



REPORT

BALBOA RESERVOIR PROJECT

FISCAL IMPACT REPORT

Prepared for the City and County of San Francisco

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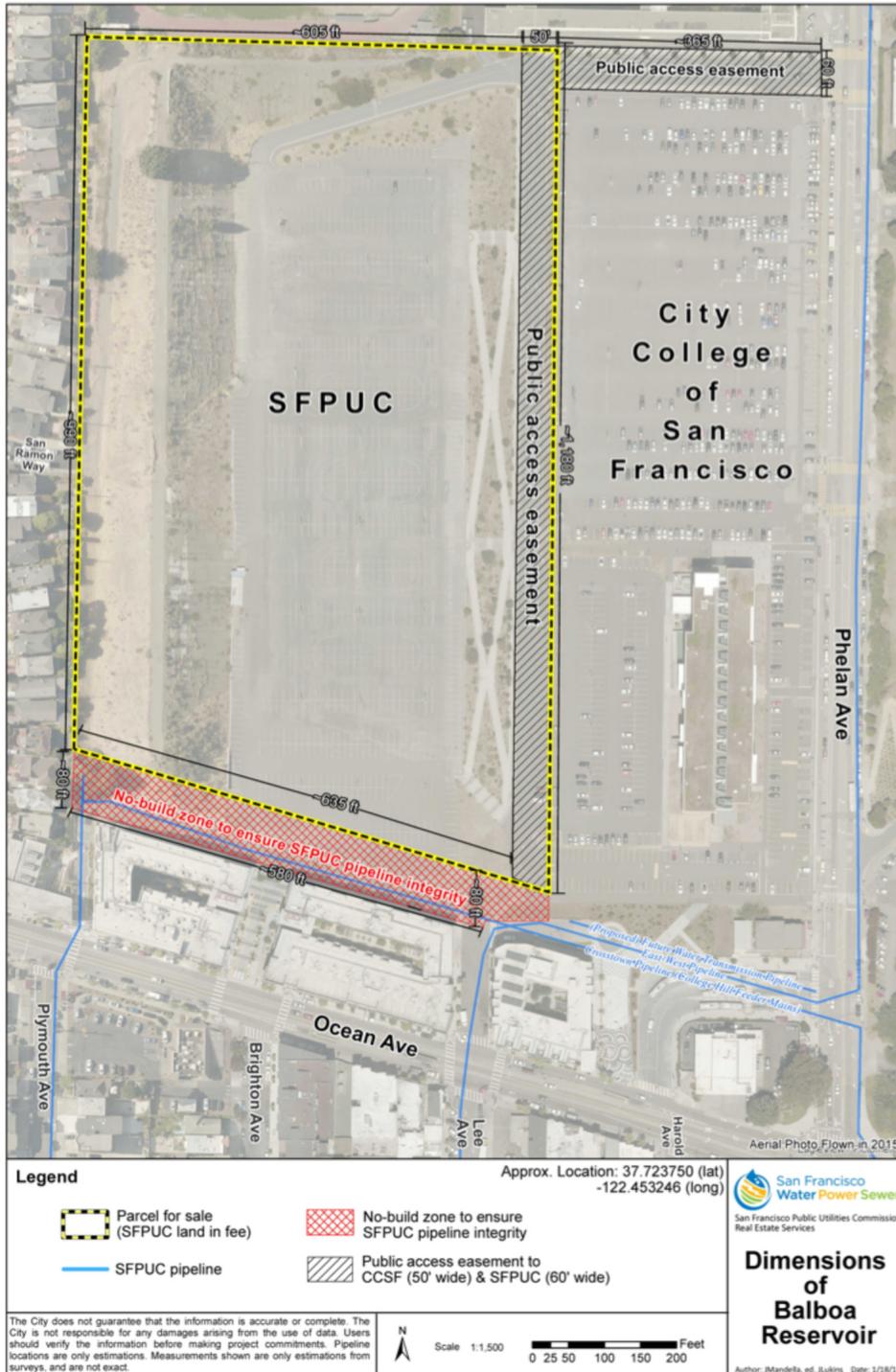


## EXECUTIVE SUMMARY

This report provides information for the Board's consideration in evaluating the fiscal feasibility of a proposed development (the "Project") at the 17-acre Balboa Reservoir parcel shown in **Figure 1**. The City and County of San Francisco ("City"), under the jurisdiction of the San Francisco Public Utilities Commission ("SFPUC"), owns the parcel ("Site"). The City entered into exclusive negotiations with a team of developers to create a mixed-income housing project (the "Project") at the Site. The Development Team will purchase the Site and build a mix of apartments, condos and townhouses.

Up to half of the units will be affordable to a range of low and moderate income households. The affordable units will be funded by value created by the Project and other public sources that could potentially include tax credits and other State sources, project-generated sources, future bonds, or City gross receipts tax allocated for affordable housing. For the purpose of the current analysis, a scenario consisting of 1,100 units, consistent with the Development Team's proposal, is evaluated.

Figure 1 Balboa Reservoir Project Area





All dollar amounts are expressed in terms of 2020 purchasing power, unless otherwise noted. Information and assumptions are based on data available as of May 2020. Actual numbers may change depending on Project implementation and future economic and fiscal conditions.

## FISCAL BENEFITS

The proposed Balboa Reservoir Project, if approved, will create approximately \$4.0 million in new, annual ongoing general tax revenues to the City. After deducting required baseline allocations and preliminary estimates of direct service costs described in **Chapter 3**, the Project will generate about \$2.3 million annually to the City, in addition to about \$1 million in other dedicated and restricted revenues. The fiscal results are largely proportional to the number of units, assuming the mix of affordable units remains constant. Depending if there is retail and the type of retail use occupying the 7,500 square feet of retail space in the Project, sales tax revenue could be slightly higher than shown.

The Project will generate an additional \$550,000 annually to various other City funds (children's fund, libraries, open space), and \$440,000 annually to other restricted uses including SFMTA (parking taxes), public safety (sales taxes), and San Francisco Transportation Authority (sales taxes).

Additional one-time general revenues, including construction-related sales tax and construction gross receipts tax, total \$5.0 million.

Based on standard fee rates, development impact fees (including school fees) total an estimated \$17 million. The City will credit certain fees back to the Project in consideration of public-serving improvements that the Project provides in kind, including childcare fees and Balboa Area Plan fees. No affordable housing or jobs housing linkage fees are required due to the provision of affordable housing onsite.

The new general revenues will fund direct services needed by the Project, including police and fire/EMS services, and maintenance of roads dedicated to the City. Other services, including maintenance and security of parks and open space, will be funded directly by tenants of the Project. The estimated \$2.3 million in net City general revenues (net of service costs and Charter-mandated baseline allocations of general revenues), will be available to the City to fund improved or expanded Citywide infrastructure, services and affordable housing. **Chapter 3** further describes fiscal revenue and expenditure estimates.

