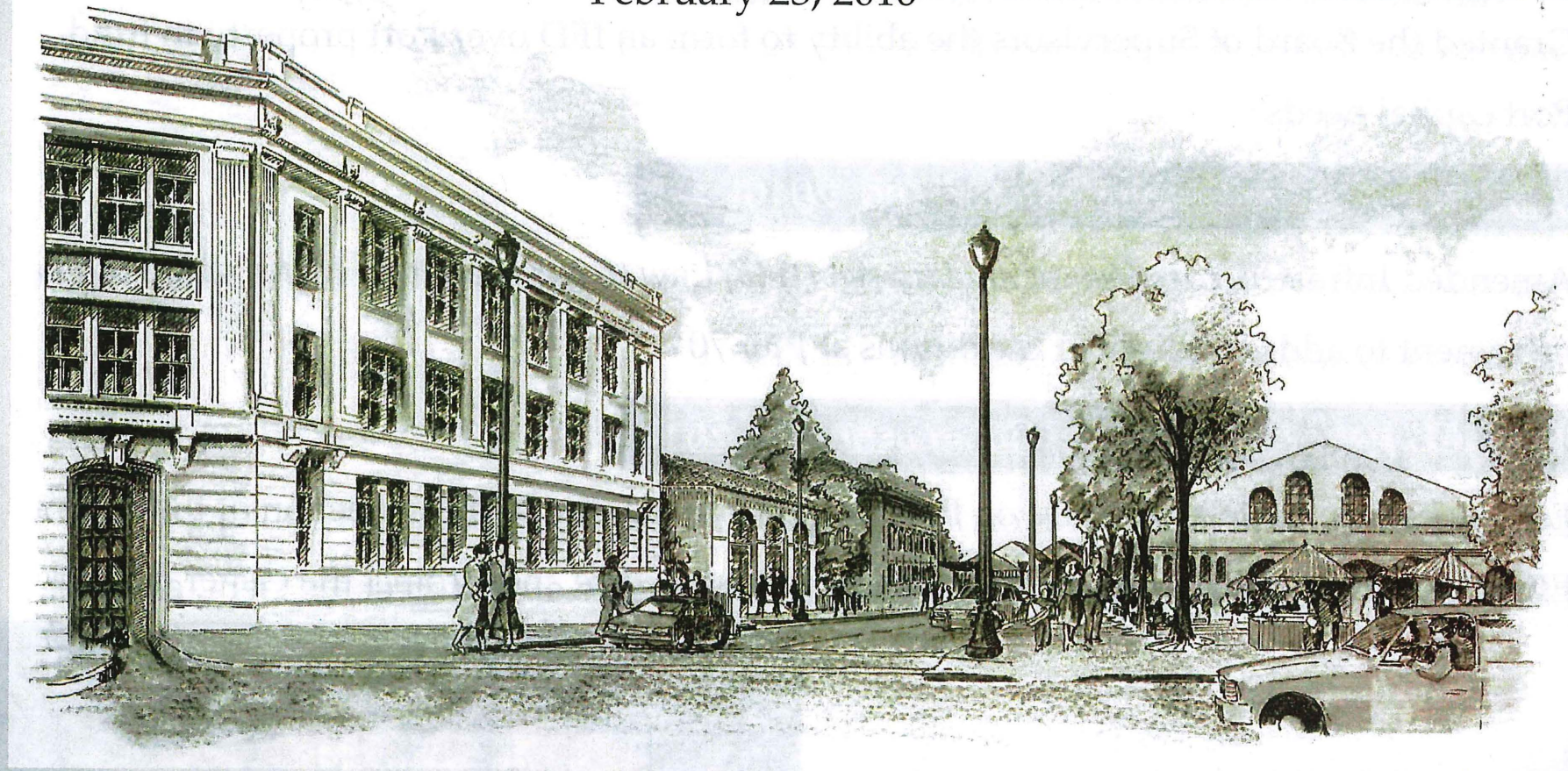


Board of Supervisors Infrastructure Financing District Hearing

February 23, 2016



• Pier 70: 20th St. Historic Buildings •

Legislative History

SB 815 (Senator Migden, 2005)

