

# MISSION ROCK

GOVERNMENT AUDIT  
& OVERSIGHT  
COMMITTEE 2.7.2018



# Request to GAO Committee

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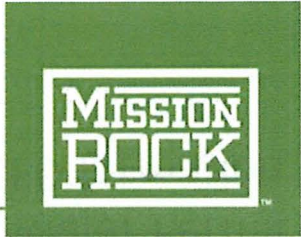


Recommend Mission Rock transaction document legislation to full Board:

- Development Agreement
- Development and Disposition Agreement
- Interagency Cooperation Agreement among Port and City agencies
- Memorandum of Understanding approving Port Commission as agent of financing districts

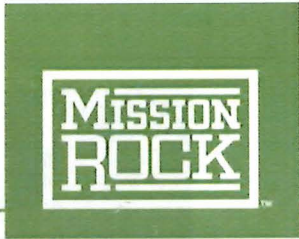


# Mission Rock Site Context





# Timeline

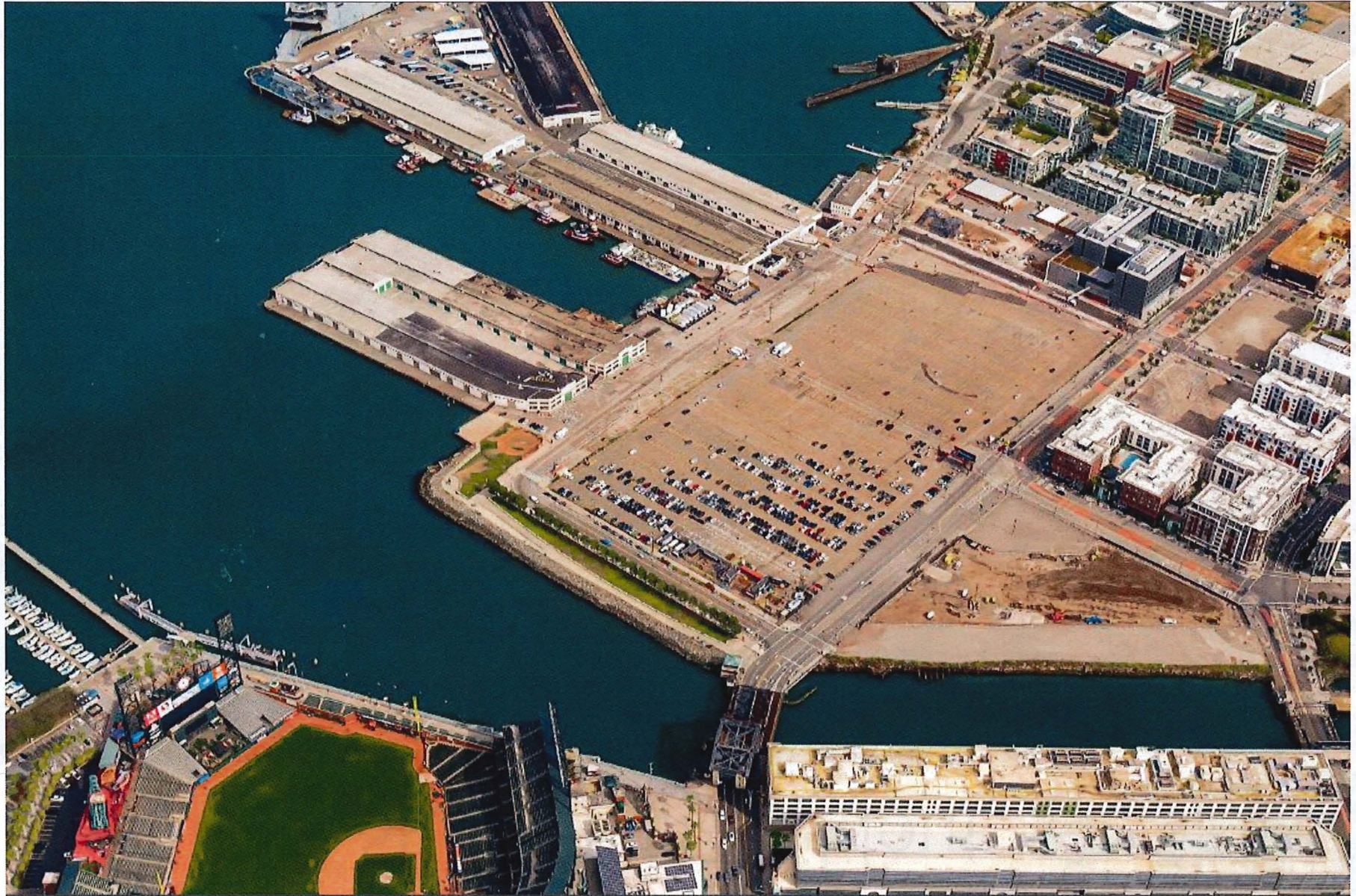
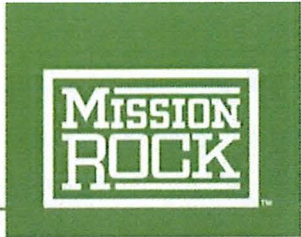


