
Leased Property CFD	Leased Property CFD / Tax Zone 1 & 2	28-Acre Site Phase 1 Residential Rental and Office Parcels	Facilities Tax	\$3.73-\$3.96/sf
			Arts Tax	\$0.43-\$0.53/sf
			Shoreline Tax	\$0.57 - \$0.91/sf
			Services Tax	\$0.87-\$1.07/sf
	Leased Property CFD / Tax Zone 3	28-Acre Site Historic Buildings 12 and 21	Facilities Tax	\$3.52 - \$3.64/sf
Condo CFD	Condo CFD / Tax Zone 1	Parcel K North	Facilities Tax	\$5.22/sf
			Services Tax	\$1.68/sf
	Condo CFD / Tax Zone 2	28-Acre Site Condominium Parcels	Facilities Tax	\$4.89/sf
			Arts Tax	\$0.66/sf
			Services Tax	\$1.34-\$2.02/sf
Hoedown CFD	Hoedown Yard CFD	Residential or Office Parcels on the Hoedown Yard	Facilities Tax	TBD
			Services Tax	TBD

* Each of the CFDs include "annexation parcels", which will be annexed in to the CFD once it has been determined whether a parcel is to be leased or sold.

**Rates vary within in each Zone based on building type (residential, non-residential, historic), building height if residential, and location within or outside of the 28-Acre Site. Rates are subject to refinement prior to introduction to the Board of Supervisors.



ESTIMATED DATES CFD FORMATION PROCESS

September 9th

CPC informational
discussion

September 30th

CPC recommendation

October

Introduction of ROIs:
formation & issuance
package at Board

November

CFD ordinance, formation
package at Board

January 2020

CFD at Board; CFD election
held

January 2020

Second hearing on
ordinance; Validation
complete

Current Actions

- Request CPC recommend the Board of Supervisors approve the following resolutions:
 1. Resolution of intention to incur bonded indebtedness for Leased Properties CFD
 2. Resolution of intention to establish Special Tax District for Leased Properties CFD
 3. Resolution of intention to incur bonded indebtedness for Condominiums CFD
 4. Resolution of intention to establish Special Tax District for Condominiums CFD

Questions?