

Pier 70 IFD & IRFD



Request Recommendation

Capital Planning Committee 11.13.17

Project Overview under SUD



- **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

PIER 70 SUD LAND USE PLAN

SITELAB urban studio 7/31/2017

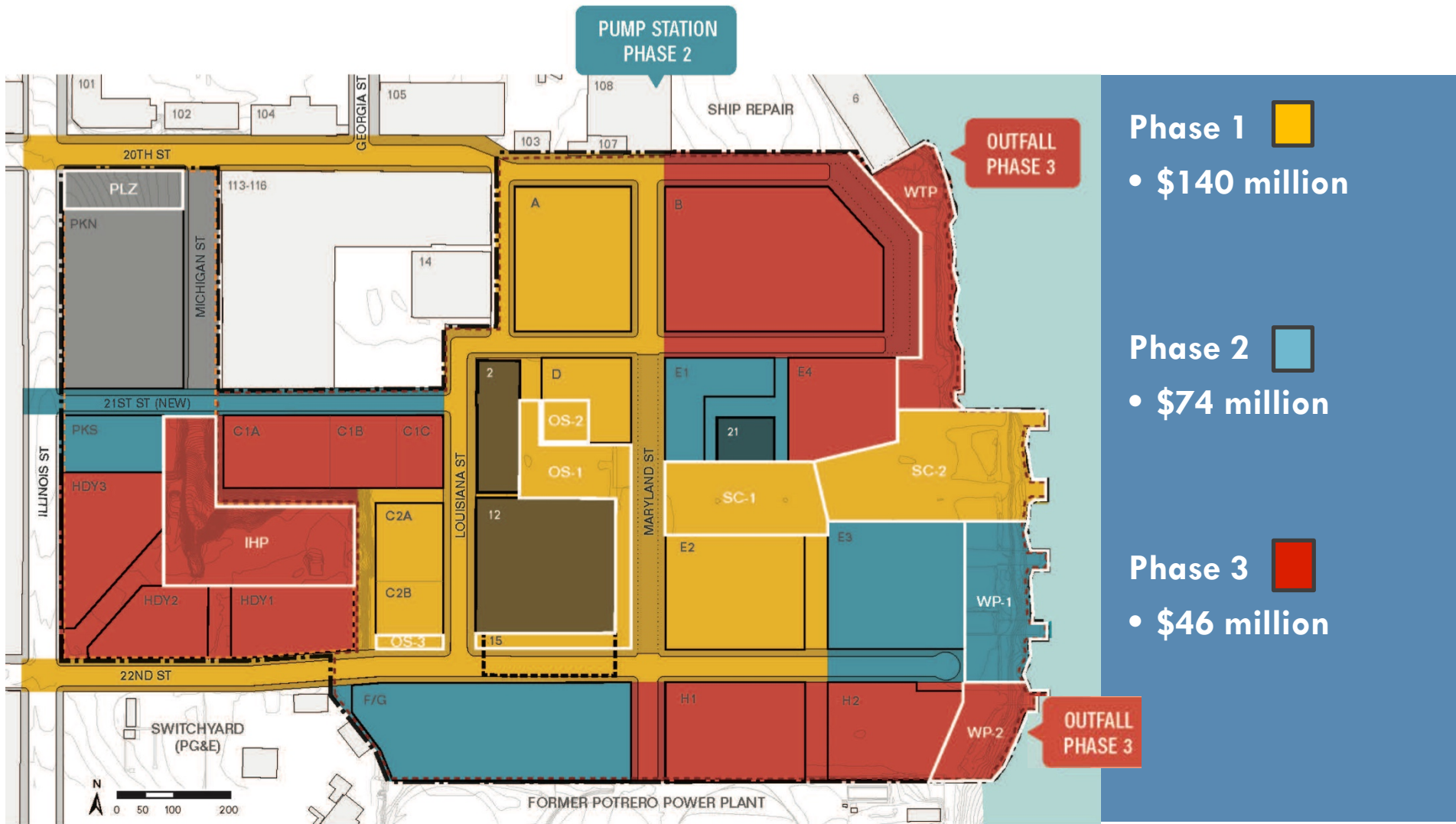
SITE BOUNDARIES
 - - - Pier 70 SUD
 - - - 28-Acre Site
 - - - Illinois Parcels

PREDOMINANT LAND USE
 Blue Commercial Office
 Yellow Residential
 Orange Residential (Affordable)
 Red Retail, Arts, and Light Industrial