**WE ARE HERE**



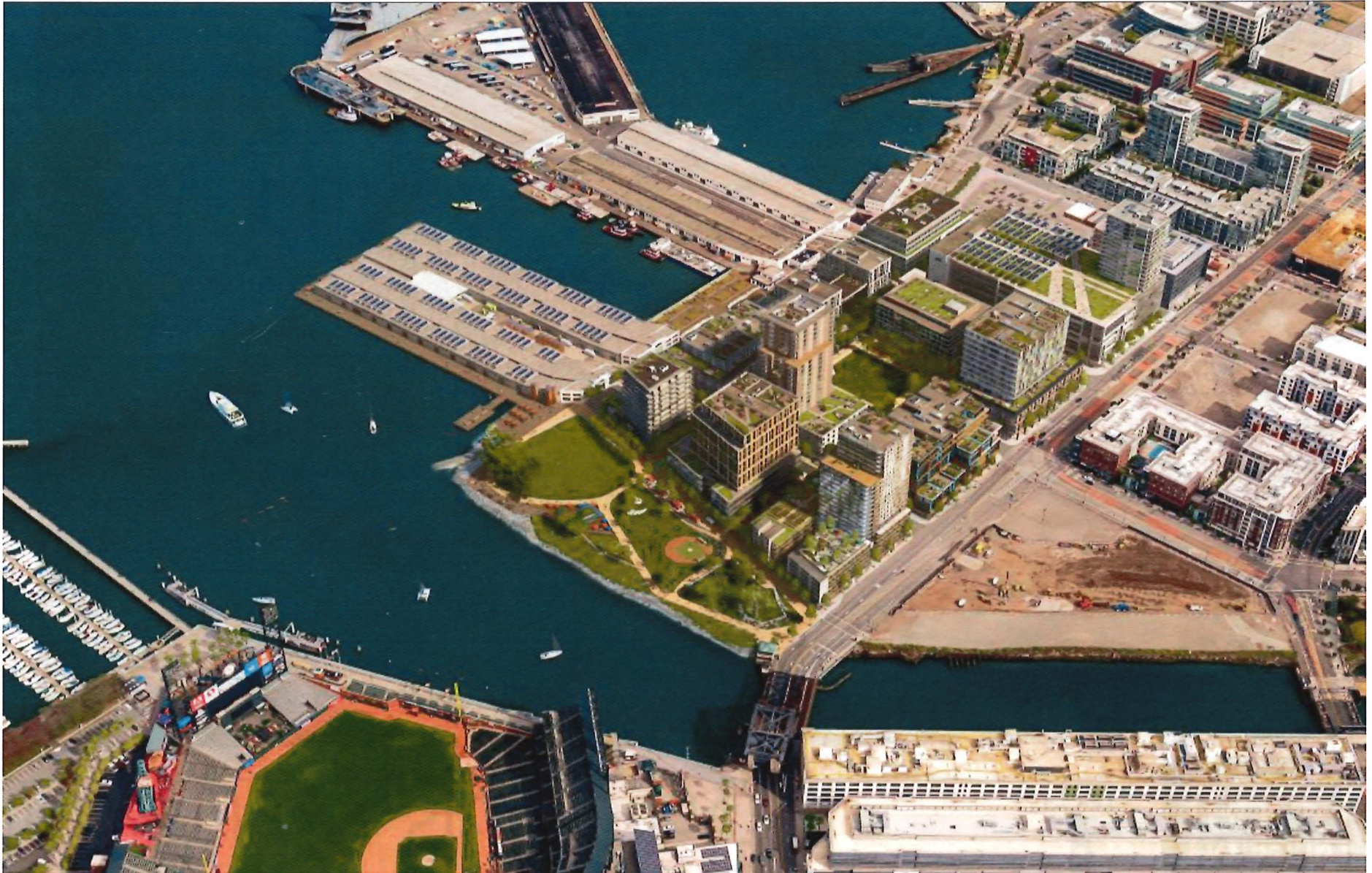
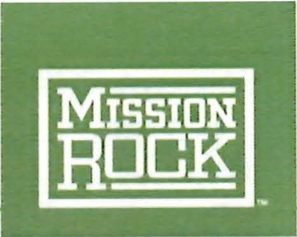


