


Pier 70 Historic Core Infrastructure Financing Plan



Capital Planning Committee, December 14, 2015

Infrastructure Financing Plan

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- The background image shows a construction site. In the foreground, there's a large, curved, light-colored pipe. Behind it, several construction workers wearing hard hats and high-visibility vests are visible. The scene is set against a backdrop of brick buildings and a clear blue sky with some clouds.
1. **Projects revenues**
 2. **Describes improvements**
 3. **Provides financial framework**
 4. **Cost of services to the General Fund**
 5. **Revenues to the General Fund**

Allocation to IFD

FY 2016/17 – FY 2062/63

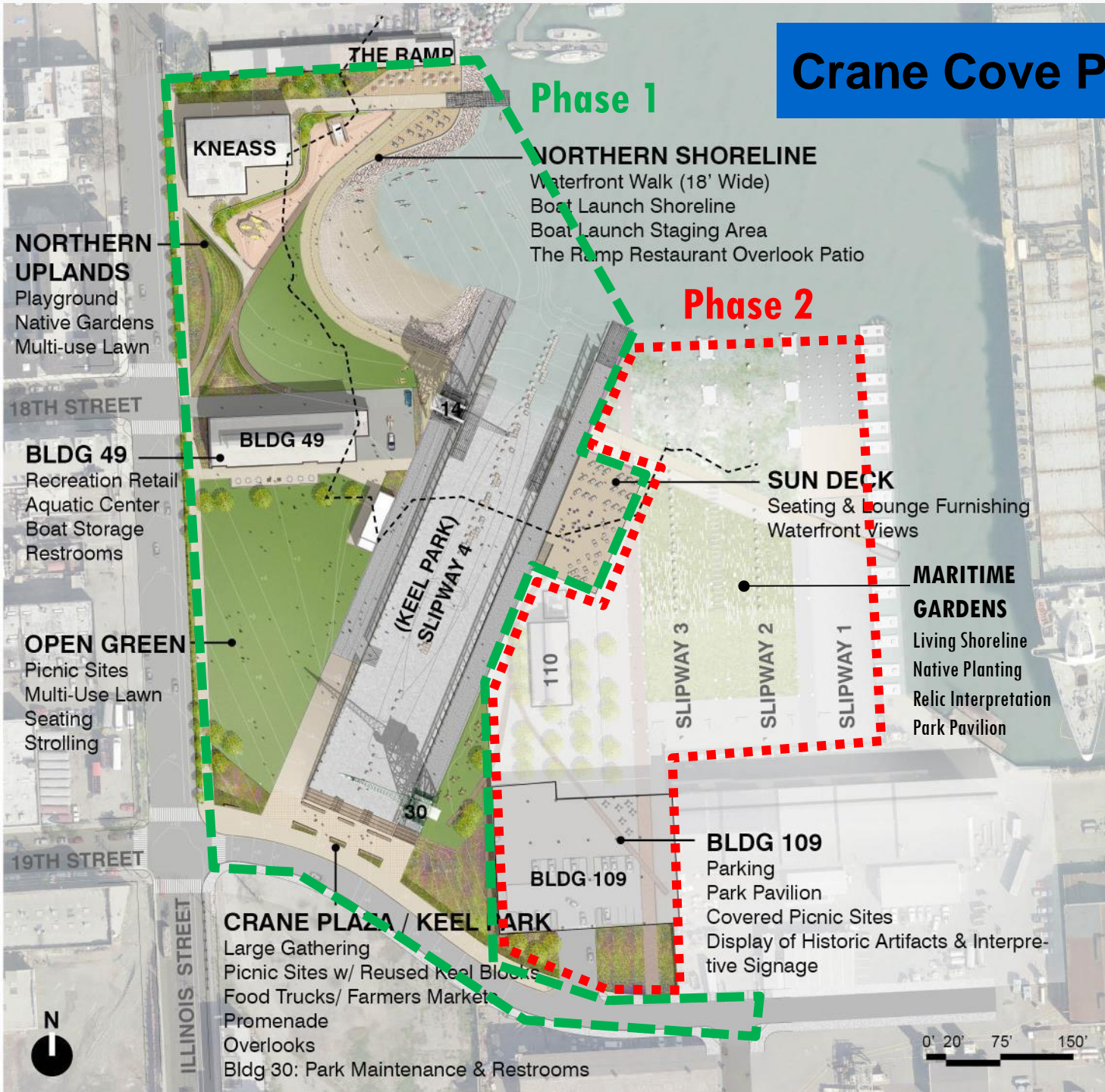
The Historic Core Sub-Project Area will generate approx. \$720,000 annually in tax increment to the IFD