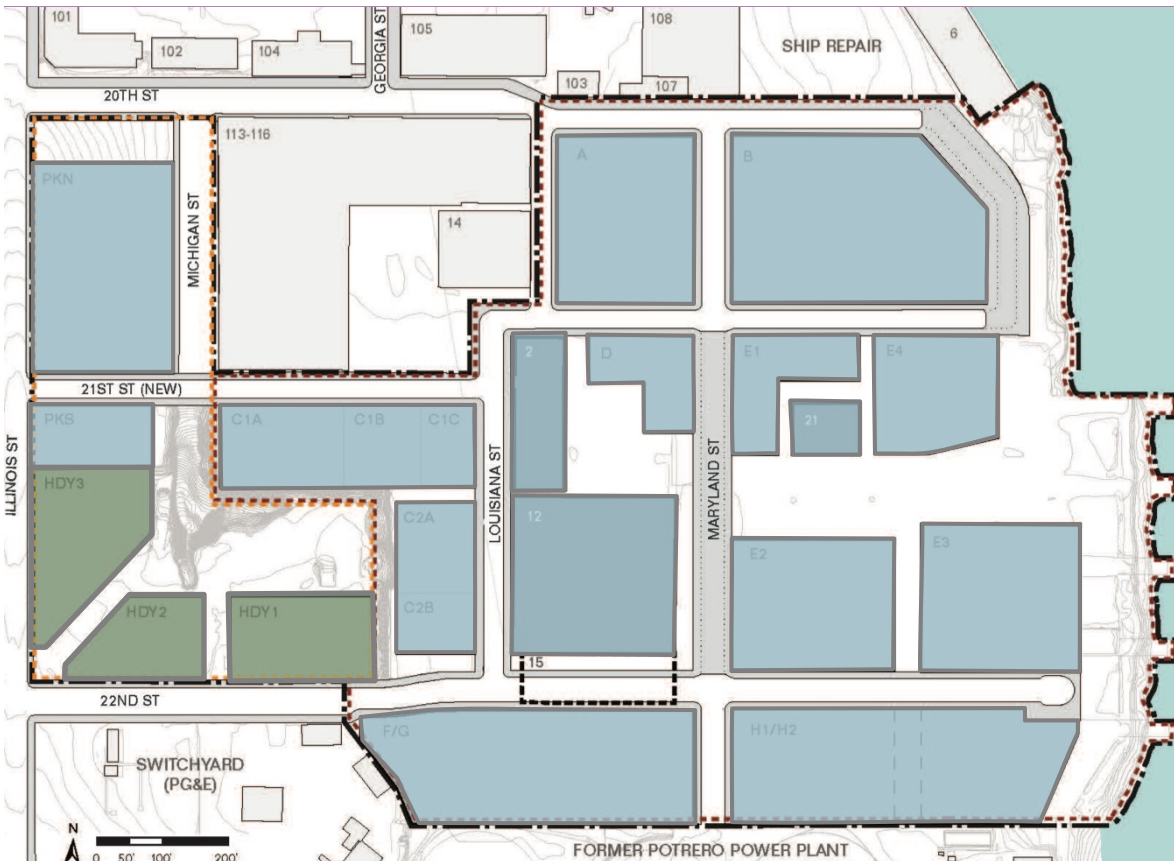
Public Benefits



\$260.5 M of Infrastructure Improvements



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
- After Project needs, to fund seawall & sea level rise
- **General Fund** and **Harbor Fund** protected

IRFD

- Affordable housing
- Remainder to General Fund

Infrastructure
Financing District

Infrastructure Revitalization
Financing District

IFP Subdistricts G-2, G-3, G-4 (Port IFD #2)