# Mission Rock Site Today



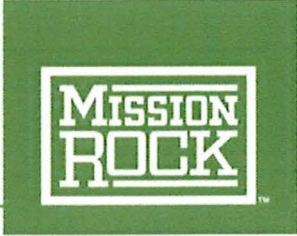


# Mission Rock Site at Full Buildout

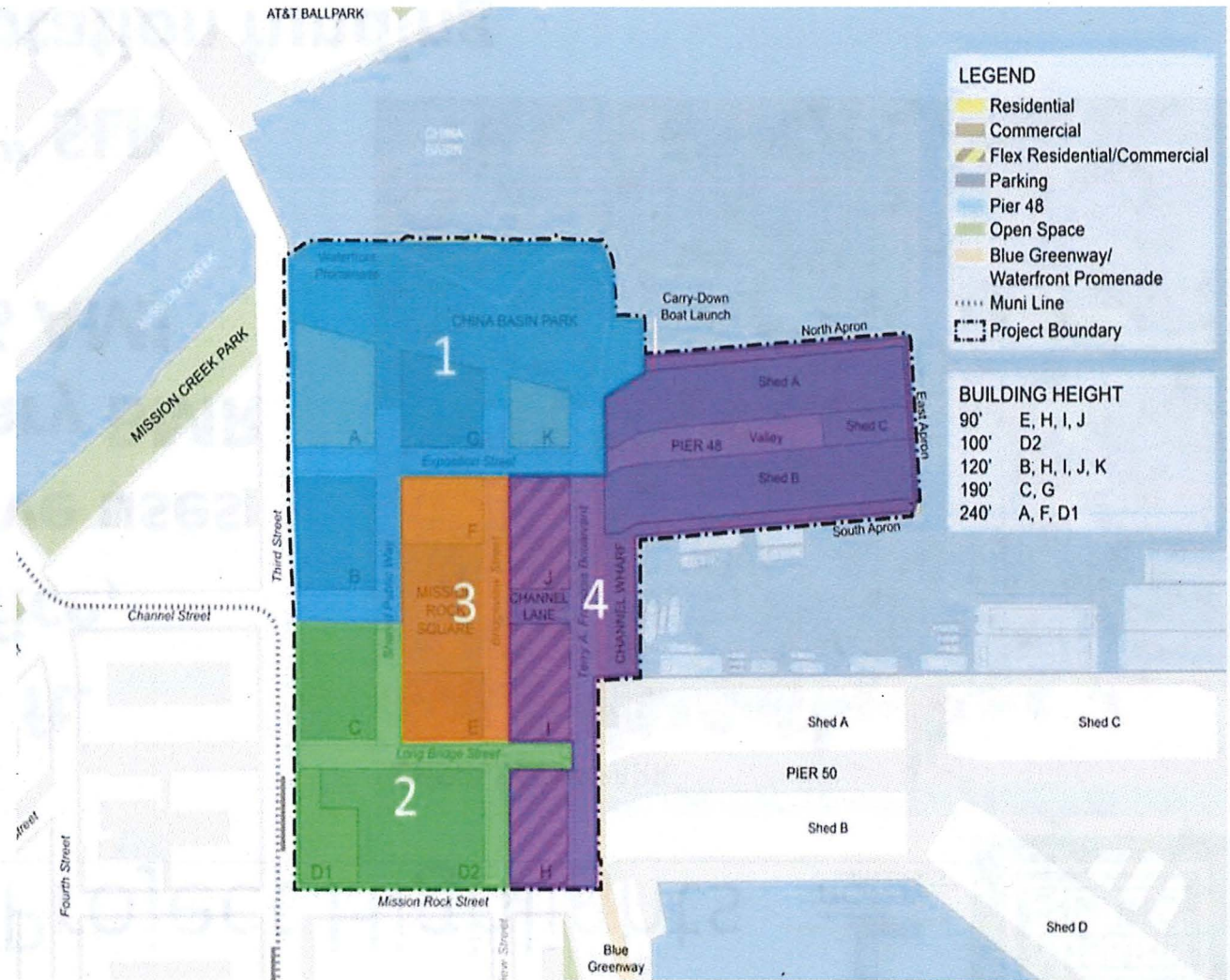




# Mission Rock Infrastructure Plan

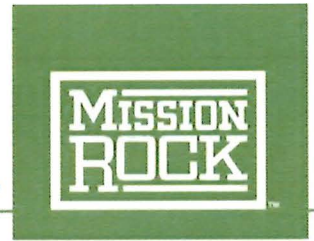


**Infrastructure anticipated to be delivered in 4 phases, linked closely to vertical construction**





# Mission Rock Project Highlights

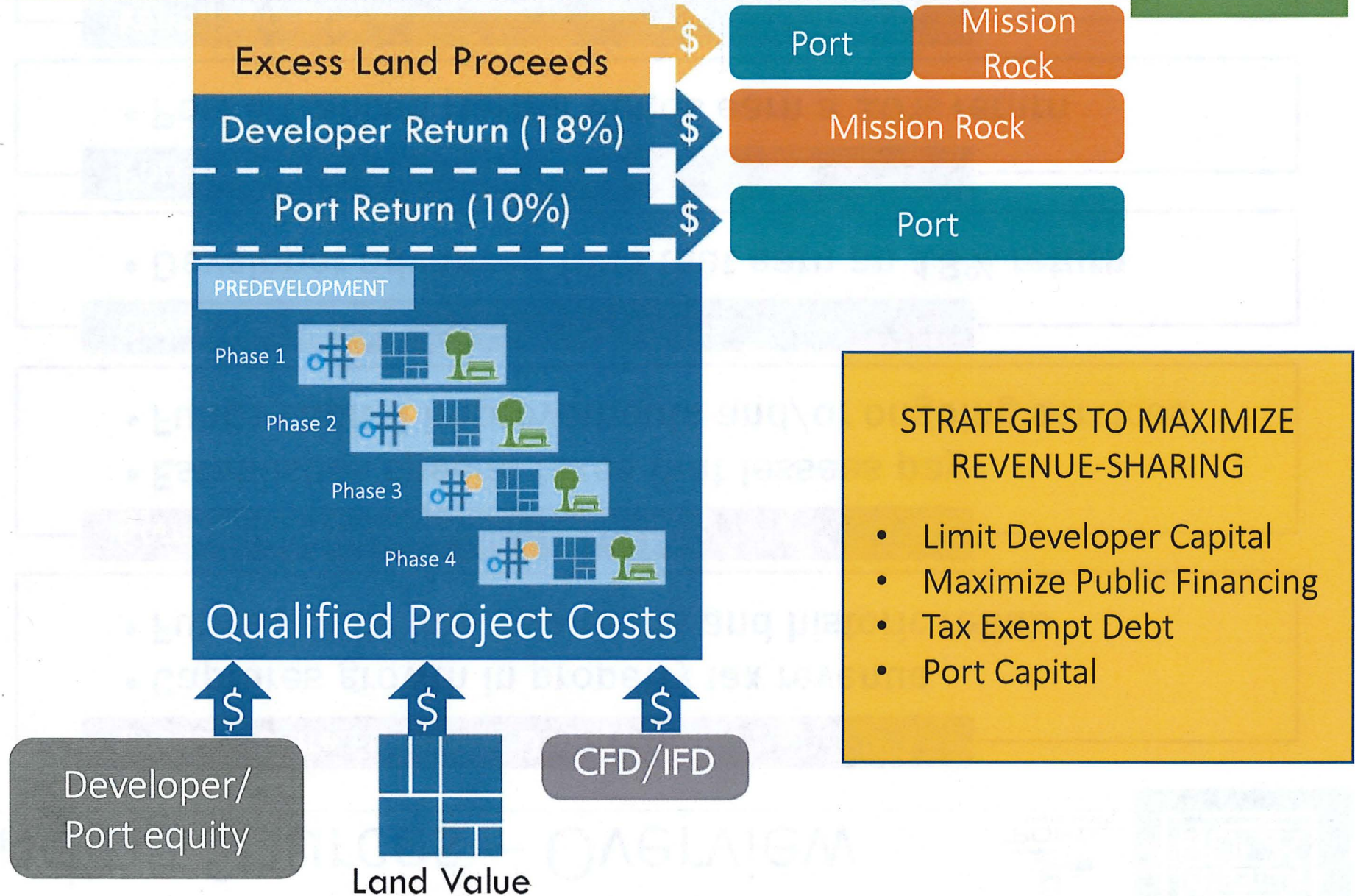
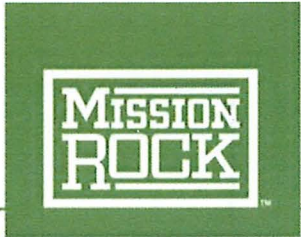