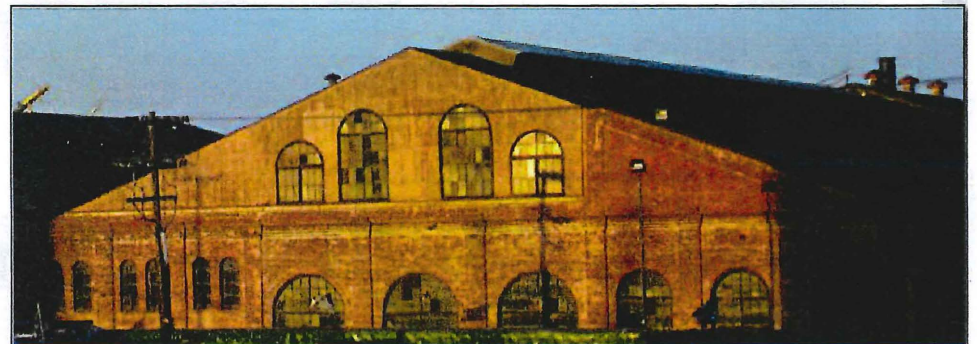
Granted the Board of Supervisors the ability to form an IFD over Port property to fund Port capital needs

AB 1199 (Assemblymember Ammiano, 2010)

Amended Infrastructure Financing District (IFD) Law to capture State ERAF share of tax increment to address blighted conditions at Pier 70

Port IFD Policy (Mayor Lee, Supervisor Kim, 2013)

Established guidelines for IFDs on Port property to maximize the collection of the State's ERAF share, ensure proper maintenance of infrastructure and protect the General Fund.



P70 Master Plan

- Ship Repair
- Crane Cove Park
- Waterfront Site
- 20th St Historic Buildings



Legislation Before the Board

15-1119 Ordinance establishing a Port IFD and adopting the Infrastructure Financing Plan for Sub-Project Area G-1 (20th Street Historic Buildings)

Also approves a Tax Administration Agreement and affirms CEQA determination.

15-1118 Resolution approving the issuance of bonds not to exceed \$25.1 Million for Sub-Project Area G-1

Also approves a form of Indenture of Trust and Pledge Agreement

15-1117 Resolution Approving an MOU between the Port, Controller and Tax Collector

Describes how IFD will be administered.

IFP Formation – Milestones

Date	Milestone
Nov 3, 2015	BOS approves (2) Reso of Intent to Issue Bonds
Nov 17, 2015	BOS approves (1) Reso of Intent to Form IFD
Feb 23, 2016	Committee of the Whole hearing on (3) Ordinance Adopting IFP, (4) Reso Authorizing Issuance of Bonds, and (5) Reso Approving MOU between Port and Controller
	First reading of (3) Ordinance Adopting IFP; adoption of (4) Reso Authorizing Issuance of Bonds and (5) Reso Approving MOU
Apr 10, 2016	(3) Ordinance Adopting IFP becomes effective
May 9, 2016*	Last day for filing of validation complaint in Superior Court

*Need to establish Base Year in FY 2015-16 to collect full amount of tax increment.

Allocation to IFD

FY 2016/17 – FY 2062/63

The Historic Core Sub-Project Area will generate approx. \$710k annually in net tax increment to the IFD

Increment allocated to IFD	Gross Increment
CCSF General Fund portion of increment generated at Pier 70	64.59%
State of California ERAF portion of increment generated at Pier 70	<u>25.33%</u>
Total Gross Increment	89.92%

Blighted Conditions at Pier 70

The Legislature allowed the City to capture the State's ERAF share of property taxes at Pier 70 in 2010 because:

- Deterioration cannot be remedied by private investment alone
- Since 2002, 11 buildings condemned; 14 use-restricted
- Structures built on fill or Bay mud, pre-date seismic standards
- The site contains historically significant assets
- \$2 billion 10YCP need, insufficient revenues for P70
- 150 years of industrial use

IFP Sources and Uses

Sources / Uses	2015 Dollars	Nominal Dollars
Port, developer advance, net of bonds	\$1,762,363	\$1,409,607
Bond proceeds	6,558,879	7,831,644
Net available increment	<u>15,090,670</u>	<u>39,978,749</u>
Total Sources	\$23,411,912	\$49,220,000
Projects funded by debt	\$8,321,242	\$9,241,251
Projects funded by pay go	9,938,434	26,760,455
Interest expense	<u>5,152,236</u>	<u>13,218,295</u>
Total Uses	\$23,411,912	\$49,220,000