## ECONOMIC BENEFITS

The Project will provide a range of direct and indirect economic benefits to the City. These benefits include a range of economic benefits such as new jobs, economic activity, and increased public and private expenditures as described in **Chapter 5** and summarized below:

- Over \$560 million of construction activity and approximately 2,800 construction-related job-years during development, in addition to indirect and induced jobs.
- Approximately 1,100 new residential units, including up to 550 affordable units. This housing is critical to economic growth in San Francisco and the region.

The Project will also create a small number of jobs onsite related to parking facilities, landscape maintenance, and various services associated with the residential units.

## DIRECT FINANCIAL BENEFITS TO THE SFPUC

The SFPUC, which has exclusive jurisdiction over the Site, will benefit financially from the sale of the Site. The land sale price of \$11.4 million reflects the final development and public benefits program. The SFPUC may also realize increased revenues by providing power to the Project's residents (provision of power to be determined at the discretion of the SFPUC).

## NEW PUBLIC FACILITIES

The Project will construct parks, open spaces and a community room available to the general public. The Project also includes a childcare center accessible by the public and Project residents.

## OTHER BENEFITS

The Project is within the Ocean Avenue Community Benefits District (CBD) that provides funding for a range of services to the neighborhood, including maintenance and cleaning of public rights of way, sidewalk operations and public safety, and District identity and streetscape improvements. The CBD sunsets in 2025, prior to full Project buildout,<sup>1</sup> however the CBD anticipates that the District will be reauthorized.<sup>2</sup> Annual assessments to be paid by the Project will be determined by the District in accord with its established rates.

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<sup>1</sup> San Francisco Office of Economic and Workforce Development website, downloaded May 18, 2020, <https://oewd.org/community-benefit-districts>

<sup>2</sup> Correspondence with Daniel Weaver, Executive Director, Ocean Avenue Association, May 18, 2020.

# 1. THE PROJECT & COSTS OF CONSTRUCTION

The Project will be constructed in two phases with Site preparation and construction planned to begin as early as 2022, Phase 1 units leased and sold as early as 2024, and Phase 2 units leased and sold as early as 2026, according to current plans. The Project's development costs total approximately \$935 million. The Development Team will be responsible for planning, construction, marketing and operating the Project. The Development Team will reimburse the City for its costs incurred during the Project planning and environmental review process, including City staff costs. **Chapter 2** describes sources of funding to pay for development costs.

## PROJECT DESCRIPTION

The Balboa Reservoir Site is an approximate 17-acre parcel that the City owns under the SFPUC's jurisdiction. The Site is located in the central southern portion of San Francisco, bounded by City College of San Francisco's Ocean Campus to the east, Riordan High School to the north, the Westwood Park neighborhood to the west, and Avalon Ocean Avenue apartments to the south. Plans for the Site's development envision a mixed-income housing Project. The Development Team would purchase the Site and build a mix of apartments, condos and townhouses.

**Residential** – This fiscal analysis evaluates a scenario consisting of 1,100 total residential units. This scenario is based on the Development Team's Proposal; environmental analysis evaluated a range of units from 1,500 units to the proposed 1,100 units, and as low as 800 units.

**Affordable Housing** – 50 percent of total units in the Project will be affordable. At least 36 percent of the affordable units will be affordable to low-income households, and at least 30 percent of the affordable units will be affordable to moderate-income households.<sup>3</sup> The remaining 34 percent of the affordable units will be affordable to low-income or moderate-income households, at the discretion of the Developer. For purposes of analysis, this report assumes the remaining 34 percent of the affordable units are largely low-income.

**Parking** – The fiscal analysis evaluates 1,000 parking spaces. Of the total spaces, 550 will serve project residents and up to 450 will be public and a portion available to the City College community.

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<sup>3</sup> Low-income rents would be set between 30% and 80% of Area Median Income (AMI), with an average rental rate per building no more than 60% of AMI. The average purchase price of a low-income would not exceed 80% of AMI. Moderate-income units will have rents set between 80% and 120% of AMI, and average purchase price would not exceed 120% of AMI.



## DEVELOPMENT COSTS AND ASSESSED VALUE

**Table 1** summarizes development costs totaling an estimated \$935 million, which will be phased through buildout. Taxable assessed value is estimated based on development cost minus affordable rental housing which is exempted from property taxes if the housing serves households earning no more than 80% of AMI. These costs and values provide the basis for estimates of various fiscal tax revenues and economic impacts.

**Table 1 Summary of Development Costs and Assessed Value**

<b>Item</b>	<b>Development Cost</b>
<b>Buildings (1)</b>	
Total Building Development Costs	\$875,000,000
<b>Other</b>	
Infrastructure (2)	\$60,000,000
<b>Total Costs</b>	<b>\$935,000,000</b>
<b>(less) Property Tax-Exempt</b>	
Low-income Rental Units (up to 80% AMI) (3)	(\$310,250,000)
<b>Net Taxable Assessed Value (4)</b>	<b>\$624,750,000</b>

(1) Includes building costs, parking, site development.

(2) Master infrastructure includes utilities, roads, grading, parks and open space.

(3) Exempt low-income units assumed to comprise up to 2/3's of total affordable units or approximately 1/3 of total units.

(4) Assessed value will increase over time as units sell and are re-assessed.

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## 2. AVAILABLE FUNDING FOR THE PROJECT

As described in the prior chapter, development costs, including construction and other costs, are anticipated to total \$935 million or more over the course of Project buildout. Several financing mechanisms and sources will assure funding of these costs and development of the Project.

### HORIZONTAL & VERTICAL DEVELOPMENT OF THE SITE

The Development Team will be responsible for funding all horizontal Site improvements, infrastructure and public facilities needed to serve the Project, and vertical building construction with the exception of a portion of the affordable housing, as described in the section that follows. In addition to Developer equity and private financing, Project-based sources of funding and/or reimbursement could include (but may not be not limited to) the following:

- **Net sales proceeds and lease revenues** -- Revenues generated by the Project will help to fund improvements and repay private sources of investment and debt.
- **Mello-Roos Community Facilities District (CFD)** -- Bond proceeds secured by CFD special taxes may help to fund infrastructure costs. CFD special taxes not required for CFD debt service may fund horizontal Site development costs on a “pay-as-you-go” basis.
- **State sources** – The Developer may access State of California funding such as 4% tax credits, State housing funds and tax-exempt bonds

### FUNDING OF AFFORDABLE HOUSING

At least 33% of the Project’s total housing units will be affordable housing paid for by the Project, such as with Developer equity or revenues generated by the market-rate portion of the Project, or non-competitive state sources. This baseline 33% rate is required by Proposition K (2015), which set the expectation that housing on property sold by the City will have no less than this amount of affordable housing, and by the Project’s Development Agreement.

An additional 17% of the Project’s total housing units will be affordable housing paid for with non-Project funds. The Development Team estimates that a subsidy of approximately \$46.5 millions of local dollars are committed for these units which is a subsidy rate lower than the average MOHCD funded housing due to the project’s efficiencies. The local subsidy amount is subject to change as a result of changes in construction costs, inflation, availability of State



funding, the low income housing tax credit market, and the Project's unit count or affordable housing program.