- **2.7M gross sq. ft. residential, office, retail, and active uses**
- **40% inclusionary BMR units, 45-150% AMI**
- **8 acres parks**
- **Resilient to 66" SLR**
- **Shoreline adaptation funding**
- **Comprehensive planning and design framework**
- **Exemplary sustainability planning**



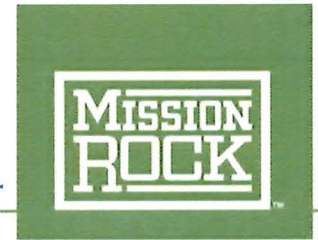


# Funding Structure – Investment & Return





# Funding Sources – Overview



## Infrastructure Financing District (IFD)

- Captures growth in property tax revenue
- Funds public improvements and historic rehab

## Community Facilities District (CFD)

- Establishes special taxes that lessees pay
- Funds capital improvements and/or ongoing services

## Developer Capital

- Developer advanced fund that earn an **18%** return

## Port Capital

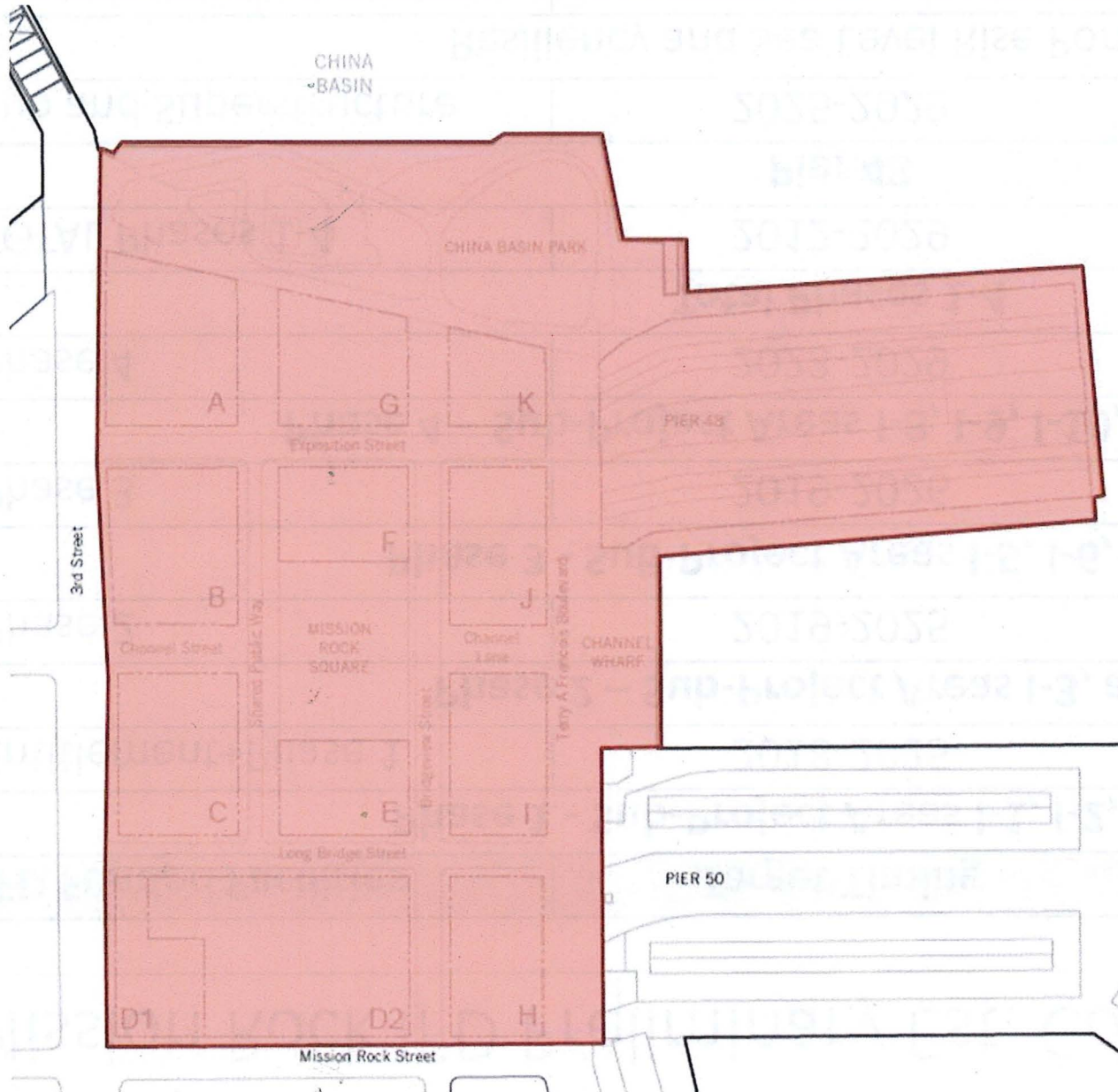
- Port advanced Harbor Funds earn a **10%** return

## Land Proceeds

- Revenues generated from the lease of Port land



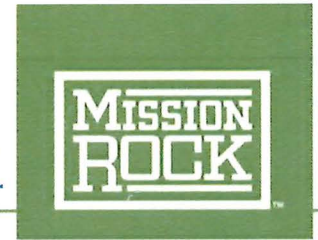
# Funding Sources – IFD



- Encompasses entire Site
- **Captures future tax increment**, growth in Local shares of property taxes
- **65% for public infrastructure**, e.g. streets, utilities, parks, historic rehabilitation and shoreline protection