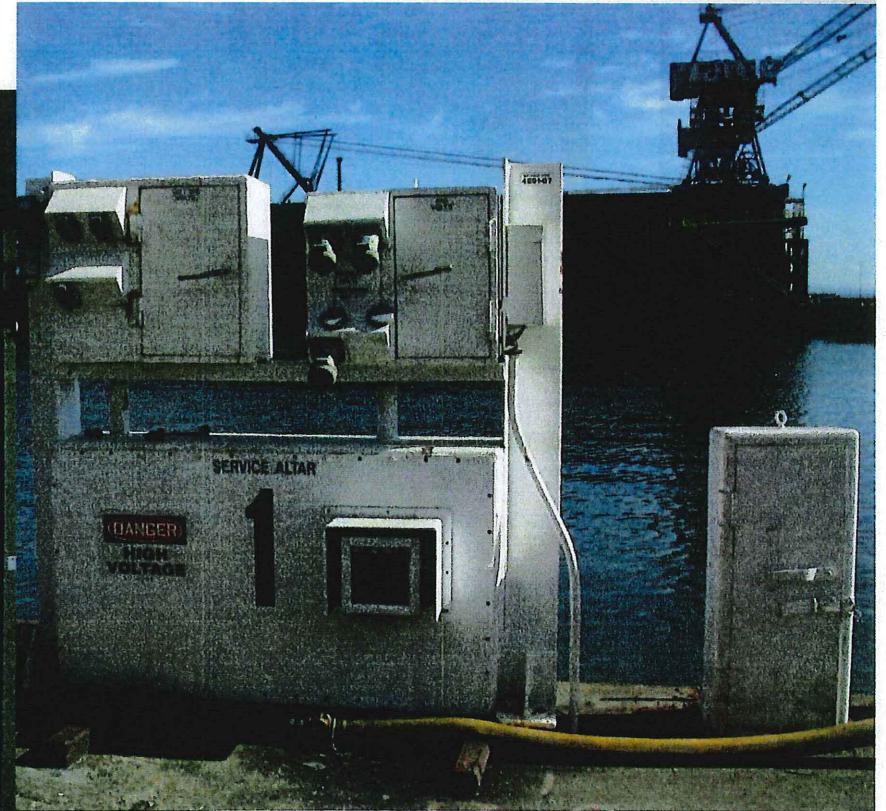
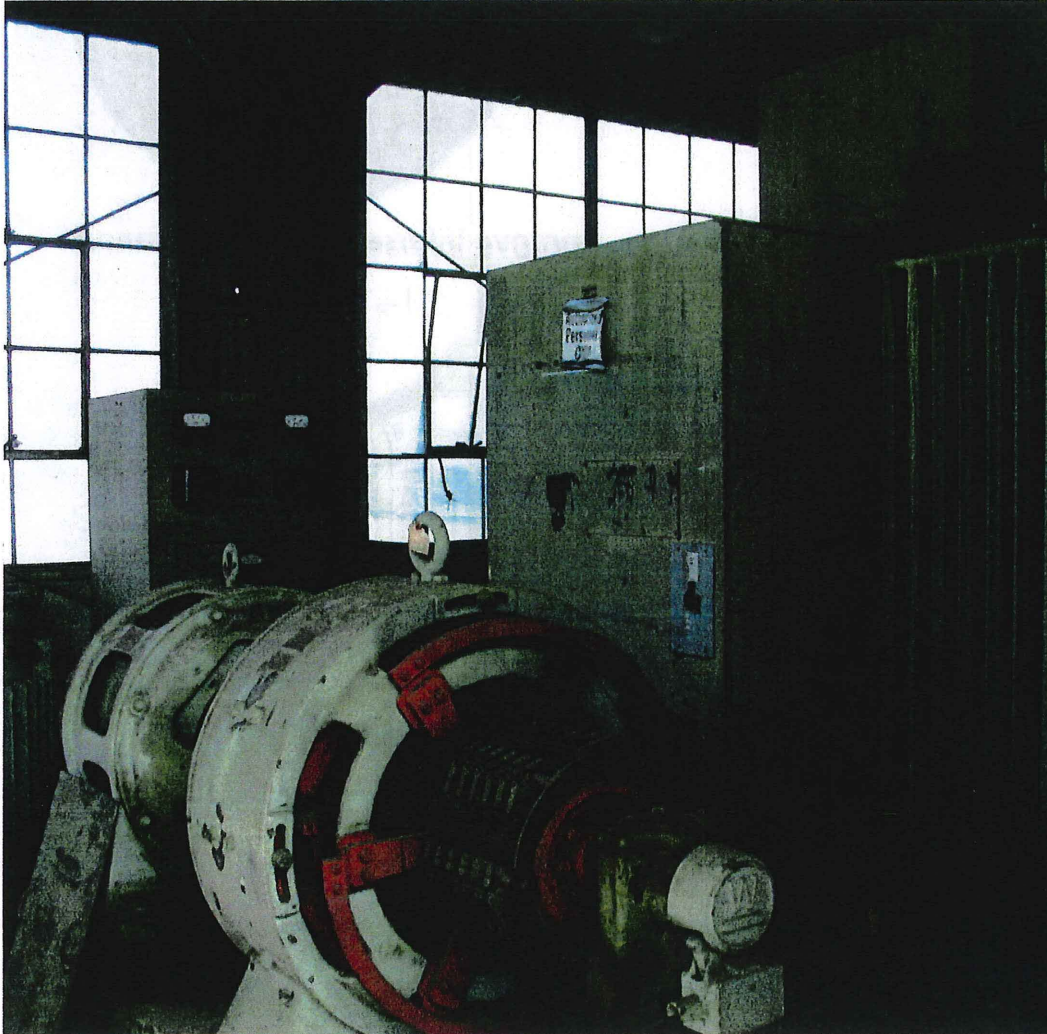
IFP Financing - Uses

