

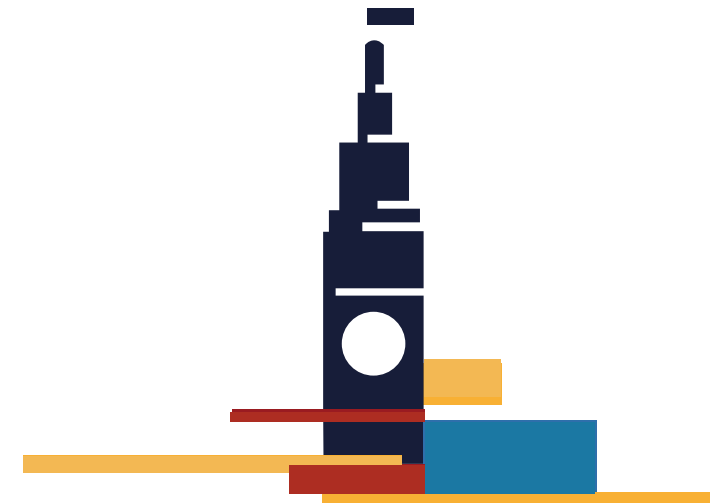


SPECIAL TAX FINANCING LAW AMENDMENTS

Pier 70 and Mission Rock

Rules Committee
July 29, 2019

Port of San Francisco



Pier 70 Project Overview

- Entitled Fall 2017
- 35 acres
- 1,645-3,025 residential units
- 1.1-1.75 million gsf commercial
- 9 acres open space

Public Benefits

- 30% onsite affordability
- First Source, Prevailing Wage, LBE
- TDM Program
- Historic Rehabilitation
- Sea Level Rise Protections
- 90,000 SF Arts Facility
- On-site Child Care

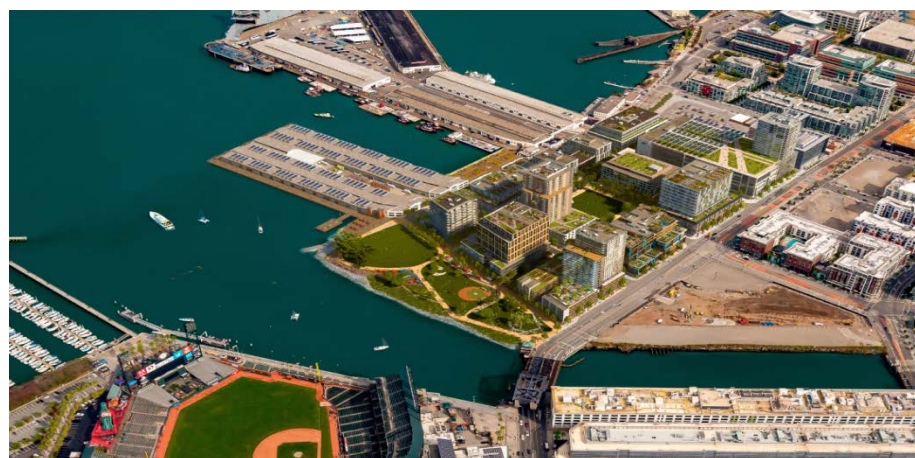
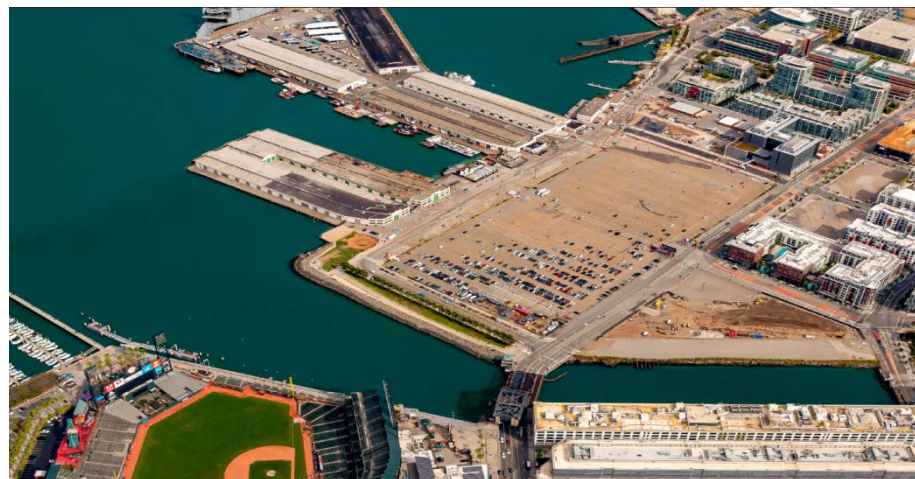


Mission Rock Project Overview

- Entitled early 2018
- 28 acres
- 1,400 – 1,900 residential units
- 970K – 1.4 million gsf commercial
- 8 acres open space

Public Benefits

- 40% onsite affordability for 45% - 150% AMI
- First Source, Prevailing Wage, LBE
- TDM Program
- Historic Rehabilitation
- Sea Level Rise Protections
- 15,000 SF Community Facility
- District Energy; District Blackwater
- On-site Child Care



Project Financing Structures



- Possible sources to pay for qualified project costs:
 - Developer or Port Capital
 - Land Value
 - CFD/IFD
- Goal is to limit Developer Capital and accrual of Developer Return by:
 - Using CFD/IFD whenever possible
 - When CFD/IFD not available, advance land value proceeds or Port Capital repaid with CFD/IFD once available

What is the Special Tax Financing Law?

- Used to create special tax districts, more commonly known as Community Facilities Districts (CFDs)
- Local law supplementing the Mello-Roos Community Facilities Act
- Originally adopted in connection with the GreenFinanceSF program
- Previously amended in November 2018 in connection with the Central SoMa plan

Current Amendments

- Amendments incorporate improvements in the Pier 70 and Mission Rock projects
- Two types of amendments:
 - Clarify uses of existing law and eliminate ambiguities
 - Expand the law to allow the Board of Supervisors to authorize improvements not currently permitted

Historic Buildings



Seismic Improvements



Entitlement Costs



What's next?

- Declare intention to form Community Facilities Districts
- Form Community Facilities Districts by Special Election
- Issue CFD Bonds and levy special taxes for the maintenance of parks, open space, and shoreline improvements
- Leverage IFD tax increment when generated