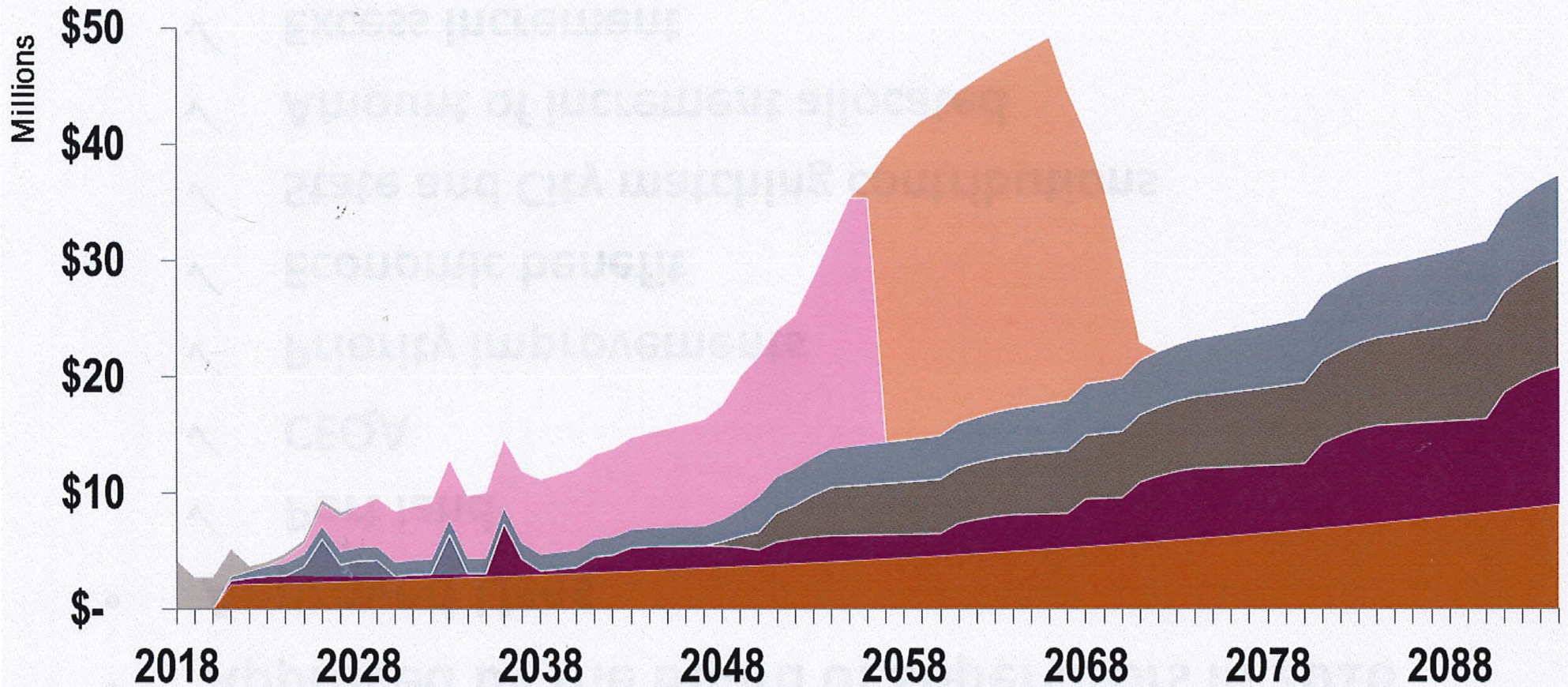
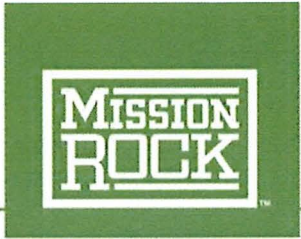
# Mission Rock IFD Preliminary Est. Costs



| IFD Funded Facilities  | Target Timing       | Estimated Cost (2017 \$) |
|--|---------------------|--------------------------|
| <b>Phase 1 - Sub-Project Areas I-1, I-2, I-7, I-11</b>           |                     |                          |
| Entitlement+Phase 1  | 2018-2025           | \$106,200,000            |
| <b>Phase 2 – Sub-Project Areas I-3, and I-4</b>                  |                     |                          |
| Phase 2  | 2019-2025           | \$39,800,000             |
| <b>Phase 3 - Sub-Project Areas I-5, I-6, and I-13</b>            |                     |                          |
| Phase 3  | 2019-2026           | \$21,670,000             |
| <b>Phase 4 – Sub-Project Areas I-8, I-9, I-10, I-11 and I-12</b> |                     |                          |
| Phase 4  | 2023-2029           | \$23,320,000             |
| <b>Total Phases 1-4</b>  |                     |                          |
| TOTAL Phases 1-4   | 2012-2029           | <b>\$190,990,000</b>     |
| <b>Pier 48</b>   |                     |                          |
| Sub and Superstructure   | 2025-2029           | <b>\$90,400,000</b>      |
| <b>Resiliency and Sea Level Rise Portwide</b>                    |                     |                          |
| Seawall & Sea Level Rise, Portwide                               | Throughout IFD Term | *                        |



# Projected Port Revenue



■ Unrestricted S Ground Rent

■ Port Transfer Fees

■ Resiliency Tax

■ All Other TI

■ Participation Rent

■ Other CFD Special Tax Payments

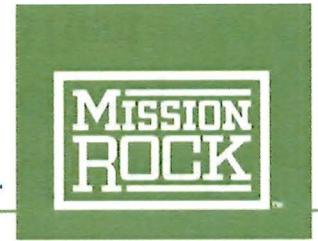
■ Prepaid Leases Payback [IFD]