## OTHER MAINTENANCE FUNDING

In addition to the public tax revenues generated to fund public services and road maintenance, as described in the **Chapter 3** fiscal analysis, CFD special taxes, HOA fees, and like contributions will be paid by property owners to fund a range of public services including onsite parks and open space maintenance and operation.



### 3. FISCAL ANALYSIS: INFRASTRUCTURE MAINTENANCE & PUBLIC SERVICES

Development of the Project will create new public infrastructure including streets, parks and open space that will require ongoing maintenance. **Table 2** summarizes total annual general revenues created by the Project, and net revenues available after funding the Project's service costs. The fiscal results are largely proportional to the number of units, assuming the mix of affordable units remains constant. A reduction in the number of units would reduce the magnitude of the potential benefits and an increase in the number of units would increase their magnitude, but in either case the net impact on the City General Fund would remain positive.

**Table 2 Estimated Annual Net General Revenues and Expenditures**

Item	Annual Amount
<b>Annual General Revenue</b>	
Property Taxes (1)	\$3,551,000
Property Tax in Lieu of VLF	684,000
Property Transfer Tax	369,000
Sales Tax	255,000
Parking Tax (City 20% GF share)	48,000
Gross Receipts Tax	<u>56,000</u>
<b>Subtotal, General Revenue</b>	<b>\$4,963,000</b>
(less) 20% Charter Mandated Baseline	<u>(\$992,600)</u>
<b>Revenues to General Fund above Baseline</b>	<b>\$3,970,400</b>
<b>Public Services Expenditures</b>	
Parks and Open Space	<i>Project's taxes or fees</i>
Roads (maintenance, street cleaning)	126,000
Police (2)	978,000
Fire (2)	<u>566,000</u>
<b>Subtotal, Services</b>	<b>\$1,670,000</b>
<b>NET Annual General Revenues</b>	<b>\$2,300,400</b>
<b>Annual Other Dedicated and Restricted Revenue</b>	
Property Tax to Other SF Funds (1)	\$546,000
Parking Tax (MTA 80% share)	\$190,000
Public Safety Sales Tax	\$127,000
SF Cnty Transportation Auth'y Sales Tax	<u>\$127,000</u>
<b>Subtotal</b>	<b>\$990,000</b>
<b>TOTAL, Net General + Other SF Revenues</b>	<b>\$3,290,400</b>
<b>Other Revenues</b>	
Property Tax to State Education Rev. Fund (ERAF)	<b>\$1,583,000</b>

(1) Property tax to General Fund at 57%. Other SF funds include the Childrens' Fund, Library Fund, and Open Space Acquisition.

(2) Police and Fire costs based on Citywide avg. cost per resident and per job.

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As noted in **Table 2**, certain service costs will be funded through special taxes or assessments paid by new development and managed by a master homeowners association (HOA). Other required public services, including additional police, fire and emergency medical services (EMS), as well as the maintenance of any new roads that are built by the Project and transferred to the City, will be funded by increased General Fund revenues from new development. MUNI/transportation services may also be affected and will be offset by a combination of transportation impact fees, service charges, local, regional and State funds.

**Table 3** summarizes development impact fees and other one-time revenues during construction. The impact fee revenue will be dedicated and legally required to fund infrastructure and facilities targeted by each respective fee. Credits will be provided against certain fees for facilities that the Project builds onsite, for example, affordable housing, bicycle parking and childcare facilities, and other infrastructure provided to the benefit of the area. Certain impact fee revenues may be used Citywide to address needs created by new development. No affordable housing in-lieu fees or jobs housing linkage fees are due because the Project provides affordable units equal to 50 percent of total units.

**Table 3 Estimated Impact Fees and One-Time Revenues**

Item	Total Amount
<b><u>City Development Impact Fees (1)</u></b>	
Balboa Park Community Infrastructure	provided by Project
Jobs Housing Linkage (2)	na
Affordable Housing (3)	provided by Project
Child Care (4)	provided by Project
Bicycle Parking In-lieu	provided by Project
Transportation Sustainability Fee	<u>\$12,667,000</u>
	<b>\$12,667,000</b>
<b><u>Other Fees</u></b>	
San Francisco Unified School District	<b>\$4,308,000</b>
<b><u>Other One-Time Revenues</u></b>	
Construction Sales Tax (1% Gen'l Fund)	\$2,805,000
Gross Receipts Tax During Construction	<u>\$2,244,000</u>
Total: Other One-Time Revenues	<b>\$5,049,000</b>

(1) Impact fee rates as of Jan. 1, 2020. Refer to Table A-3 for additional detail.

(2) Linkage fee (commercial uses only) offset by Project's affordable housing.

(3) Affordable housing provided on site.

(4) Child Care impact fee waived in consideration for the Project's on-site childcare center.

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## MAINTENANCE AND SERVICE COSTS

Actual costs will depend on the level of future service demands, and Citywide needs by City departments at the time of development and occupancy.

### **Public Open Space**

The Project will include approximately four acres of public parks and open spaces. The parks consist of a large open space of approximately two acres, and at least 1.5 acres, along with “gateway” green spaces to serve as gathering places that unite the Site with the surrounding neighborhoods.

The parks will be operated as public parks, however, the Project will fund the parks and open space ongoing operating costs, including administration, maintenance, and utility costs using HOA fees paid by property owners. A master homeowners association would be responsible for managing maintenance activities, as well as the programming of recreation activities not otherwise provided by the City. Specific service needs and costs will be determined based on the programming of the parks.

### **Police**

The Project Site is served by the SFPD’s Ingleside Station. The addition of the Project’s new residents would likely lead the Ingleside Police District to request additional staffing. Over the past several decades, the SFPD has kept staffing levels fairly constant and manages changing service needs within individual districts by re-allocating existing capacity. If needed to serve new residents associated with the Project, additional officers would most likely be reassigned from other SFPD districts and/or hired to fill vacancies created by retirements.<sup>4 5</sup> For purposes of this analysis, the Project’s police service cost is estimated using the City’s current per capita service rate.

### **Fire and EMS**

The San Francisco Fire Department (SFFD) deploys services from the closest station with available resources, supplemented by additional resources based on the nature of the call. SFFD anticipates that it will require additional resources to serve the Site and its vicinity as that area’s population grows, but it has not determined the anticipated costs.<sup>6</sup> The costs in this report have

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<sup>4</sup> Carolyn Welch, San Francisco Police Department, telephone interview, December 22, 2017.

<sup>5</sup> Jack Hart, San Francisco Police Department, telephone interview, January 3, 2017.

<sup>6</sup> Olivia Scanlon, San Francisco Fire Department, telephone interview, February 8, 2018.

been estimated based on Citywide averages. The project will upgrade the Auxiliary Water Supply Service (AWSS) network with four new high-pressure hydrants.