Anticipated Uses	Est. Cost, 2015 Dollars	Target Completion Schedule
Crane Cove Park - Phase 2	\$13,899,000	Based on funding avail
Bldg. 102 electrical relocation / improvements	3,090,000	FY 2016/17
Street, sidewalk, traffic signal improvements	<u>1,271,000</u>	FY 2016/17 – FY 2017/18
Total	18,260,000	

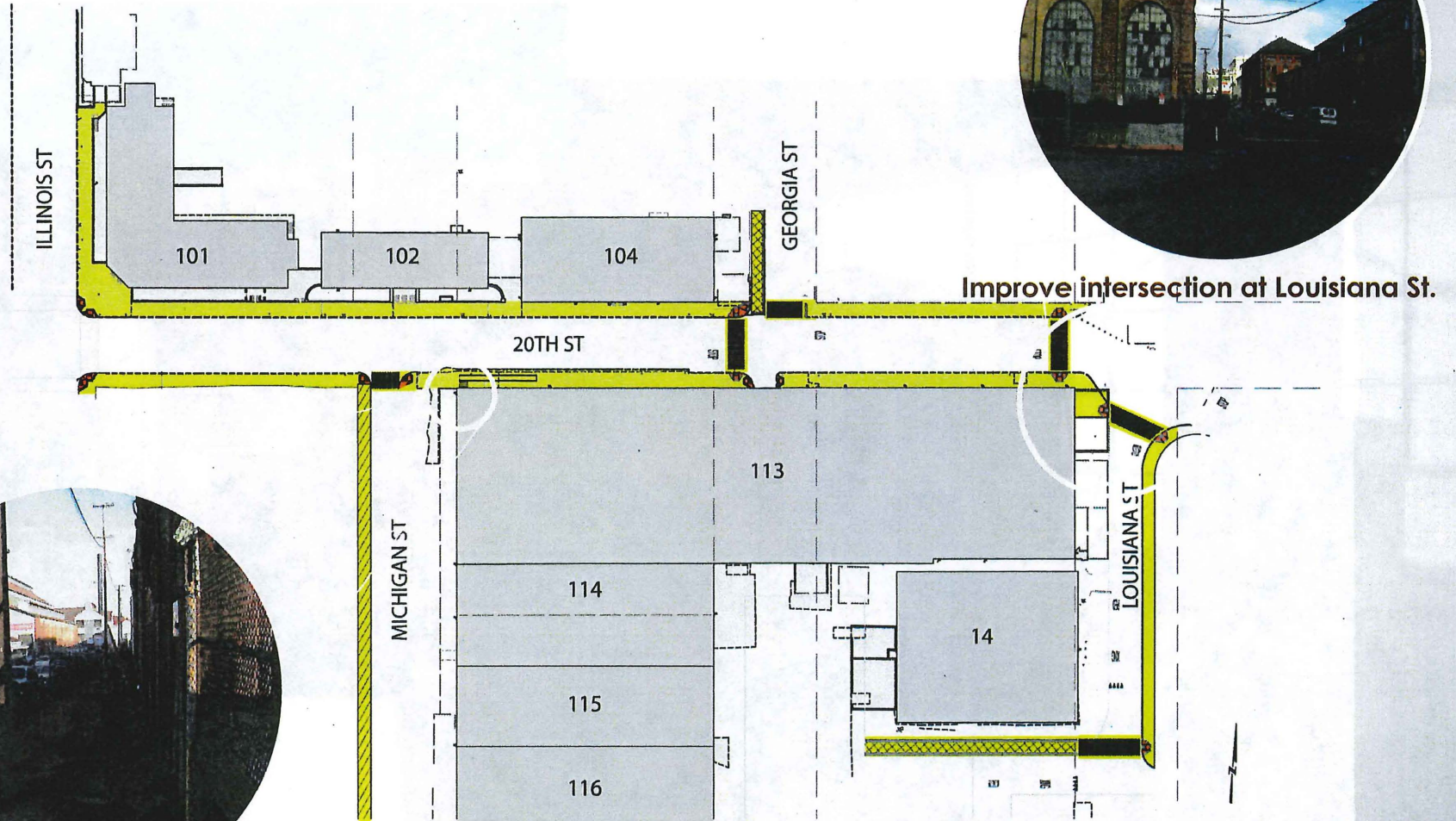
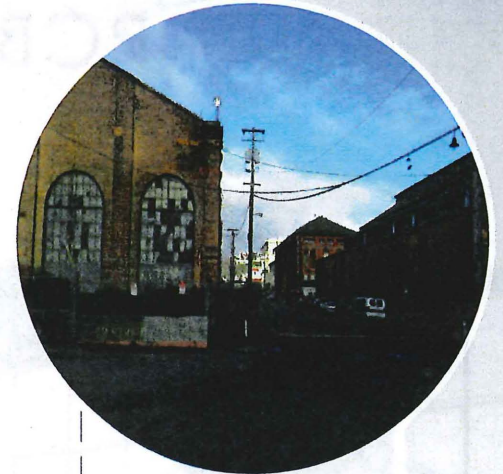
Crane Cove Park : Phase 2



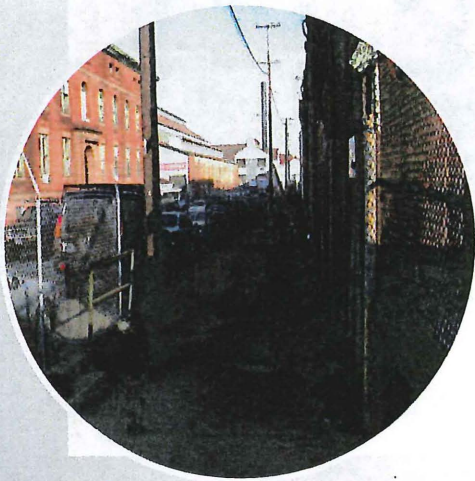
Relocate Shipyard Electrical/ Remediate PCB-containing Transformers



