

Mission Rock Community Facilities District (Special Tax District 2020-1)

Capital Planning Committee

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Port of San Francisco

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Presentation Overview

- Project Timeline and Overview
- Funding Structure
- Existing Infrastructure Financing District (IFD)
- Proposed Community Facilities District (CFD)
- Next Steps



Mission Rock Timeline



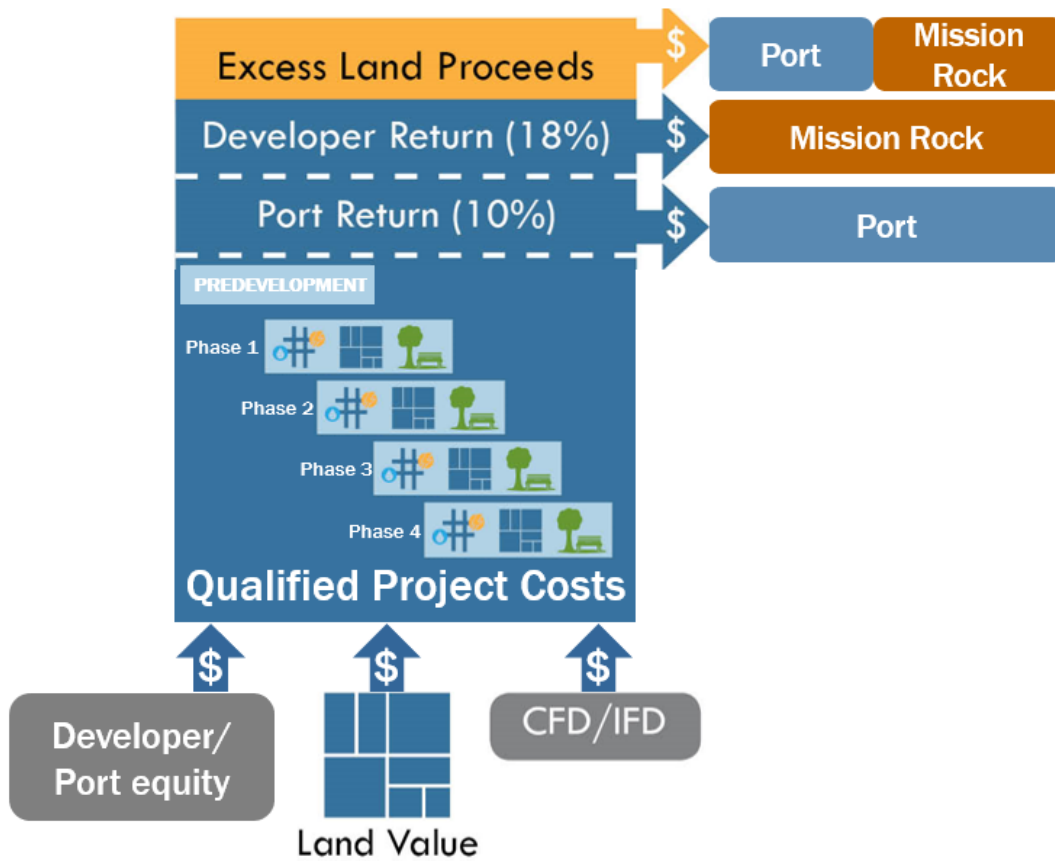
Mission Rock Overview

At completion:

- 28 acres, 2.7 – 2.8M GSF
- 1,200 units of housing
- 40 percent on-site affordable
- 1.0 – 1.4M GSF office
- 240K GSF retail/PDR
- Rehabilitation of Historic Pier 48