Facilities Costs to be Funded by IFD	Target Completion Timing	Estimated Cost (2017 \$)
Entitlement Costs	2011-2017	\$33,441,000
Sub-Project Area G-2		
Direct Construction Costs	2018 - 2021	\$84,729,000
Construction Contingency	2018 - 2021	\$12,658,000
Design Contingency	2018 - 2021	\$4,219,000
Indirect Costs	2018 - 2021	\$37,509,000
Indirect Cost Contingency	2018 - 2021	\$2,185,000
Subtotal - Sub-Project Area G-2		\$141,300,000
Sub-Project Area G-3		
Direct Construction Costs	2022 - 2024	\$40,811,000
Construction Contingency	2022 - 2024	\$6,126,000
Design Contingency	2022 - 2024	\$2,042,000
Indirect Costs	2022 - 2024	\$22,655,000
Indirect Cost Contingency	2022 - 2024	\$1,338,000
Subtotal - Sub-Project Area G-3		\$72,972,000
Sub-Project Area G-4		
Direct Construction Costs	2025 - 2028	\$20,393,000
Construction Contingency	2025 - 2028	\$3,106,000
Design Contingency	2025 - 2028	\$1,035,000
Indirect Costs	2025 - 2028	\$20,668,000
Indirect Cost Contingency	2025 - 2028	\$1,061,000
Subtotal - Sub-Project Area G-4		\$46,263,000
Pier 70 Wide (Subject to Port Commission and Board of Supervisors Approval)		
Irish Hill Park	2019 - 2030	\$10,000,000
Building 106 Rehabilitation	2019 - 2040	\$30,000,000
Building 111 Rehabilitation	2019 - 2040	\$20,000,000
Shipyard Electrical Service	2019 - 2030	\$3,000,000
Crane Cove Park	2019 - 2040	\$30,000,000
Shipyard Improvements	2019 - 2040	\$20,000,000
Site Interpretation and Public Realm Improvements	2019 - 2040	\$500,000
Subtotal - Pier 70 Wide		\$113,500,000
Total Estimated Costs		\$407,476,000