IFD Scope of Work

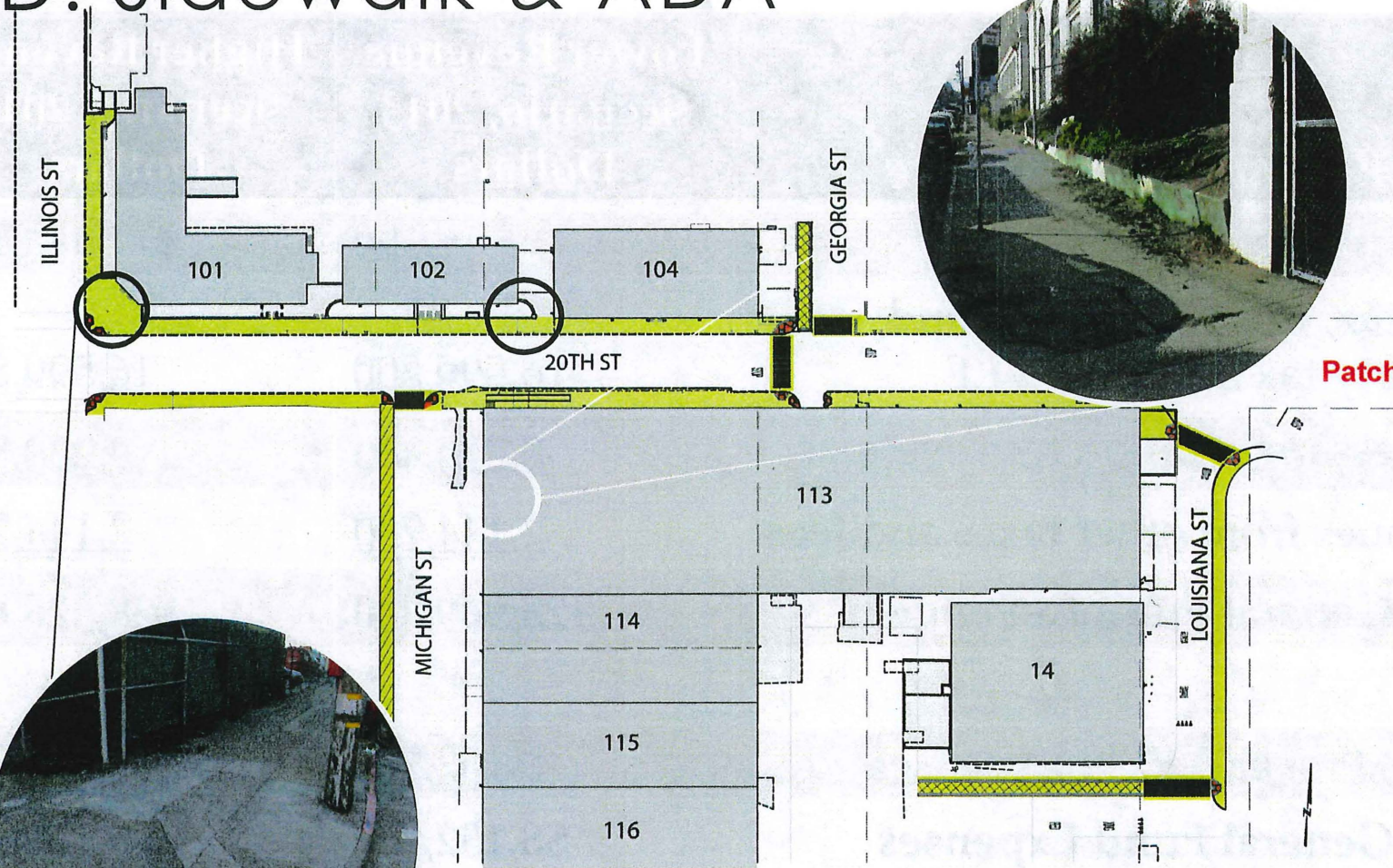


Improve intersection at Louisiana St.



Improve accessibility on 20th St.

IFD: Sidewalk & ADA



Patch sidewalks

Install ADA compliant curb ramps

General Fund Impact – IFD Term

Revenue / Expenditure	Lower Revenue Scenario, 2015 Dollars	Higher Revenue Scenario, 2015 Dollars
Gross receipts tax revenues	\$0	\$17,343,100
Sales tax, utility users tax and property tax in-lieu of VLF	16,599,800	16,599,800
Business registration fee revenues	5,225,400	2,239,500
Revenues from other taxes and fees	<u>2,144,200</u>	<u>2,144,200</u>
Total General Fund Revenues	\$23,969,400	\$38,326,600
Police, Fire and EMS Expenses	<u>8,152,700</u>	<u>8,152,700</u>
Total General Fund Expenses	\$8,152,700	\$8,152,700
Net General Fund Benefit	\$15,816,700	\$30,173,900

Employment Impact – Public Improvements

Employment Measure	Impact
Direct jobs	109
Indirect and induced jobs	<u>54</u>
Total Jobs	164
Direct construction job payroll	\$7,304,000
Indirect, induced construction job payroll	<u>3,110,000</u>
Total Payroll	\$10,414,000

