

# Pier 70

## Community Facilities Districts Formation

Informational Presentation

September 9, 2019

Presented By: Rebecca Benassini,  
Waterfront Development Manager



# Presentation Overview

- Project Overview
- Horizontal Development Costs
- Proposed CFD
  - 3 CFDs
  - Anticipated 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

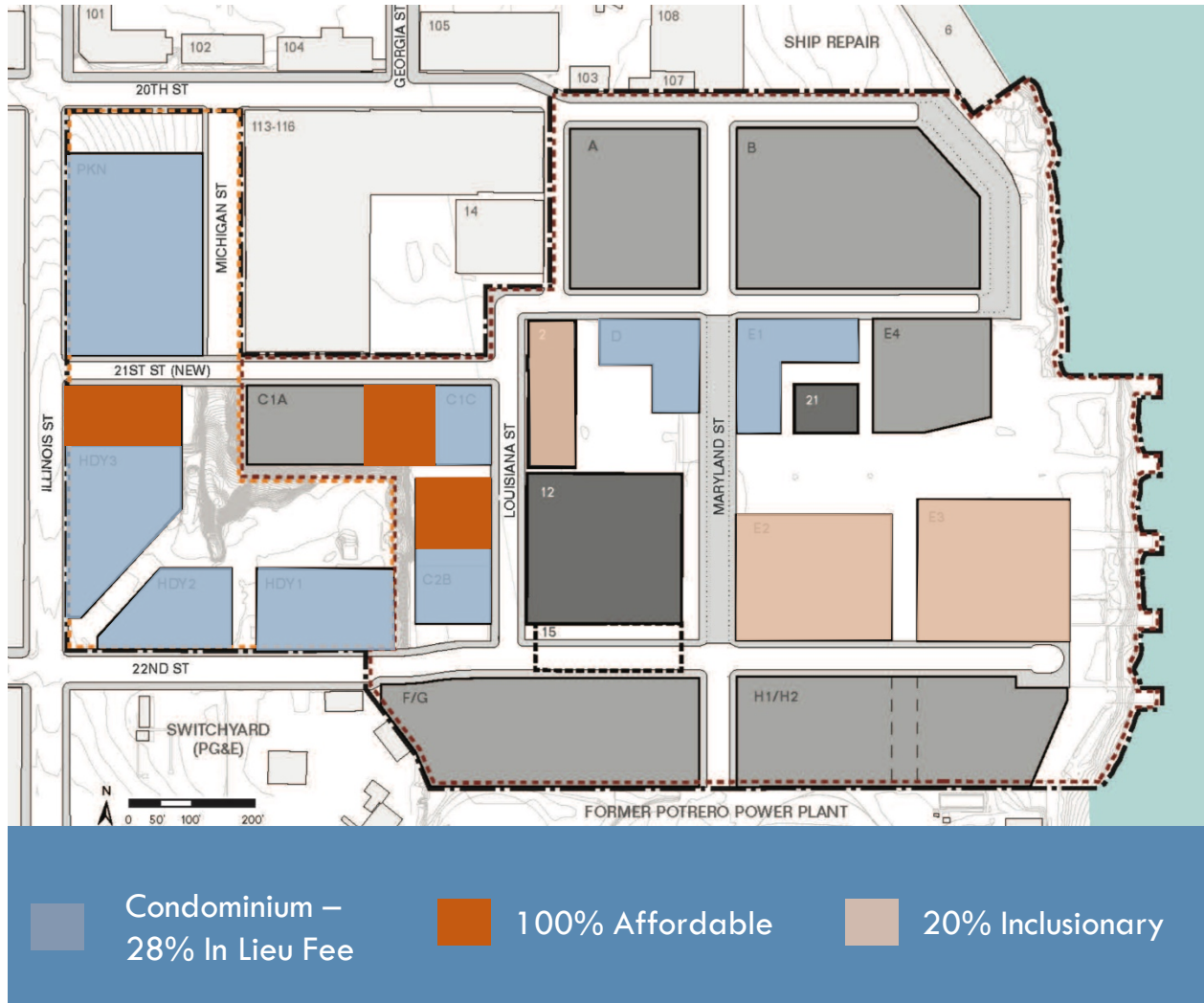