**Pier 70 SUD
Infrastructure
Improvements Total
\$260.5 million**

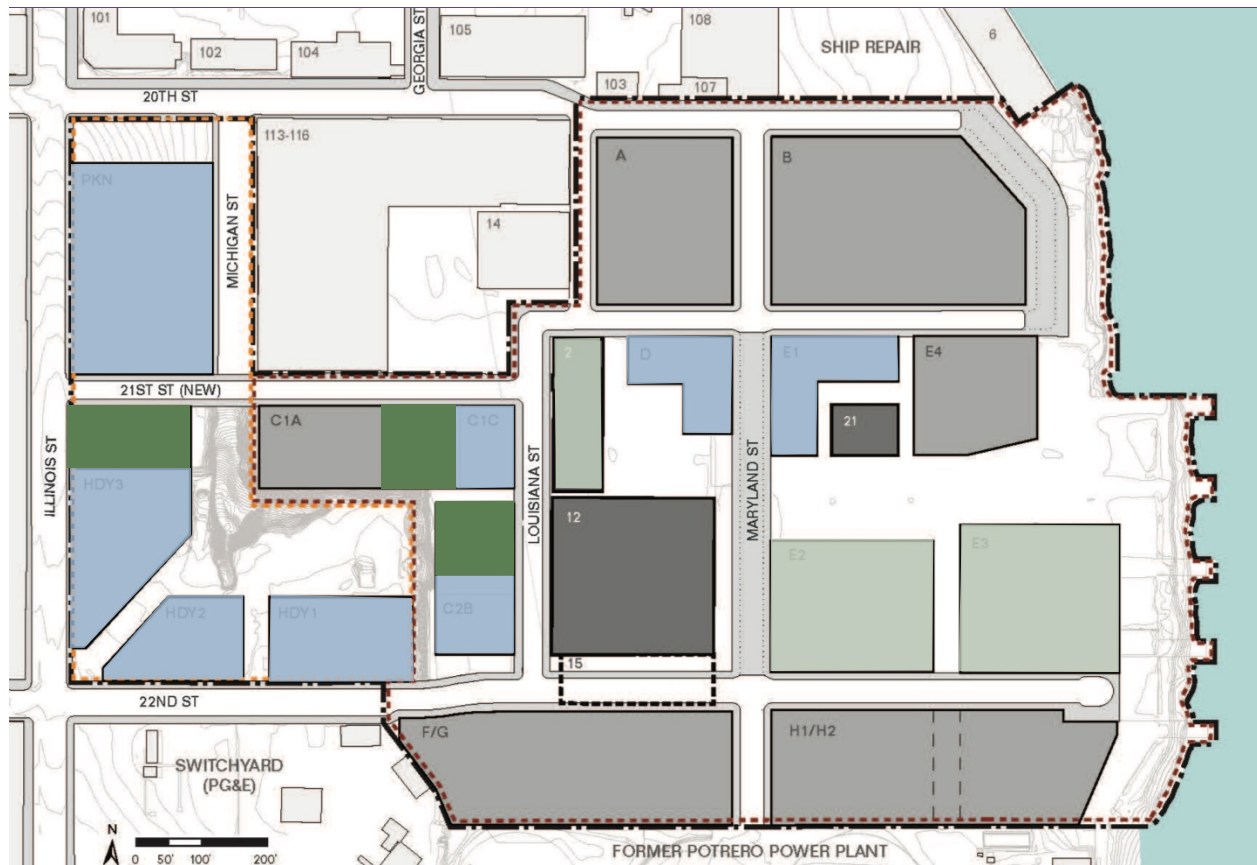
**Other Pier 70
Improvements**

Funding for Other Pier 70 Improvements is estimated at \$24 million, which is less than the total cost of eligible projects.

IFP Subdistricts G-2, G-3, G-4 (Port IFD #2)

Anticipated Sources and Uses of Funds		
	2017/18 Dollars	Nominal Dollars
Anticipated Sources of Funds		
Annual Tax Increment	\$596,720,000	\$1,578,818,000
Bond Proceeds	\$137,429,000	\$169,593,000
Developer Capital	\$133,832,000	\$150,273,000
Advances of Land Proceeds	\$164,931,000	\$192,200,000
Total Sources	\$1,032,912,000	\$2,090,884,000
Anticipated Uses of Funds		
Bond Debt Service	\$253,893,000	\$522,328,000
Interest on Advanced Funds	\$22,975,000	\$27,042,000
Repay Developer Capital	\$121,166,000	\$150,274,000
Repay Advances of Land Proceeds	\$101,663,000	\$192,200,000
Pier 70 Sub-Project Areas G-2, G-3, and G-4 Facilities	\$287,909,000	\$329,382,000
Pier 70 Wide Facilities	\$53,041,000	\$140,339,000
Sea Level Rise Protection	\$130,379,000	\$498,964,000
ERAF	\$61,886,000	\$230,355,000
Total Uses	\$1,032,912,000	\$2,090,884,000

470+ Units of Affordable Housing - IRFD



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

IFP IRFD #2 (Hoedown Yard)

Anticipated Sources and Uses of Funds		
	2017/18 Dollars	Nominal Dollars
Anticipated Sources of Funds		
Annual Tax Increment	\$70,170,000	\$157,922,000
Bond Proceeds	\$18,263,000	\$22,210,000
Total Sources	\$88,433,000	\$180,132,000
Anticipated Uses of Funds		
Bond Debt Service	\$33,158,000	\$61,718,000
Affordable Housing	\$18,969,000	\$23,091,000
General Fund [1]	\$36,306,000	\$95,323,000
Total Uses	\$88,433,000	\$180,132,000

Notes

[1] Excess tax increment is allocated to the General Fund.

Project Produces Net Fiscal Benefits to the General Fund



Fiscal Benefits

- **\$8M new annual revenues to General Fund**
- CFD Maintenance Taxes \$2.5 annually
- \$184M Impact Fees

Economic Benefits

- \$2B construction activity
- 17k construction jobs
- 11.4k new permanent jobs
- 2k new residential units

Port Financial Benefits

- \$178M from development and ongoing leasing (2017\$)

Public Access Facilities

- Parks and Open Space
- Pedestrian Connections
- Bicycle Networks

Other Public Benefits

- Urban Revitalization
- Historic Preservation
- Affordable Housing
- Sea Level Rise Protections

Legislation Establishing Districts & Authorizing Bond Issuance

IFD

Ordinance establishing Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4 of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco)

Resolution Authorizing Issuance of Bonds - Not to Exceed \$273,900,000, \$196,100,000 and \$323,300,000 for Sub-Project Area G-2, Sub-Project Area G-3 and Sub-Project Area G-4, respectively, of City and County of San Francisco Infrastructure Financing District No. 2 (Port of San Francisco)

The steps to form the IRFD are more involved due to the need for a landowner election. PG&E owns the Hoedown Yard.



IRFD

Resolution calling special election for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard)

Resolution proposing adoption of infrastructure financing plan and formation of City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard); and providing for future annexation

Resolution approving infrastructure financing plan for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard)

Resolution declaring results of special elections for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard)

Ordinance creating City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard) and adopting an Infrastructure Financing Plan for such district

Resolution authorizing issuance of bonds for City and County of San Francisco Infrastructure and Revitalization Financing District No. 2 (Hoedown Yard) therein in an aggregate principal amount not to exceed \$91.9 million