Increment allocated to IFD	Share of Gross Tax Increment
City share of Tax Increment generated at Pier 70	64.59%
State of California ERAF share of Tax Increment generated at Pier 70	<u>25.33%</u>
Total Allocated Tax Increment to IFD	89.92%

IFP Financing - Uses

Anticipated Uses	Est. Cost, 2015 Dollars	Target Completion Schedule
Crane Cove Park - Phase 2	\$13,899,000	Based on funding avail
Bldg. 102 electrical relocation	3,090,000	FY 2016/17
Street, sidewalk, traffic signal improvements	<u>1,271,000</u>	FY 2016/17 — FY 2017/18
Total	\$18,260,000	

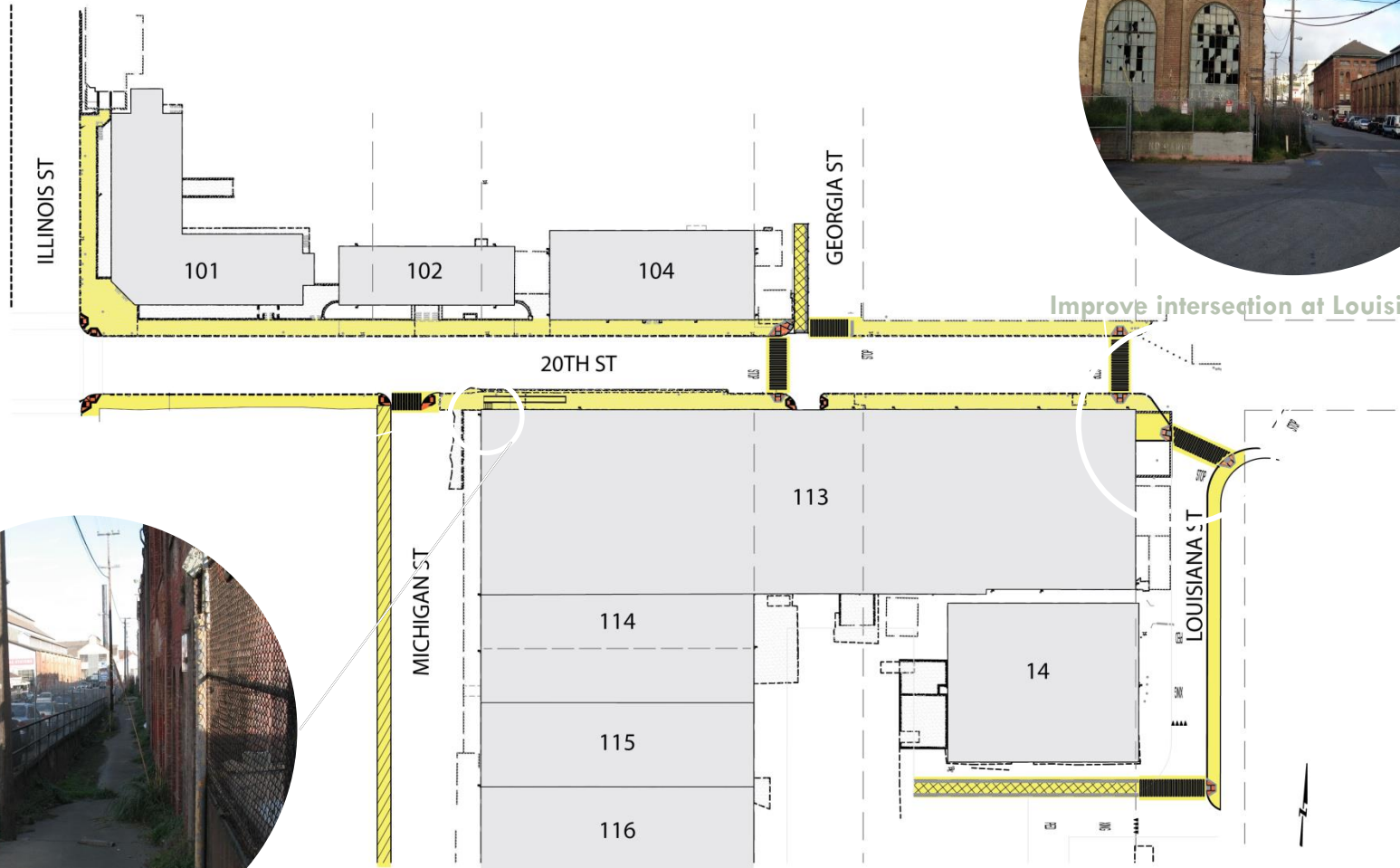
Crane Cove Park : Phase 2



Relocate Shipyard Electrical/ Remediate PCB-containing Transformers



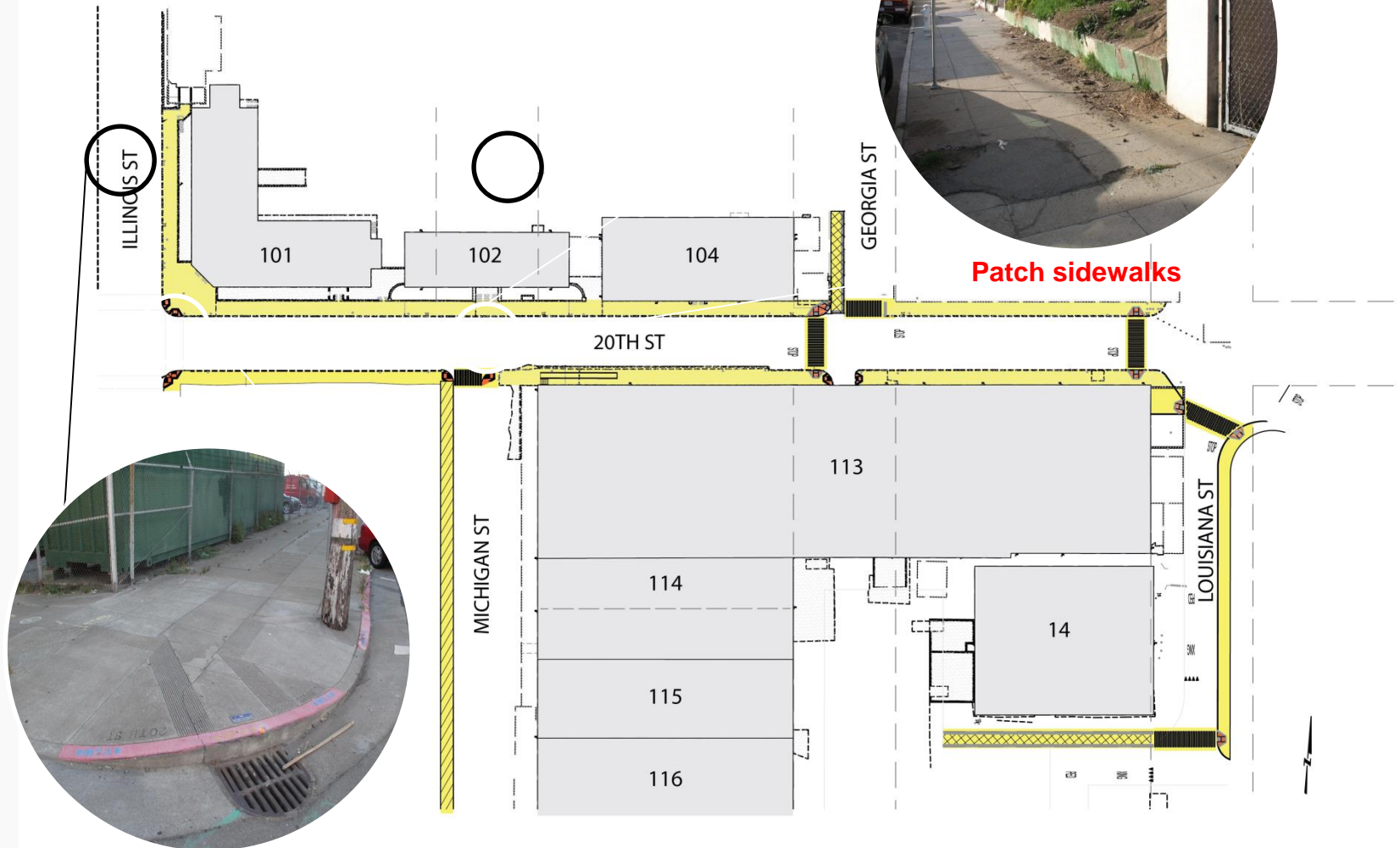
Street Improvements



Improve intersection at Louisiana St.

Improve accessibility on 20th St.

Sidewalk & ADA



Install ADA compliant curb ramps

IFP Sources and Uses

Sources / Uses	2015 Dollars
Port, developer advance, net of bonds	\$1,762,363
Bond proceeds	6,558,879
Allocated Tax Increment, portion	<u>15,090,670</u>
Total Sources	\$23,411,912
Projects funded by debt	\$8,321,242
Projects funded by pay-go	9,938,434
Interest expense	<u>5,152,236</u>