# Special Use District Project Overview



- **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

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

# 470+ Units of Affordable Housing



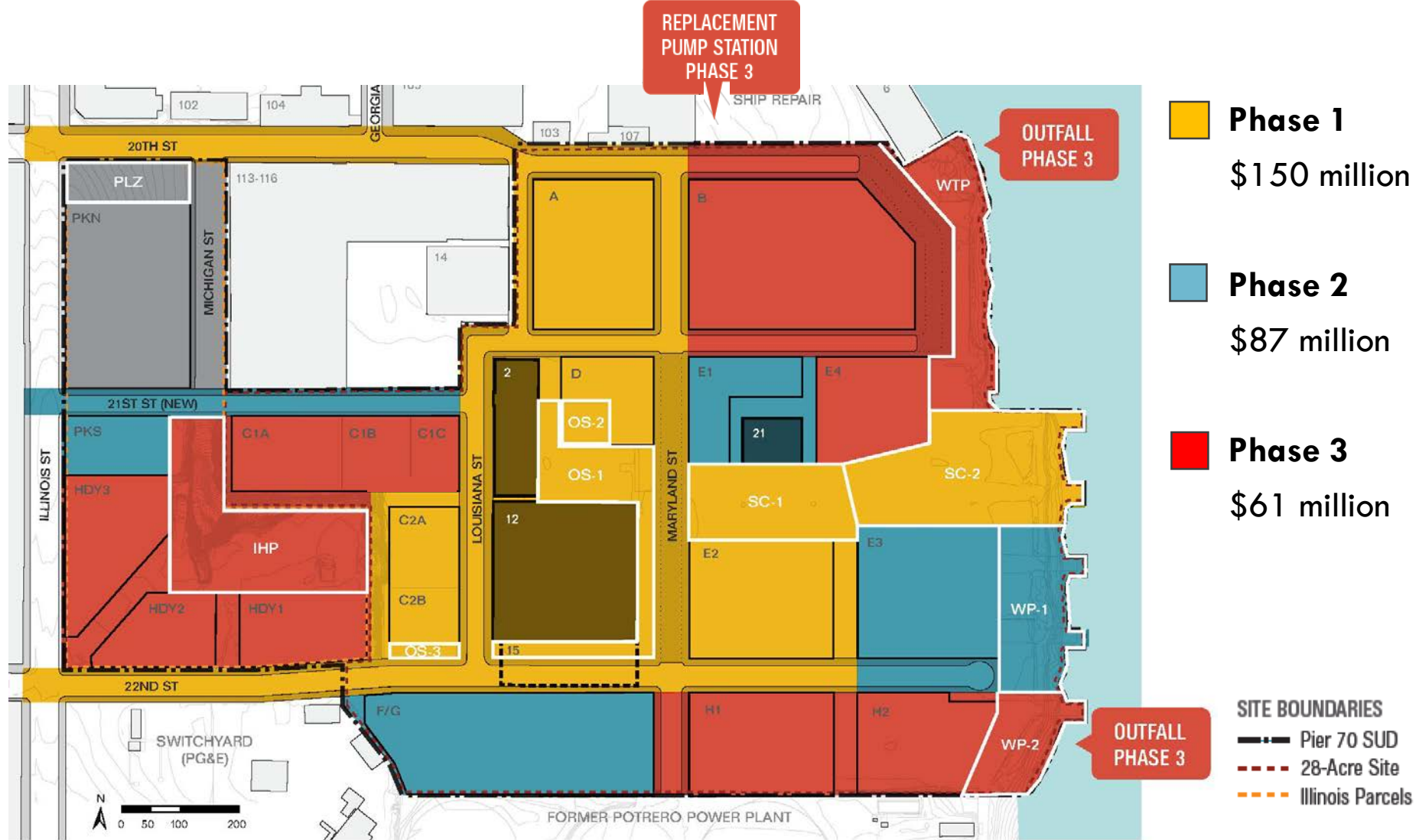
**20% inclusionary units**  
in rental buildings

Three **100% affordable**  
housing parcels

Generates **gap funding**  
for affordable housing:

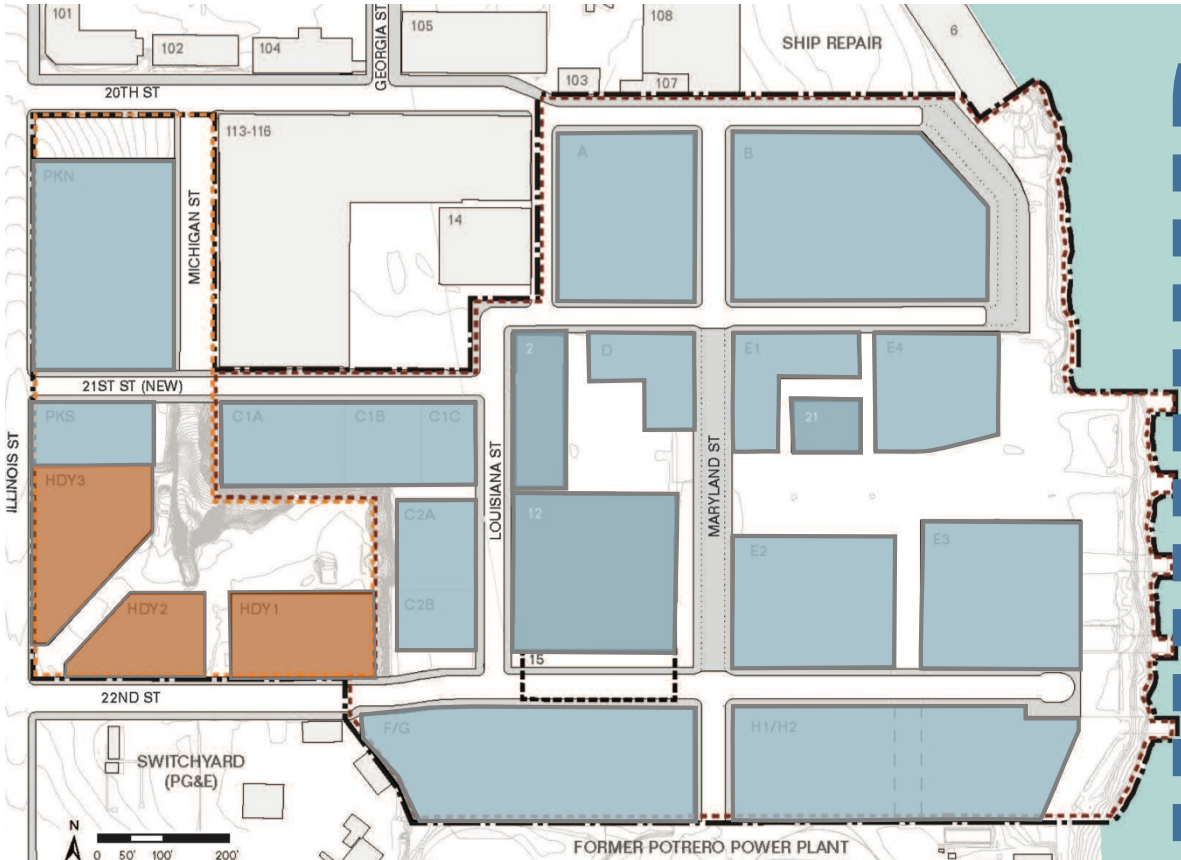
- Tax increment from Hoedown Yard
- Jobs Housing Linkage Fees from office development
- In lieu fees from condo projects