**SFMTA**

Using the City's Transportation Demand Management (TDM) Ordinance as a guide, the Project will include a TDM program that encourages the use of sustainable modes of transportation for residents and visitors. This approach will increase demand for and revenues to local public transit service, which includes the J, K, and M MUNI light rail lines and the 8, 29, 43, 49, and 88X bus lines. The Project will also pay the Transportation Sustainability Fee and provide in-kind transportation benefits, as well as transportation mitigation measures required by the environmental review process. For example, the Project will also provide a protected bicycle lane on Lee Avenue.

**Department of Public Works (DPW)**

The Project will create new rights of way to provide access into and out of the Site and circulation within it. These improvements and rights of way will be dedicated to the City and DPW will be responsible for cleaning and maintaining them. For purposes of the current analysis, a Citywide average cost per mile of road provides an estimated cost.

The Project will also include some smaller roads and access points that would remain private, in which case the City would not be responsible for their ongoing operation and maintenance. Instead, special taxes paid by owners of Project buildings, for example as participants in a services CFD, could fund their maintenance. The services budget would be sized to pay for ongoing maintenance of facilities as well as periodic "life cycle" costs for repair and replacement of facilities.

## PUBLIC REVENUES

New tax revenues from the Project will include ongoing annual revenues and one-time revenues, as summarized in the prior tables. The revenues represent direct, incremental benefits of the Project. These tax revenues will help fund public improvements and services within the Project and Citywide. The following sections describe key assumptions and methodologies employed to estimate each revenue.

### **Charter Mandated Baseline Requirements**

The City Charter requires that a certain share of various General Fund revenues be allocated to specific programs. An estimated 20 percent of revenue is shown deducted from General Fund discretionary revenues generated by the Project (in addition to the share of parking revenues dedicated to MTA, shown separately). While these baseline amounts are shown as a deduction, they represent an increase in revenue as a result of the Project to various City programs whose costs aren't necessarily directly affected by the Project, resulting in a benefit to these services.

### **Property Taxes**

Property tax at a rate of one percent of value will be collected from the land and improvements constructed by the Project.<sup>7</sup> The City receives up to \$0.65 in its General Fund and special fund allocations, of every property or possessory interest tax dollar collected. The State's Education Revenue Augmentation Fund (ERAF) receives \$0.25 of every property tax dollar collected.

The remaining \$0.10 of every property tax dollar collected, beyond the City's \$0.65 share and the \$0.25 State ERAF share, is distributed directly to other local taxing entities, including the San Francisco Unified School District, City College of San Francisco, the Bay Area Rapid Transit District and the San Francisco Bay Area Air Quality Management District. These distributions will continue and will increase as a result of the Project.

Upon the sale of a parcel, building, or individual unit constructed at the Project, the taxable value will be assessed at the new transaction price. The County Assessor will determine the assessed values; the estimates shown in this analysis are preliminary and may change depending on future economic conditions and the exact type, amount and future value of development,

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<sup>7</sup> Ad valorem property taxes supporting general obligation bond debt in excess of this 1 percent amount and other assessments are excluded for purposes of this analysis. Such taxes require separate voter approval and proceeds are payable only for uses approved by the voters.

turnover rate and value of property sales. Certain properties, including non-profits providing low-income rental housing, are exempt from property tax.

It is likely that property taxes will also accrue during construction of infrastructure and individual buildings, depending on the timing of assessment and tax levy. These revenues have not been estimated.

#### **Property Tax In-Lieu of Vehicle License Fees**

In prior years, the State budget converted a significant portion of Motor Vehicle License Fee (VLF) subventions into property tax distributions; previously these revenues were distributed by the State using a per-capita formula. Under the current formula, these distributions increase over time based on assessed value growth within a jurisdiction. Thus, these City revenues will increase proportionate to the increase in the assessed value added by the new development.

#### **Sales Taxes**

The City General Fund receives one percent of taxable sales. New residents will generate taxable sales to the City. In addition to the one percent sales tax received by every city and county in California, voter-approved local taxes dedicated to transportation purposes are collected. Two special districts, the San Francisco County Transportation Authority and the San Francisco Public Financing Authority (related to San Francisco Unified School District) also receive a portion of sales taxes (0.50 and 0.25 percent, respectively) in addition to the one percent local General Fund portion. The City also receives revenues from the State based on sales tax for the purpose of funding public safety-related expenditures.

#### **Sales Taxes from Construction**

During the construction phases of the Project, one-time revenues will be generated by sales taxes on construction materials and fixtures purchased in San Francisco. Sales tax will be allocated directly to the City and County of San Francisco in the same manner as described in the prior paragraph. Construction sales tax revenues may depend on the City's collection of revenues pursuant to a sub-permit issued by the State.

#### **Transient Occupancy Tax (TOT)**

Hotel Room Tax (also known as Transient Occupancy Tax or TOT) will be generated when hotel occupancies are enhanced by the residential uses envisioned for the Project, such as when friends and relatives come to San Francisco to visit Project residents but choose to stay at hotels. The City currently collects a 14 percent tax on room charges. However, given that no hotels are envisioned for the Project (out-of-town visitors to the Site will likely stay at hotels elsewhere in the City), the impact will not be direct and is excluded from this analysis.

**Parking Tax**

The City collects tax on parking charges at garages, lots, and parking spaces open to the public or dedicated to commercial users. The tax is 25 percent of the pre-tax parking charge. The revenue may be deposited to the General Fund and used for any purpose, however as a matter of City policy the SFMTA retains 80 percent of the parking tax revenue; the other 20 percent is available to the General Fund for allocation to special programs or purposes. This analysis assumes that parking spaces envisioned for the Project's 450-space shared parking garage will generate parking tax; the rates are assumed to be discounted for City College users. No parking tax is assumed from the residential-only parking spaces. Off-site parking tax revenues that may be generated by visitors or new residents are not included.

**Property Transfer Tax**

The City collects a property transfer tax ranging from \$2.50 on the first \$500 of transferred value on transactions up to \$250,000 to \$15.00 per \$500 on transactions greater than \$25 million.

The fiscal analysis assumes that commercial apartment property sells once every ten to twenty years, or an average of about once every 20 years. For estimating purposes, it is assumed that sales are spread evenly over every year, although it is more likely that sales will be sporadic. An average tax rate has been applied to the average sales transactions to estimate the potential annual transfer tax to the City. Actual amounts will vary depending on economic factors and the applicability of the tax to specific transactions.

The for-sale units can re-sell independently of one another at a rate more frequent than rental buildings. This analysis conservatively assumes that the average condominium or townhouse will be sold to a new owner every ten years, on average.

**Gross Receipts Tax**

Commercial activity, including residential rental property, generates gross receipts taxes. Actual revenues from future gross receipt taxes will depend on a range of variables, including the amount of rental income. This analysis assumes the current gross receipts tax rate of 0.3% (applicable to revenues in the \$2.5 million to \$25 million range). Project construction will also generate gross receipts tax.