Total Uses	\$23,411,912

General Fund Impact – IFD Term

Revenue / Expenditure	Lower Scenario, 2015 Dollars	Higher Scenario, 2015 Dollars
Total General Fund Revenues (not counting possessory interest tax)	\$23,969,400	\$38,326,600
Total General Fund Expenses (Police, Fire, EMS)	\$8,152,700	\$8,152,700
Net General Fund Benefit	\$15,816,700	\$30,173,900

Port-Controller-Treasurer MOU

Provision	Description
Term	<p>MOU is a multiple-year agreement which will terminate at the later of:</p> <ol style="list-style-type: none">1) when all of the IFD Tax Increment has been disbursed;2) the last date on which CFD special taxes may be levied; and3) when all debt issued under the IFD and CFD financing documents has been defeased and proceeds have been expended.
Cooperation	<p>The Port, the Controller and the Treasurer-Tax Collector will cooperate with respect to implementing the IFD (including project subarea G-1) and any CFD.</p>

Port-Controller-Treasurer MOU

Provision	Description
Controller	Controller to allocate, budget, and appropriate Sub-Project Area G-1 tax increment to the IFD. The MOU includes a similar commitment with respect to the CFDs.
Treasurer/Tax Collector	Authorizes the Treasurer-Tax Collector to levy and collect tax increment in Sub-Project Area G-1 and any special taxes for a CFD, and provides that the Treasurer-Tax Collector agrees to do so.
Port	Establishes the Port as the agent of the IFD with respect to Sub-Project Area G-1 and any CFD. Authorizes the payment of any Port, Controller or Treasurer-Tax Collector administrative expenses by the IFD and CFD.

Approval for Bond Issuance

1. **Not to exceed \$25.1 million**
2. **Form of Indenture and Pledge**
3. **Sales subject to future approval**
4. **Bond sale estimated in FY 2021-22**
5. **Recommended for validation**

IFP Formation – Proposed Next Steps

Date	Milestone
Oct 6	Mayor Edwin M Lee and Supervisor Cohen introduced: (1) Reso of Intent to Form IFD (passed) (2) Reso of Intent to Issue Bonds (passed)
Nov	Port-Controller-Tax Collector MOU authorization at Port Commission
Dec	Action at Capital Planning Committee for IFP
Dec	BOS Introduction: (3) Ordinance adopting IFP (4) Reso Authorizing Issuance of Bonds, and (5) Reso Approving MOU between Port and Controller
Mar	BOS approval
Apr	Ordinance adopting IFP becomes effective

Questions