# \$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

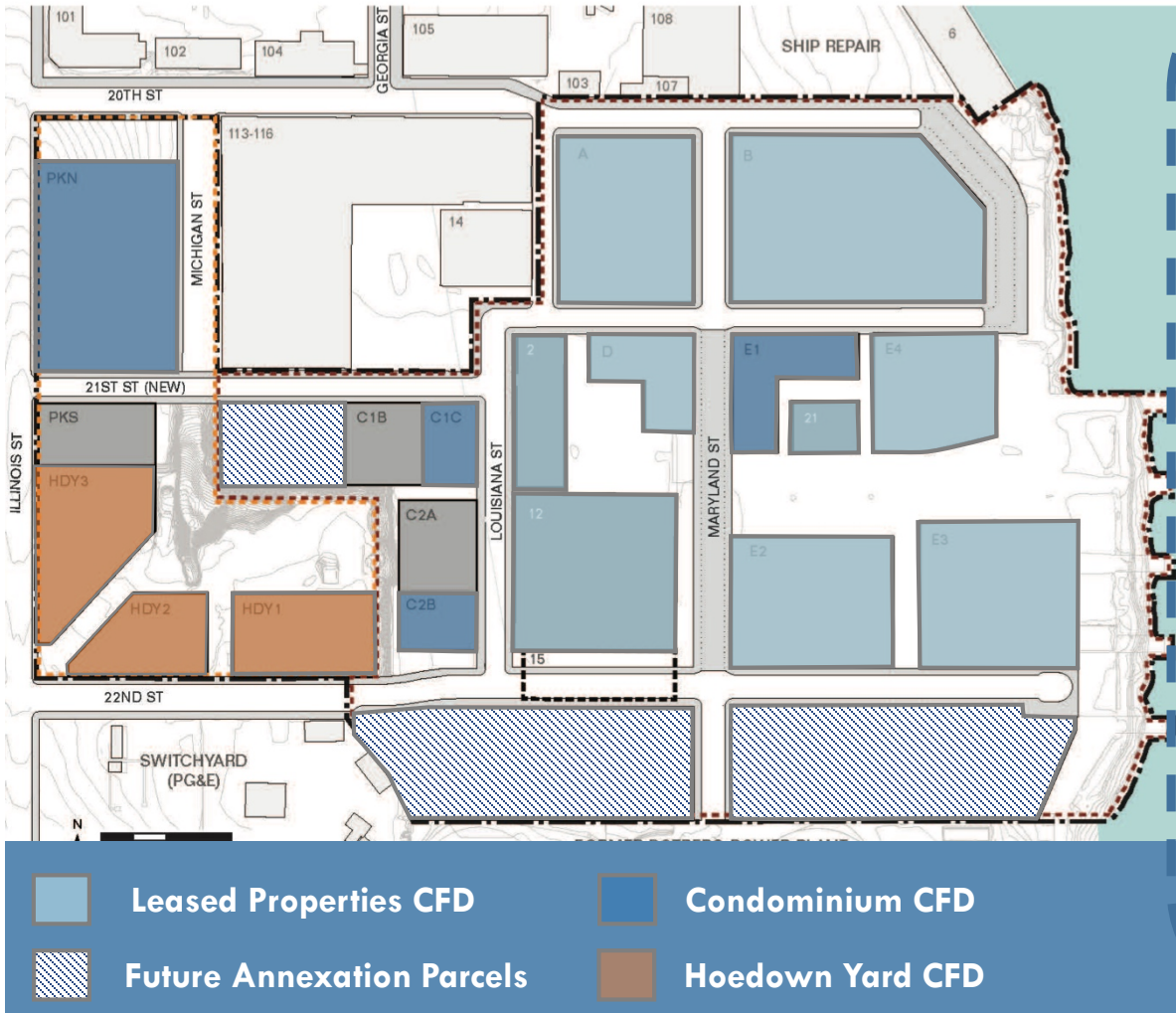
## IRFD

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

Both Formed in 2018

IFD #180773  
IRFD #180784

# CFDs - Early, Lower Cost Financing



## 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\$)**

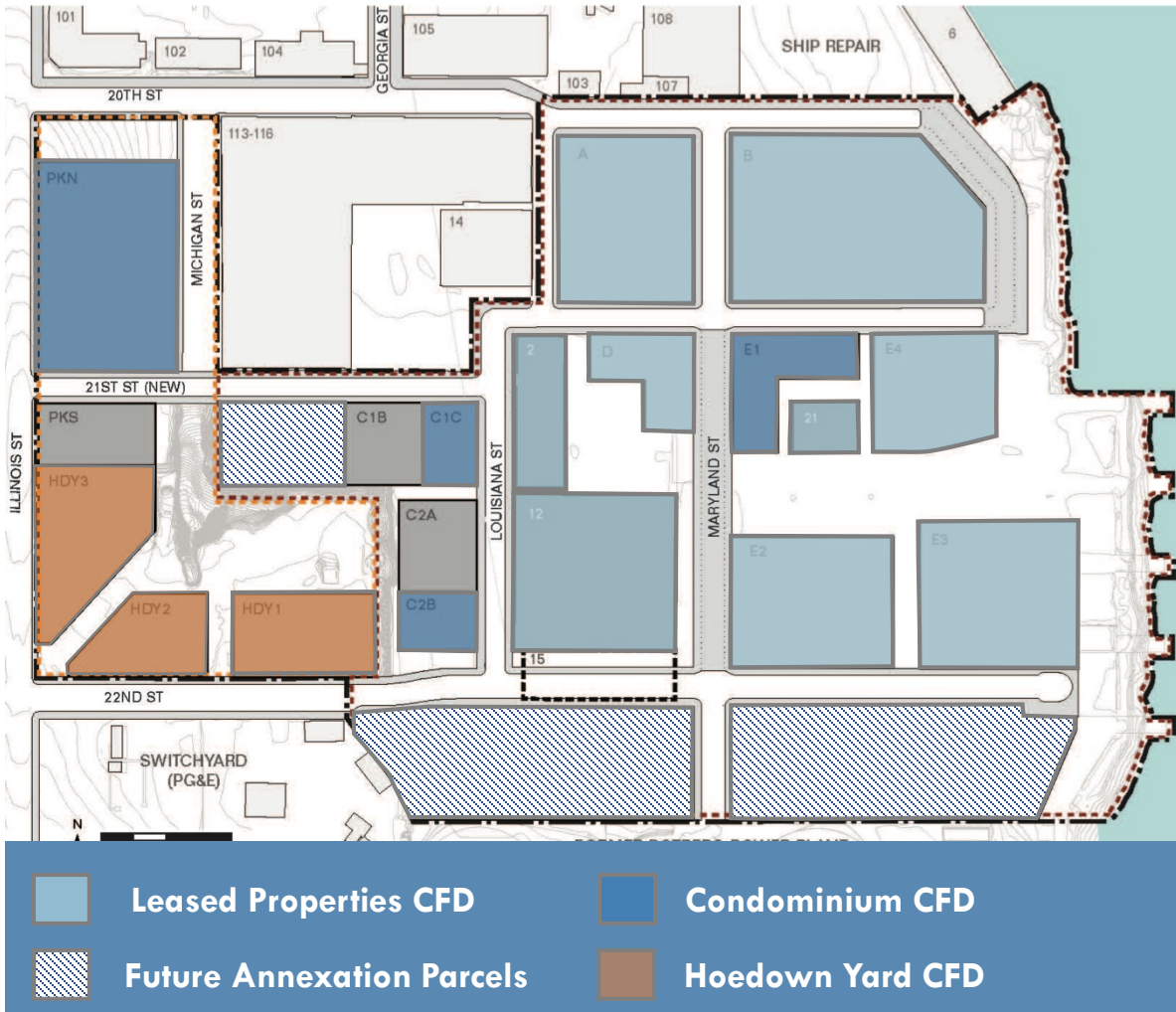
Seeking CPC  
recommendation to  
form on 9/30.

\* Discussions with  
PG&E may impact  
timing

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



# 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

# ANTICIPATED 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	\$3.66-\$3.88/sf
			Arts Tax	\$0.42-\$0.52/sf
			Shoreline Tax	\$0.56 - \$0.59/sf
			Services Tax	\$0.84-\$1.04/sf
	Leased Property CFD / Tax Zone 3	28-Acre Site Historic Buildings 12 and 21	Facilities Tax	\$3.45 - \$3.57/sf
Condo CFD	Condo CFD / Tax Zone 1	Parcel K North	Facilities Tax	\$5.12/sf
			Shoreline Tax	\$1.63/sf
	Condo CFD / Tax Zone 2	28-Acre Site Condominium Parcels	Facilities Tax	\$4.79/sf
			Arts Tax	\$0.65/sf
Hoedown CFD	Hoedown Yard CFD	Residential or Office Parcels on the Hoedown Yard	Maintenance Tax	\$1.30-\$1.96/sf
			Facilities Tax	TBD
Hoedown CFD	Hoedown Yard CFD	Residential or Office Parcels on the Hoedown Yard	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 9<sup>th</sup>**  
CPC informational  
discussion

**September 17<sup>th</sup>**  
Introduction of ROIs:  
formation & issuance  
package at Board

**September 30<sup>th</sup>**  
CPC recommendation

**September 30 - October  
11<sup>th</sup>**  
CFD ordinance, formation  
package at Board

**November 19<sup>th</sup>**  
CFD at Board; CFD election  
held

**December - January 2020**  
Second hearing on  
ordinance; Validation  
complete