■ Interim Parking+Pier 48 Rent



# City's IFD Policy for the Port

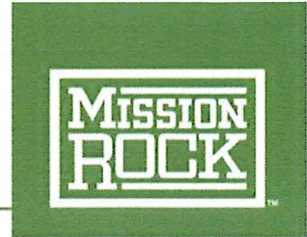
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- **Approved by the Board of Supervisors in 2016**
- **Approved Uses**
  - ✓ **Port land**
  - ✓ **CEQA**
  - ✓ **Priority improvements**
  - ✓ **Economic benefit**
  - ✓ **State and City matching contributions**
  - ✓ **Amount of increment allocated**
  - ✓ **Excess increment**
  - ✓ **Port capital program**
  - ✓ **Funding for maintenance**



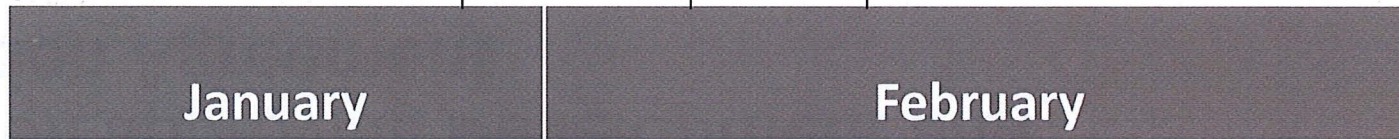
# Next Steps



**January 30th**  
Port Commission Approves  
Transaction Documents and CEQA  
Findings

**February 5<sup>th</sup>**  
Land Use Committee

**February 7<sup>th</sup>**  
GAO Committee



**February 13<sup>th</sup>**  
Board of Supervisors  
Consideration



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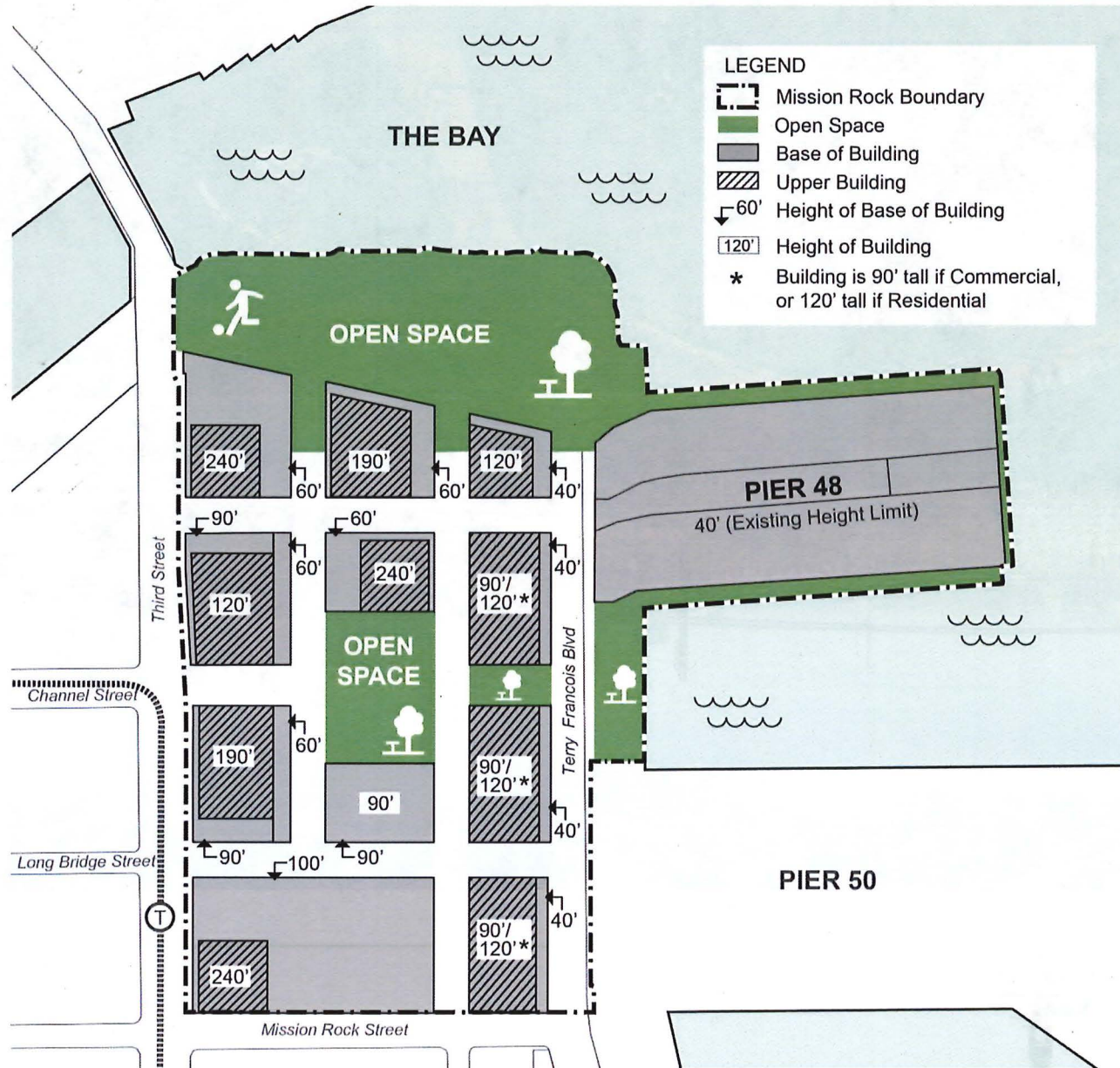
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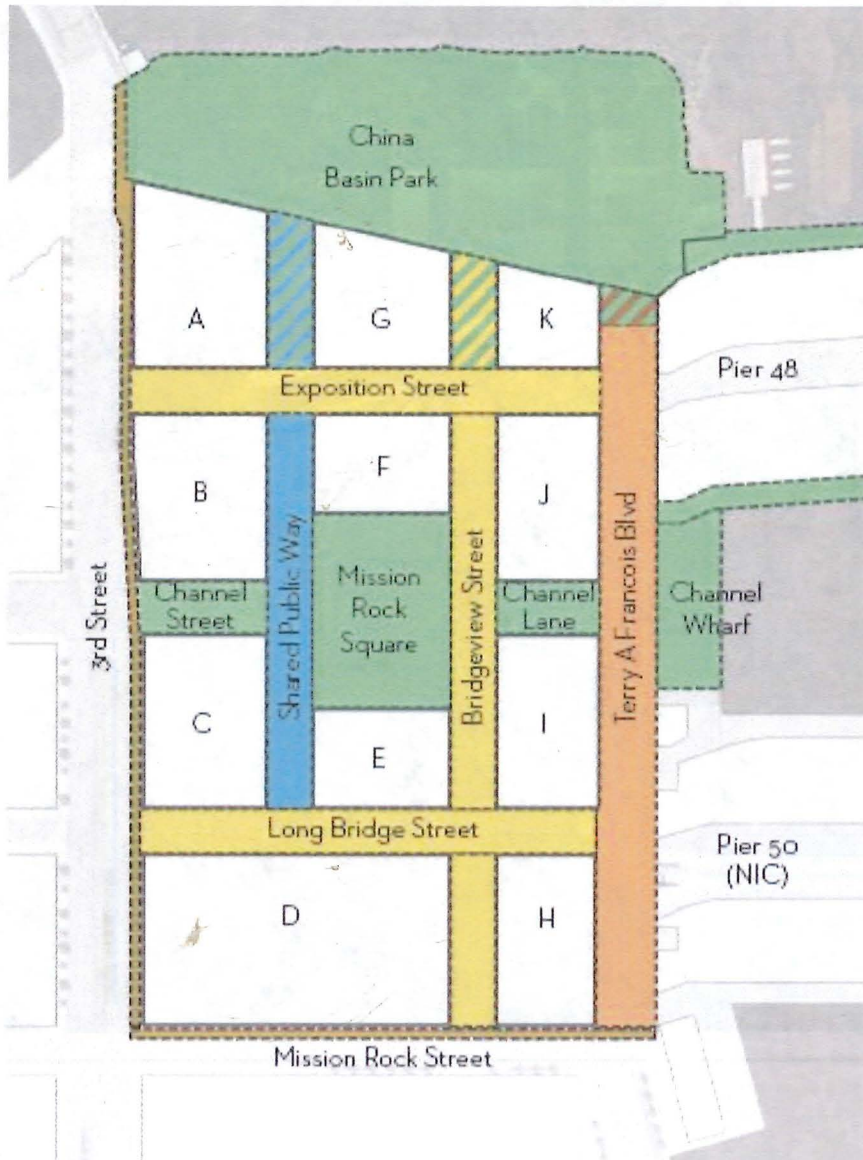