## DEVELOPMENT IMPACT FEES

The Project will generate a number of one-time City impact fees including:

- **Balboa Park Community Infrastructure** (Planning Code Sec. 422) -- These fees "shall be used to design, engineer, acquire, improve, and develop pedestrian and streetscape improvements, bicycle infrastructure, transit, parks, plazas and open space, as defined in the

Balboa Park Community Improvements Program with the Plan Area. The Project is not required to pay these fees due to its provision of infrastructure and facilities that benefit the area.

- **Jobs Housing Linkage** (Planning Code Sec. 413)-- These fees apply only to commercial uses and are assumed to be offset by the affordable housing provided onsite.
- **Affordable Housing** (Planning Code Sec. 415) –All affordable housing will be provided on the Site, and therefore the Project will be exempt from the fees.
- **Child Care** (Planning Code Sec. 414, 414A) – A fee per square foot is charged to residential uses. It is likely that all or some portion of these fees will be offset and reduced by the value of childcare facilities constructed onsite. The Project is not required to pay these fees because it is providing a childcare facility.
- **Bicycle Parking In-lieu Fee** (Planning Code Sec. 430) -- This fee is offset by facilities provided onsite.
- **Transit Sustainability Fee (TSF)** (Planning Code Sec. 411A) – This fee, effective December 25, 2015, replaced the Transit Impact Development Fee. It is a fee per square foot paid by residential and non-residential uses.

In addition to the impact fees charged by the City, utility connection and capacity charges will be collected based on utility consumption and other factors. Other fees will include school impact fees to be paid to the San Francisco Unified School District. The Project will also pay various permit and inspection fees to cover City costs typically associated with new development projects.

## 4. DEBT LOAD TO BE CARRIED BY THE CITY AND THE SFPUC

No debt is anticipated to be incurred by the City or the SFPUC in connection with the Project. However, public financing or other non-Project sources will be required to achieve the target affordable housing rate of 50%, as described above. The City could potentially issue bonds in conjunction with several of these sources, subject to regulatory and/or voter approval, but a number of other financing options would allow the City to avoid issuing new debt.

## 5. BENEFITS TO THE CITY AND SFPUC

The Project will provide a range of direct and indirect benefits to the City and the SFPUC. These benefits include tax revenues that exceed service costs, as well as a range of other economic benefits such as new jobs, economic activity, and increased public and private expenditures.

### FISCAL BENEFITS

As described in **Chapter 3**, the Project is anticipated to generate a net \$2.3 million of annual general City tax revenues in excess of its estimated public service costs, in addition to about \$1.0 million in other dedicated and restricted revenues, as well as impact fees. These revenues would be available for expansion of local and/or Citywide services and public facilities.

Approximately 20 percent of annual new public tax revenues from the Project are allocated to "Baseline" costs, which represent an additional benefit to the City.

### ECONOMIC BENEFITS TO THE CITY

**New Permanent Jobs** - The Project will create a small number of new jobs related to the parking facilities and services, childcare services at the childcare center, and landscape and other onsite maintenance services. The residential uses will also create janitorial and domestic service jobs. Because the Project is almost entirely residential, its economic "multiplier" effects are minimal.

**Temporary Jobs** - The construction of the Project will create short-term construction spending and construction jobs, estimated at 2,800 job-years.

**New Housing Supply** - Completion of approximately 1,100 residential units also will have the positive economic benefit of adding a significant number of units to the City's total supply of housing. This provides increased access to housing for existing City residents, as well employees working within the City. Importantly, these approximately 1,100 units will include up to 550

units of affordable to low, moderate, and middle-income households, which are populations with acute housing needs in San Francisco.

## DIRECT FINANCIAL BENEFITS TO THE CITY AND SFPUC

The Project will result in several direct financial benefits:

**Proceeds from Property Sale** -- The sale of the property currently owned by the City will generate net proceeds. The SFPUC will receive fair market value for the sale of the property.

**Increased Sale of Public Power** -- The SFPUC may provide electrical power to the Project's residents, generating net revenues to the SFPUC (provision of SFPUC power to be determined at SFPUC's discretion).

## NEW PUBLIC FACILITIES

The Project will construct parks and open spaces, a shared parking garage, and a community room available to the general public. The Project also includes a childcare center that will be accessible by the public as well as the Project's residents. These facilities are expected to be utilized by the City College community and residents of surrounding neighborhoods.

## OTHER BENEFITS

The Project is within the Ocean Avenue Community Benefits District (CBD) that provides funding for a range of services to the neighborhood, including maintenance and cleaning of public rights of way, sidewalk operations and public safety, and District identity and streetscape improvements. The CBD sunsets in 2025, prior to full Project buildout,<sup>8</sup> however the CBD anticipates that the District will be reauthorized.<sup>9</sup> Annual assessments to be paid by the Project will be determined by the District in accord with its established rates.

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<sup>8</sup> San Francisco Office of Economic and Workforce Development website, downloaded May 18, 2020, <https://oewd.org/community-benefit-districts>

<sup>9</sup> Correspondence with Daniel Weaver, Executive Director, Ocean Avenue Association, May 18, 2020.



## APPENDIX A: FISCAL ANALYSIS

**Table 1**  
**Fiscal Results Summary, Ongoing Revenues and Expenditures**  
**Balboa Reservoir**

Item	Annual Amount
<b>Annual General Revenue</b>	
Property Taxes (1)	\$3,551,000
Property Tax in Lieu of VLF	684,000
Property Transfer Tax	369,000
Sales Tax	255,000
Parking Tax (City 20% GF share)	48,000
Gross Receipts Tax	<u>56,000</u>
<b>Subtotal, General Revenue</b>	<b>\$4,963,000</b>
(less) 20% Charter Mandated Baseline	<u>(\$992,600)</u>
<b>Revenues to General Fund above Baseline</b>	<b>\$3,970,400</b>
<b>Public Services Expenditures</b>	
Parks and Open Space	<i>Project's taxes or fees</i>
Roads (maintenance, street cleaning)	126,000
Police (2)	978,000
Fire (2)	<u>566,000</u>
<b>Subtotal, Services</b>	<b>\$1,670,000</b>
<b>NET Annual General Revenues</b>	<b>\$2,300,400</b>
<hr/>	
<b>Annual Other Dedicated and Restricted Revenue</b>	
Property Tax to Other SF Funds (1)	\$546,000
Parking Tax (MTA 80% share)	\$190,000
Public Safety Sales Tax	\$127,000
SF Cnty Transportation Auth'y Sales Tax	<u>\$127,000</u>
<b>Subtotal</b>	<b>\$990,000</b>
<b>TOTAL, Net General + Other SF Revenues</b>	<b>\$3,290,400</b>
<b>Other Revenues</b>	
Property Tax to State Education Rev. Fund (ERAF)	<b>\$1,583,000</b>

(1) Property tax to General Fund at 57%. Other SF funds include the Childrens' Fund, Library Fund, and Open Space Acquisition.

(2) Police and Fire costs based on Citywide avg. cost per resident and per job.