Project Funding Structure

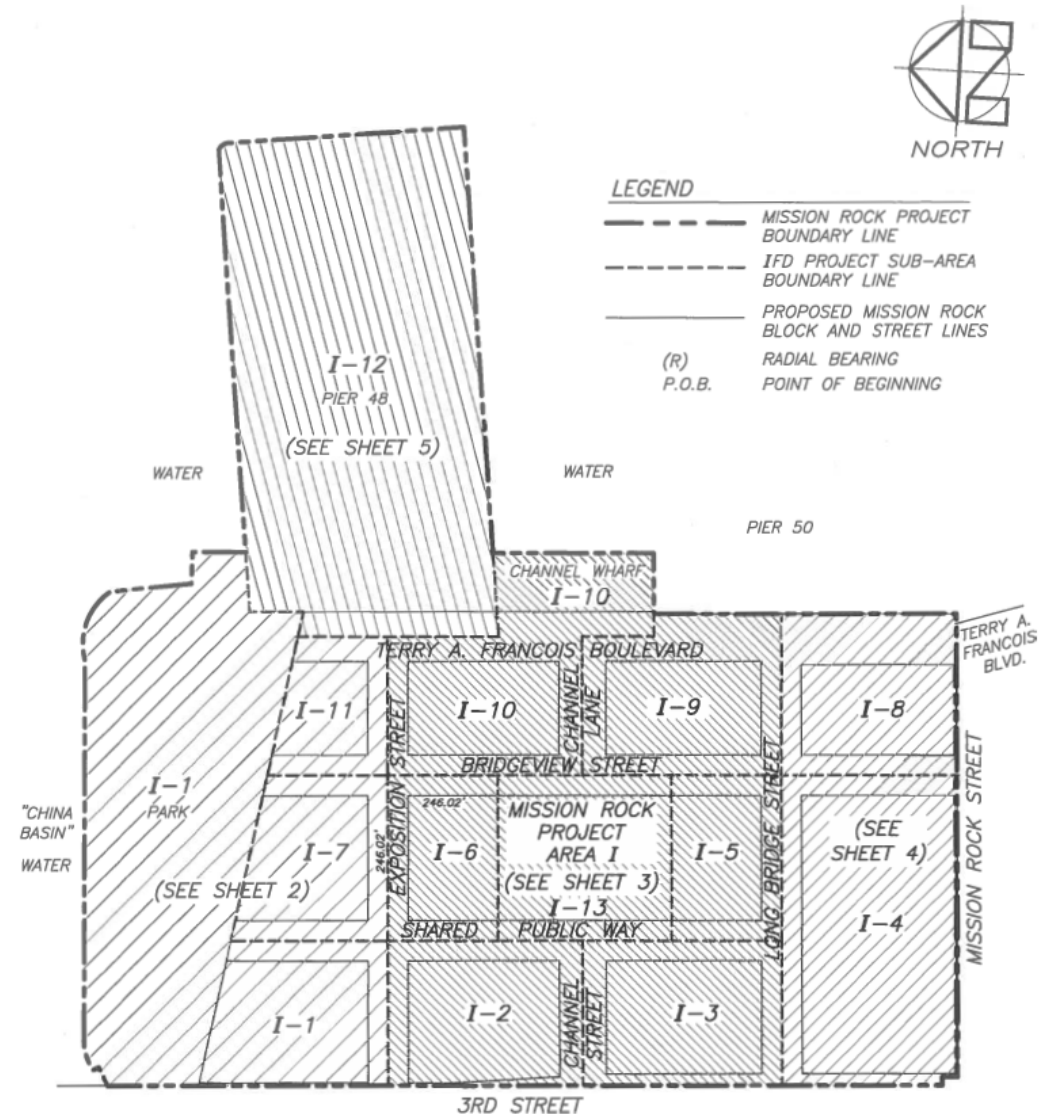


Strategies to limit Developer Capital and Return:

- Use CFD/IFD sources when possible
- Maximize public financing
- Use tax-exempt debt
- Use Port Capital