# Street Types



## LEGEND: STREET TYPOLOGIES

-  Shared Public Way (one-way traffic)
-  Working Waterfront (two-way traffic)
-  Neighborhood Streets (two-way traffic)
-  Paseos (Pedestrian-only street extension)
-  District Street
-  Open Space



# Site Target Goals



## Resilience

Site Elevation  
Meets  
**2100**  
Projection For Sea  
Level Rise

## Water

Meet  
**100%**  
Of non-potable water  
demand with non-  
potable sources

## Waste

**75%**  
Construction Waste  
Diversions  
**5% - 10%**  
Increase In Occupant  
Waste Diversions

## Transportation

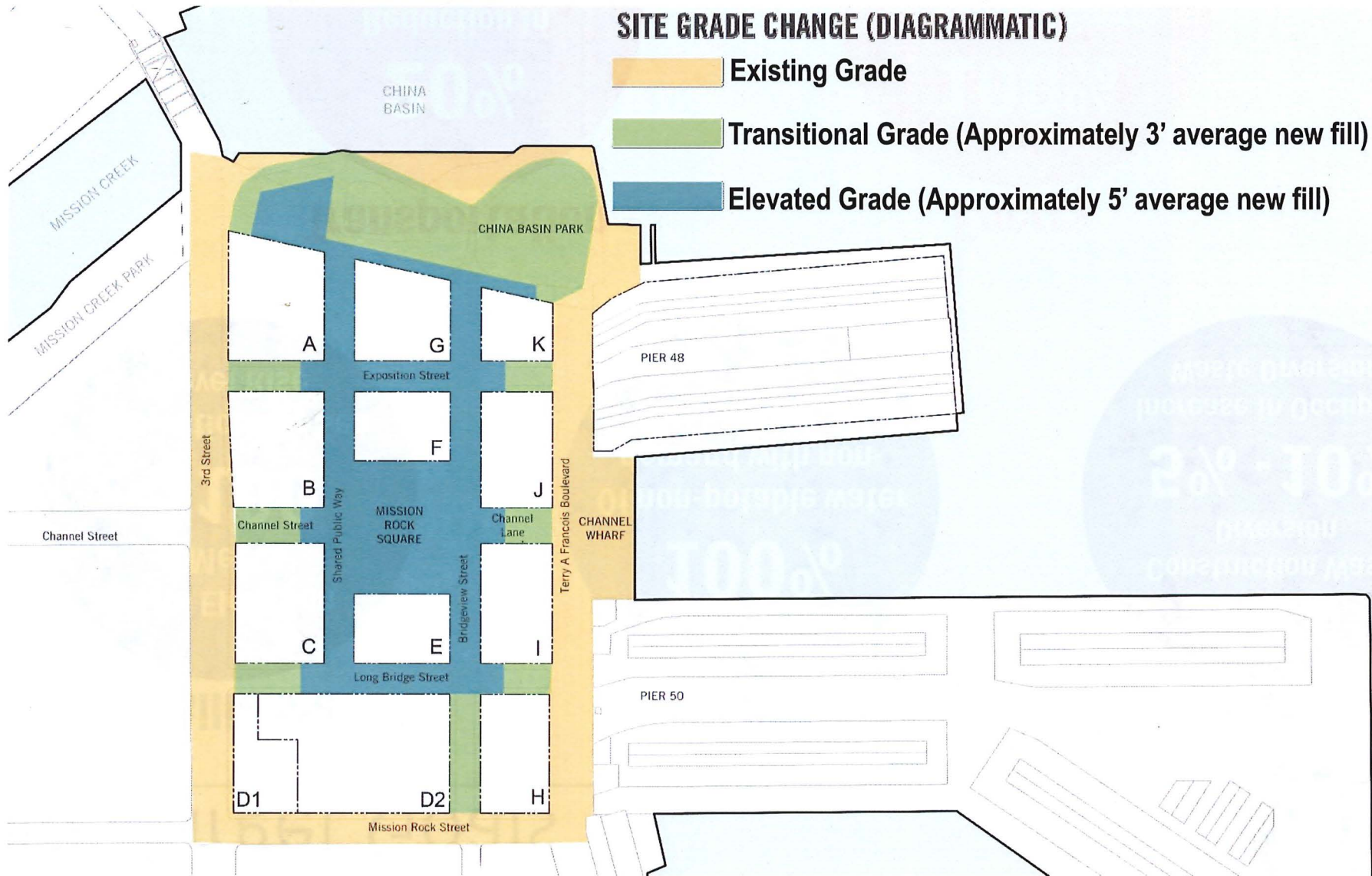
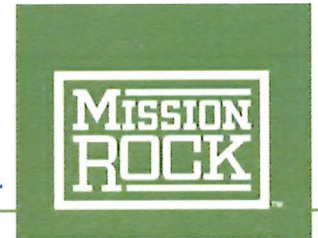
**20%**  
Reduction In  
Transportation-  
related Carbon  
Emissions