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**Table 2**  
**Fiscal Results Summary, One-Time Revenues**  
**Balboa Reservoir**

Item	Total Amount
<b><u>City Development Impact Fees (1)</u></b>	
Balboa Park Community Infrastructure	provided by Project
Jobs Housing Linkage (2)	na
Affordable Housing (3)	provided by Project
Child Care (4)	provided by Project
Bicycle Parking In-lieu	provided by Project
Transportation Sustainability Fee	<u>\$12,667,000</u>
	<b>\$12,667,000</b>
<b><u>Other Fees</u></b>	
San Francisco Unified School District	<b>\$4,308,000</b>
<b><u>Other One-Time Revenues</u></b>	
Construction Sales Tax (1% Gen'l Fund)	\$2,805,000
Gross Receipts Tax During Construction	<u>\$2,244,000</u>
Total: Other One-Time Revenues	<b>\$5,049,000</b>

(1) Impact fee rates as of Jan. 1, 2020. Refer to Table A-3 for additional detail.

(2) Linkage fee (commercial uses only) offset by Project's affordable housing.

(3) Affordable housing provided on site.

(4) Child Care impact fee waived in consideration for the Project's on-site childcare center.

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**Table A-1**  
**Project Description Summary**  
**Balboa Reservoir**

Item	Units, Sq.Ft., or Spaces	
Apartments		
Market Rate		450 units
Affordable		<u>530</u> units
Total, Apts		980 units
Condos and Townhouses		
Market Rate Townhouses		100 units
Affordable Condos		<u>20</u> units
Total, Condos and Townhouses		120 units
Total, Residential		
		units
Market Rate	50%	550 units
Affordable	50%	<u>550</u> units
		1,100 units
Community Gathering Space		1,000 sq.ft.
Childcare Center (capacity for 100 children)		7,500 sq.ft.
Shared Garage		450 spaces
		175,000 sq.ft.

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**Table A-2  
Population and Employment  
Balboa Reservoir**

<b>Item</b>	<b>Assumptions</b>	<b>Total</b>
Population	2.28 persons per unit (1)	2,508
<b>Employment (FTEs)</b>		
Residential (2)	27.9 units per FTE (2)	39
Parking	270 spaces per FTE (6)	<u>2</u>
Total		41
Construction (job-years) (5)	\$561,000,000 Construction cost	2,762
<b>TOTAL SERVICE POPULATION</b>		
Residents		2,508
Employees (excluding construction jobs)		<u>41</u>
Total Service Population (Residents plus Employees)		2,549
<b>CITYWIDE</b>		
Residents (3)		897,806
Employees (4)		<u>765,245</u>
Service Population (Residents plus Employees)		1,663,051

(1) ABAG 2020 projection (citywide); actual Project density will vary.

(2) Residential jobs include building management, janitorial, cleaning/repair, childcare, and other domestic services. Factors based on comparable projects.

(3) Cal. Dept. of Finance, Rpt. E-1, 2020

(4) BLS QCEW State and County Map, 2019 Q3.

(5) Construction job-years based on IMPLAN job factors and direct construction portion of total cost.

(6) Based on Pier 70 DEIR.

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**Table A-3  
San Francisco City Development Impact Fee Estimate  
Balboa Reservoir**

Item		Total Sq.Ft. (1)	Total Fees
<b>Residential</b>			
	<b>Units</b>		
Market-Rate	550	605,000	
Moderate-Income	185	185,000	
Low-Income	<u>365</u>	<u>346,750</u>	
<b>Total</b>	1,100	1,136,750	
<b>Other</b>			
Childcare Facility	approximately	7,500	
Shared Parking (2)		175,000	
<b>City Impact Fees (per gross building sq.ft.) (2)</b>			
	<b>Fee Rate</b>		
Balboa Park Community Infrastructure	<i>waived (project provides community infrastructure)</i>		
Jobs Housing Linkage (4)	na		na
Affordable Housing (5)	<i>waived (project provides affordable housing)</i>		
Child Care (6)	<i>waived (project provides onsite facilities)</i>		
Bicycle Parking In-lieu Fee (7)	<i>waived (project provides onsite facilities)</i>		
Transportation Sustainability Fee			
Residential (8)	\$10.86 /sq.ft.	790,000	\$8,579,400
Non-Residential (3)	\$22.40 /sq.ft.	182,500	<u>\$4,088,000</u>
<b>Total</b>			<b>\$12,667,400</b>
<b>Other Impact Fees (9)</b>			
San Francisco Unified School District	\$3.79 /sq.ft.	1,136,750	<b>\$4,308,283</b>

(1) Residential fees assume approximately 950 to 1,100 sq.ft./unit.

(2) All impact fees are as of January 2020.

(3) Units affordable to a maximum 80% AMI exempt from TSF.

100% of non-residential assumed to be subject to TSF.

(4) Jobs Housing Linkage not applicable to residential.

(5) Affordable units sufficient to offset fee requirement.

(6) Child Care impact fee waived in consideration for the Project's on-site childcare facility.

(7) Bicycle facilities provided onsite, not subject to fee.

(8) Units affordable to a maximum 80% AMI exempt from Transportation Sustainability Fee (TSF).

(9) Additional utility fees and charges will be paid.

Sources: City of San Francisco, and Berkson Associates.

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**Table A-4**  
**Assessed Value Estimate**  
**Balboa Reservoir**

<b>Item</b>	<b>Development Cost</b>
<b>Buildings (1)</b>	
Total Building Development Costs	\$875,000,000
<b>Other</b>	
Infrastructure (2)	\$60,000,000
<b>Total Costs</b>	<b>\$935,000,000</b>
<b>(less) Property Tax-Exempt</b>	
Low-income Rental Units (up to 80% AMI) (3)	(\$310,250,000)
<b>Net Taxable Assessed Value (4)</b>	<b>\$624,750,000</b>

(1) Includes building costs, parking, site development.

(2) Master infrastructure includes utilities, roads, grading, parks and open space.

(3) Exempt low-income units assumed to comprise up to 2/3's of total affordable units  
or approximately 1/3 of total units.

(4) Assessed value will increase over time as units sell and are re-assessed.

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**Table A-5  
Property Tax Estimate  
Balboa Reservoir**

<b>Item</b>	<b>Assumptior</b>	<b>Total</b>
<b>Taxable Assessed Value</b>		<b>\$624,750,000</b>
<b>Gross Property Tax</b>	1.0%	<b>\$6,248,000</b>
<b>Allocation of Tax</b>		
General Fund	<b>56.84%</b>	<b>\$3,551,000</b>
Childrens' Fund	3.75%	\$234,000
Library Preservation Fund	2.50%	\$156,000
Open Space Acquisition Fund	<u>2.50%</u>	<u>\$156,000</u>
<b>Subtotal, Other Funds</b>	<b>8.75%</b>	<b>\$546,000</b>
ERAF	25.33%	\$1,583,000
SF Unified School District	7.70%	\$481,000
Other	<u>1.38%</u>	<u>\$86,000</u>
	<b>34.41%</b>	<b>\$2,150,000</b>
<b>Total, 1%</b>	<b>100.00%</b>	<b>\$6,247,000</b>
Other (bonds, debt, State loans, etc.) (1)	<b>17.23%</b>	<b>\$1,077,000</b>
<b>TOTAL</b>	<b>117.23%</b>	<b>\$7,324,000</b>

Sources: City of San Francisco, and Berkson Associates

Note: bond amounts and other taxes above 1% can vary annually.

