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

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

### Map:
- Residential: 1,645-3,025 units
- Commercial-Office: 1.1M-1.75M gsf
- RALI: 480,000 gsf
- Open Space: 9 acres
470+ Units of Affordable Housing

- 28% In Lieu Fee
- 100% Affordable
- 20% Inclusionary

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

Phase 1
$150 million

Phase 2
$87 million

Phase 3
$61 million
IFD - Tax Increment Growth

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

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:
$60 M (2017$)

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

Seeking CPC recommendation to form on 9/30.

* Discussions with PG&E may impact timing.
**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
<table>
<thead>
<tr>
<th>CFD</th>
<th>Parcels*</th>
<th>Facilities &amp; Ops</th>
<th>Rates**</th>
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</thead>
<tbody>
<tr>
<td>Leased Property CFD / Tax Zone 1 &amp; 2</td>
<td>28-Acre Site Phase 1 Residential Rental and Office Parcels</td>
<td>Facilities Tax</td>
<td>$3.73-$3.96/sf</td>
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<td></td>
<td></td>
<td>Arts Tax</td>
<td>$0.43-$0.53/sf</td>
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<td>Shoreline Tax</td>
<td>$0.57 - $0.91/sf</td>
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<td>Services Tax</td>
<td>$0.87-$1.07/sf</td>
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<tr>
<td>Leased Property CFD / Tax Zone 3</td>
<td>28-Acre Site Historic Buildings 12 and 21</td>
<td>Facilities Tax</td>
<td>$3.52 - $3.64/sf</td>
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<td>Condo CFD / Tax Zone 1</td>
<td>Parcel K North</td>
<td>Facilities Tax</td>
<td>$5.22/sf</td>
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<td>Services Tax</td>
<td>$1.68/sf</td>
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<td>Condo CFD / Tax Zone 2</td>
<td>28-Acre Site Condominium Parcels</td>
<td>Facilities Tax</td>
<td>$4.89/sf</td>
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<td>Arts Tax</td>
<td>$0.66/sf</td>
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<td>Services Tax</td>
<td>$1.34-$2.02/sf</td>
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<td>Hoedown Yard CFD</td>
<td>Residential or Office Parcels on the Hoedown Yard</td>
<td>Facilities Tax</td>
<td>TBD</td>
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<tr>
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<td>Services Tax</td>
<td>TBD</td>
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</tbody>
</table>

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

**Rates vary within 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?