## Energy

**100%**  
Of Building Energy  
Demand Met With  
Renewable Energy  
Sources



# Sea Level Rise



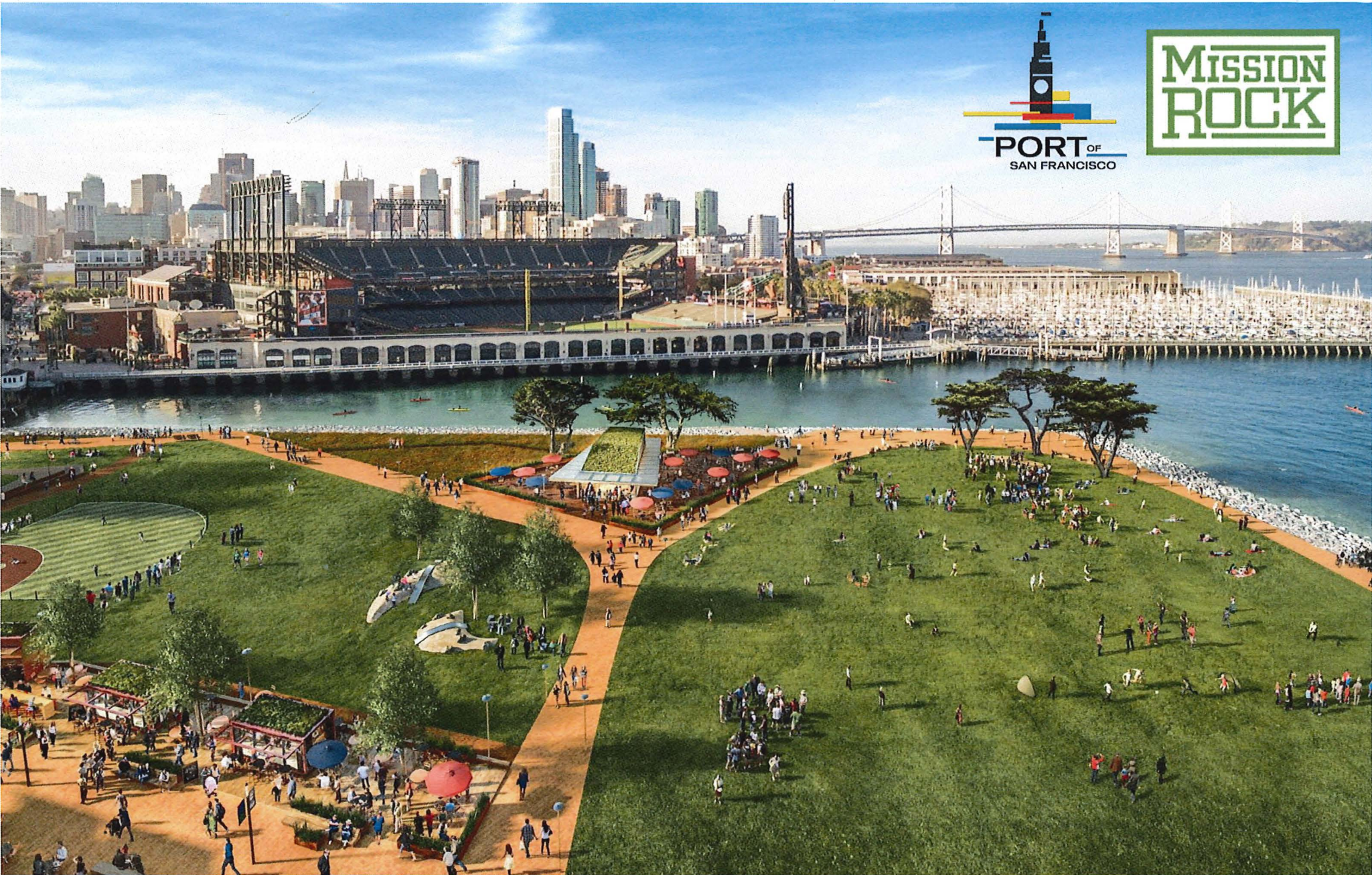












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