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**Table A-6**  
**Property Tax in Lieu of VLF Estimate**  
**Balboa Reservoir**

<b>Item</b>	<b>Total</b>
Citywide Total Assessed Value (1)	\$280,075,837,858
Total Citywide Property Tax in Lieu of Vehicle License Fee (VLF) (2)	\$306,800,000
Project Assessed Value (4)	\$624,750,000
Growth in Citywide AV due to Project	0.22%
<b>TOTAL PROPERTY TAX IN LIEU OF VLF (3)</b>	<b>\$684,000</b>

(1) Based on the CCSF FY2018 total assessed value (as of 8/1/18 per budget book FY20 and FY21).  
Adjusted 8% to FY20.

(2) City and County of San Francisco Annual Appropriation Ordinance for Fiscal Year Ending June 30, 2021,  
Sources of Funds Detail by Account, Account #410913, page 117.

(3) Equals the increase in Citywide AV due to the Project multiplied by the current Citywide Property Tax In Lieu of VLF.  
No assumptions included about inflation and appreciation of Project or Citywide assessed values.

(4) Excludes low-income development; actual increase may be greater than shown.

Sources: City of San Francisco, and Berkson Associates

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**Table A-7**  
**Property Transfer Tax**  
**Balboa Reservoir**

Item	Assumptions	Total
<u>Annual Transfer Tax from Market-Rate Townhouse Sales</u>		
Sales Value	\$150,000,000	
Annual Transactions	10.0% (avg. sale once/10 years)(3),(4)	\$15,000,000
Transfer Tax	\$3.40 /\$500 (1)	\$102,000
<u>Market-Rate Apartments (5)</u>		
Estimated Value	\$178,200,000	
Avg. Sales Value	5.0% (avg. sale once/20 years)(3),(4)	\$8,910,000
Transfer Tax: Apartment Buildings (annual avg.)	\$15.00 /\$500 (2)	\$267,000
<b>TOTAL ONGOING TRANSFER TAX</b>		<b>\$369,000</b>

(1) Rates range from \$2.50 per \$500 of value for transactions up to \$250k, \$3.40 up to \$1 million, to \$3.75 per \$500 of value for transactions from \$1 million to \$5 million; applies to sale of affordable and market-rate ownership units.

(2) Assumes rate applicable to sales > \$25 million for market-rate apartment buildings.

(3) Actual sales will be periodic and for entire buildings; revenues have been averaged and spread annually for the purpose of this analysis.

(4) Turnover rates are estimated averages based on analysis of similar projects; actual % and value of sales will vary annually.

(5) No transactions assumed for low-income and moderate-rate apartments owned by non-profits.

Sales value of apartments based on estimated capitalized value of net income.

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**Table A-8  
Sales Tax Estimates  
Balboa Reservoir**

Item	Low-Income Apts. (30-80% AMI) Assumptions	Moderate-Income Apts. (80-120% AMI) Assumptions	Total
<b>Taxable Sales From New Residential Uses</b>			
Sale Price			
Average Annual Rent or Housing Payment (1)	50% of AMI 2.28/hh	100% of AMI 2.28/hh	\$106,100
Average Household Income	27%	27%	\$28,600
Average HH Retail Expenditure (3)			165
New Households			365
Total New Retail Sales from Households			\$5,220,000
New Taxable Retail Sales Captured in San Francisco (4)	80% of retail expend.	80% of retail expend.	\$4,176,000
<b>Net New Sales Tax to GF From Residential Uses</b>	1.0% tax rate	1.0% tax rate	<b>\$41,800</b>
<b>TOTAL Sales Tax to General Fund (1%)</b>			<b>\$41,800</b>
<b>Annual Sales Tax Allocation</b>			
Sales Tax to the City General Fund	1.00% tax rate	1.00% tax rate	<b>\$37,800</b>
<b>Other Sales Taxes</b>			
Public Safety Sales Tax	0.50% tax rate	0.50% tax rate	<b>\$18,900</b>
San Francisco County Transportation Authority	0.50% tax rate	0.50% tax rate	<b>\$18,900</b>
SF Public Financing Authority (Schools)	0.25% tax rate	0.25% tax rate	<b>\$9,500</b>
<b>One-Time Sales Taxes on Construction Materials</b>			
Total Development Cost			
Supply/Materials Portion of Construction Cost	60.00%		
San Francisco Capture of Taxable Sales	50.00%		
Sales Tax to San Francisco General Fund	1.0% tax rate		

(1) Incomes from "2020 MAXIMUM INCOME BY HOUSEHOLD SIZE derived from the Unadjusted Area Median Income (AMI) for HUD Metro Fair Market Rent".  
Affordable rents adjusted for average household size of 2.28.

(2) Avg. market rate apartment rent based on average for comparable project (Axiometrics 12/17 survey).

Estimated townhouse sale price from Berkson Associates, August 2017, avg. for new detached homes in San Francisco.

Rents prior to COVID-19 increased about 10% from 2020, however, rents are left at 2017 levels given near-term uncertainties.

(3) Based on typical household spending as reported for the San Francisco MSA by the State Board of Equalization.

(4) Estimated portion of sales assumed to be captured within the City based on analyses prepared for comparable projects.

Source: Berkson Associates

**Table A-8  
Sales Tax Estimates  
Balboa Reservoir**

Item	Townhouses (80-120% AMI) Assumptions	Total
<b>Taxable Sales From New Residential Uses</b>		
Sale Price		
Average Annual Rent or Housing Payment (1)	100% of AMI 2.28/hh	\$106,100
Average Household Income	27%	\$28,600
Average HH Retail Expenditure (3)		
New Households	20	
Total New Retail Sales from Households		\$572,000
New Taxable Retail Sales Captured in San Francisco (4)	80% of retail expend	\$457,600
<b>Net New Sales Tax to GF From Residential Uses</b>	1.0% tax rate	<b>\$4,600</b>
<b>TOTAL Sales Tax to General Fund (1%)</b>		<b>\$4,600</b>
<b>Annual Sales Tax Allocation</b>		
Sales Tax to the City General Fund	1.00% tax rate	<b>\$4,600</b>
<b>Other Sales Taxes</b>		
Public Safety Sales Tax	0.50% tax rate	<b>\$2,300</b>
San Francisco County Transportation Authority (6)	0.50% tax rate	<b>\$2,300</b>
SF Public Financing Authority (Schools) (6)	0.25% tax rate	<b>\$1,200</b>