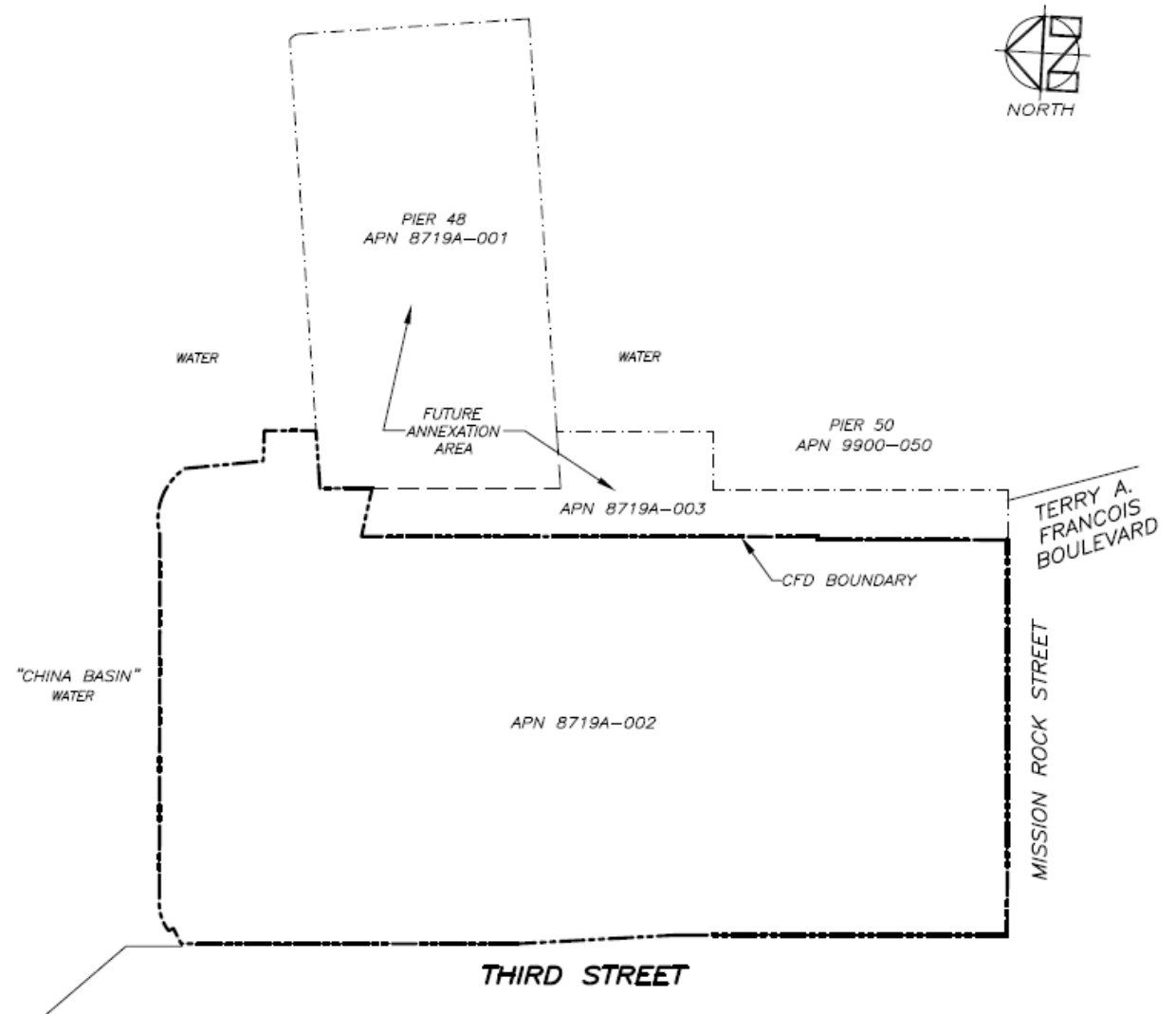
Mission Rock IFD

- IFD Project Area I
 - Divided by parcel
 - 13 separate sub-project areas
- Captures tax increment
 - Offsets CFD Development Tax
 - Funds infrastructure



Mission Rock CFD

- Single Mission Rock CFD
 - Includes all 11 parcels
 - Pier 48 is an annexation area
- Four types of taxes
 - Development Tax
 - Office Tax
 - Shoreline Tax
 - Services Tax



CFD Taxes and Uses

Development Tax

- Funds infrastructure and parks
- 40 years bonding authority

Office Tax

- Funds infrastructure and parks
- More flexible than development tax
- Exists for 120 years