**Table A-8**  
**Sales Tax Estimates**  
**Balboa Reservoir**

Item	Market-Rate Apts Assumptions	Market-Rate Townhouses Assumptions	Total
<b>Taxable Sales From New Residential Uses</b>			
Sale Price	\$3,300 /unit (2)	\$1,500,000 (2)	\$58,800
Average Annual Rent or Housing Payment (1)	30%	\$4,900 per household	\$196,000
Average Household Income	27%	30%	\$52,900
Average HH Retail Expenditure (3)		27%	
New Households	450	100	
Total New Retail Sales from Households	\$16,020,000	\$5,290,000	
New Taxable Retail Sales Captured in San Francisco (4)	80% of retail expend. \$12,816,000	80% of retail expend. \$4,232,000	
<b>Net New Sales Tax to GF From Residential Uses</b>	1.0% tax rate	1.0% tax rate	<b>\$42,300</b>
<b>TOTAL Sales Tax to General Fund (1%)</b>	<b>\$128,200</b>	<b>\$42,300</b>	<b>\$42,300</b>
<b>Annual Sales Tax Allocation</b>			
Sales Tax to the City General Fund	1.00% tax rate	1.00% tax rate	<b>\$42,300</b>
<b>Other Sales Taxes</b>			
Public Safety Sales Tax	0.50% tax rate	0.50% tax rate	<b>\$21,200</b>
San Francisco County Transportation Authority (6)	0.50% tax rate	0.50% tax rate	<b>\$21,200</b>
SF Public Financing Authority (Schools) (6)	0.25% tax rate	0.25% tax rate	<b>\$10,600</b>

**Table A-8  
Sales Tax Estimates  
Balboa Reservoir**

Item	TOTAL
<b>Taxable Sales From New Residential Uses</b>	
Sale Price	na
Average Annual Rent or Housing Payment (1)	na
Average Household Income	na
Average HH Retail Expenditure (3)	na
New Households	1,100
Total New Retail Sales from Households	
New Taxable Retail Sales Captured in San Francisco (4)	
<b>Net New Sales Tax to GF From Residential Uses</b>	<b>\$254,700</b>
<b>TOTAL Sales Tax to General Fund (1%)</b>	<b>\$254,700</b>
<b>Annual Sales Tax Allocation</b>	
Sales Tax to the City General Fund	<b>\$254,700</b>
<b>Other Sales Taxes</b>	
Public Safety Sales Tax	<b>\$127,400</b>
San Francisco County Transportation Authority (6)	<b>\$127,400</b>
SF Public Financing Authority (Schools) (6)	<b>\$63,900</b>
<b>One-Time Sales Taxes on Construction Materials</b>	
Total Development Cost	\$935,000,000
Supply/Materials Portion of Construction Cost	\$561,000,000
San Francisco Capture of Taxable Sales	\$280,500,000
Sales Tax to San Francisco General Fund	<b>\$2,805,000</b>

**Table A-9**  
**Parking Tax**  
**Balboa Reservoir**

<b>Item</b>	<b>Assumption</b>	<b>Total</b>
Garage Revenue (2)		\$1,900,000
Net of Discounts (City College users)	50%	\$950,000
Spaces (shared garage) (1)		450
<u>Parking Revenues</u>		
Annual Total (2)	\$2,111 per year/space	\$950,000
<u>San Francisco Parking Tax (3)</u>		
	25% of revenue	<b>\$238,000</b>
Parking Tax Allocation to General Fund/Special Programs	20% of tax proceeds	\$48,000
Parking Tax Allocation to Municipal Transp. Fund	80% of tax proceeds	\$190,400

(1) Shared spaces will be a mix of residents and City College parking.

(2) Based on estimated revenue from parking garage; actual hourly and daily revenue will vary depending on occupancy rates, turnover during the day, and long-term parking rates vs. hourly rates. Rates assume a discount for City College users; actual discounts will vary.

(3) 80 percent is transferred to the San Francisco Municipal Transportation Agency for public transit as mandated by Charter Section 16.110.

Source: Berkson Associates

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**Table A-10**  
**Gross Receipts Tax Estimates**  
**Balboa Reservoir**

Item	Total Gross Receipts	Gross Revenue Tier (1)				Gross Receipts Tax
		up to \$1m	\$1m - \$5.0m	\$5.0m - \$25m	\$25m+	
<u>Business Income</u>						
Subtotal		na				na
<u>Rental Income (2)</u>						
Parking	\$950,000	0.285%	0.285%	0.300%	0.300%	\$2,850
Residential	\$17,820,000	0.285%	0.285%	0.300%	0.300%	\$53,460
Subtotal	\$18,770,000					\$56,310
<b>Total Gross Receipts</b>	<b>\$18,770,000</b>					<b>\$56,310</b>
<u>Project Construction</u>						
Total Development Value (3)	\$935,000,000	up to \$1m	\$1m - \$2.5m	\$2.5m - \$25m	\$25m+	
Direct Construction Cost (4)	\$561,000,000	0.300%	0.350%	0.400%	0.450%	\$2,244,000

(1) This analysis applies highlighted tax rate in tier for each use.

(2) See tables referenced in Table A-11.

(3) Based on total development cost.

(4) Direct construction assumed to be 60% of total (direct costs exclude soft costs, community benefits and land).

Source: Berkson Associates

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**Table A-11**  
**Rental Income for Gross Receipts Tax Estimates**  
**Balboa Reservoir**

Item	Gross Sq.Ft. Units, or Space	Annual Avg. Rent	Total
Parking (excludes Gross Receipts Tax) (1)	450 spaces		\$950,000
Market-Rate Apartments (2)	450 units	\$39,600	<u>\$17,820,000</u>
<b>TOTAL</b>			\$18,770,000

(1) Refer to Table A-9 for additional parking detail.

(2) See Table A-8 for estimated market-rate apartment rents.

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**Table A-12**  
**Estimated City Services Costs**  
**Balboa Reservoir**

Item	City Total Budget	Cost per Service Pop. (1) or Mile	Factor	Total Cost
Citywide Service Population (1)			1,663,051 service pop.	
Project Service Population (1)			2,549 service pop.	
Citywide DPW Miles of Road (4)			1,058 miles	
Miles of Road in Project (estimated)			0.66 miles	
Fire Department (2)	\$369,426,177	\$222	2,549 service pop.	\$566,000
Police Department (3)	\$637,895,977	\$384	2,549 service pop.	\$978,000
Roads (4)	\$201,571,000	\$190,521	0.66 miles	<u>\$126,292</u>
<b>TOTAL</b>				<b>\$1,544,000</b>

(1) Service Population equals jobs plus residents (see Table A-2).

(2) Total fire budget (FY20-21 Proposed) excludes "Administration & Support Services", assuming no impact or additional administrative costs required due to Project, and excludes airport costs.

(3) Total police budget (FY20-21 Proposed) excludes "Airport Police".

(4) Road costs (FY19-20 proposed) include 94.2 mill. environmental services (pothole repair, sidewalks, graffiti, street sweeping, etc.) and \$101.3 mill. street resurfacing capital expenditures. FY20 adjusted 3% to FY21.

Road miles from SFdata, <https://data.sfgov.org/City-Infrastructure/Miles-Of-Streets/5s76-j52p/data>  
downloaded 5/13/2020.

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