Shoreline Tax

- Funds shoreline protection studies and facilities
- Exists for 120 years

Services Tax

- Funds ongoing operations and maintenance for site
- Exists in perpetuity



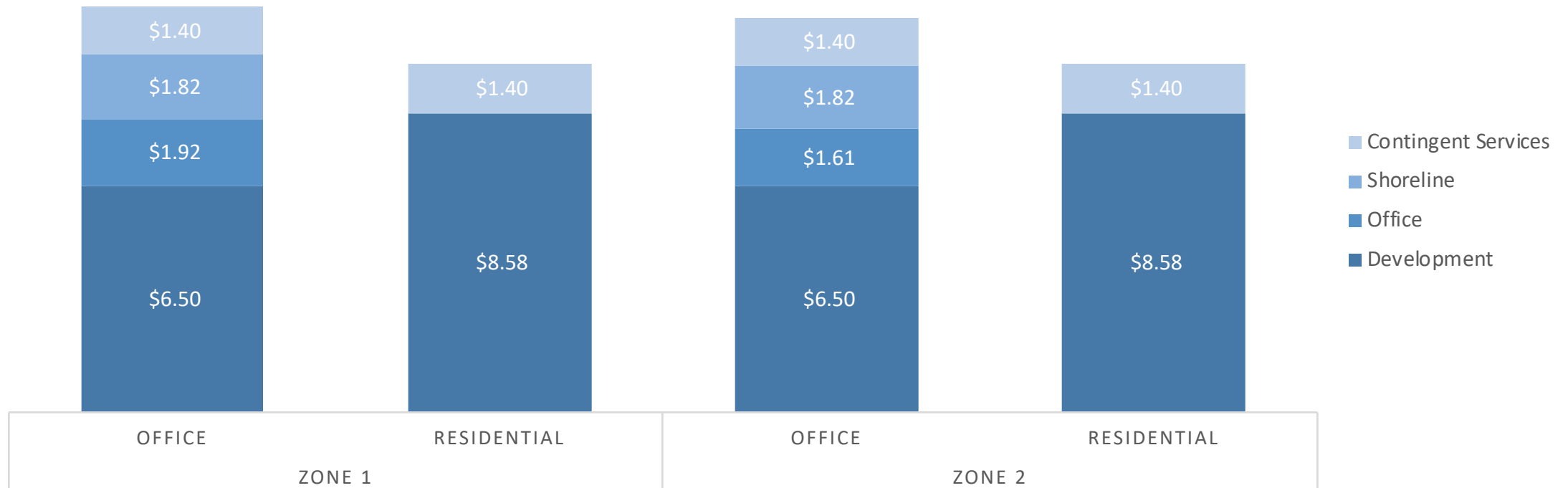
Bonds Funding Infrastructure

- CFD & IFD Bonds are expected to fund \$260M of the total horizontal costs of \$380M; land proceeds and pay-go taxes will fund the remaining costs + return
- Initial bond sale secured by unimproved land, expected to generate \$35-40M in proceeds this year
- Later issuances will occur once the property is developed

Mission Rock Tax Rates

Tax Zone	Land Use	Parcels	Tax	Rate
Zone 1	Residential	A, F	Development	\$ 8.58
			Contingent Services	\$ 1.40
	Office	B, G	Development	\$ 6.50
			Office	\$ 1.92
			Shoreline	\$ 1.82
			Contingent Services	\$ 1.40
Zone 2	Residential	D1, F, K, H*, I*, J*	Development	\$ 8.58
			Contingent Services	\$ 1.40
	Office	C, E, H*, I*, J*	Development	\$ 6.50
			Office	\$ 1.61
			Shoreline	\$ 1.82
			Contingent Services	\$ 1.40
Future Annexation Area	TBD	Pier 48	Development	TBD
			Office	TBD
			Shoreline	TBD
			Services	TBD

Mission Rock Tax Rates



Next Steps

- **February 2020:** Resolution of Intention
 - Government Audit and Oversight Committee (2/20)
 - Full Board and Mayoral Approval
- **March-April 2020:** Resolution of Formation
- **Mid-2020:** Issue CFD bonds to fund infrastructure, roads, utilities, and parks

Current Actions

Request positive recommendation of the following items for the Resolution of Intention:

1. Resolution of intention to establish Special Tax District 2020-1 (Mission Rock CFD)
2. Resolution of intention to incur bonded indebtedness for Mission Rock CFD