



## Candlestick Point/Hunters Point Shipyard Phase 2

Bayview Hunters Point and Hunters Point Shipyard  
Redevelopment Plans Amendments

**Lila Hussain**  
Senior Project  
Manager - OCII  
October 22, 2024  
Board of Supervisors

# Board Actions

## Approval Actions

1. Amending the Redevelopment Plan for the Bayview Hunters Point Redevelopment Project Area (*Candlestick Point Area*)
2. Amending the Redevelopment Plan for the Hunters Point Shipyard Redevelopment Project Area (*Shipyard Phase 2 Area*)
3. Amending the Tax Allocation Pledge Agreement between OCII and the City

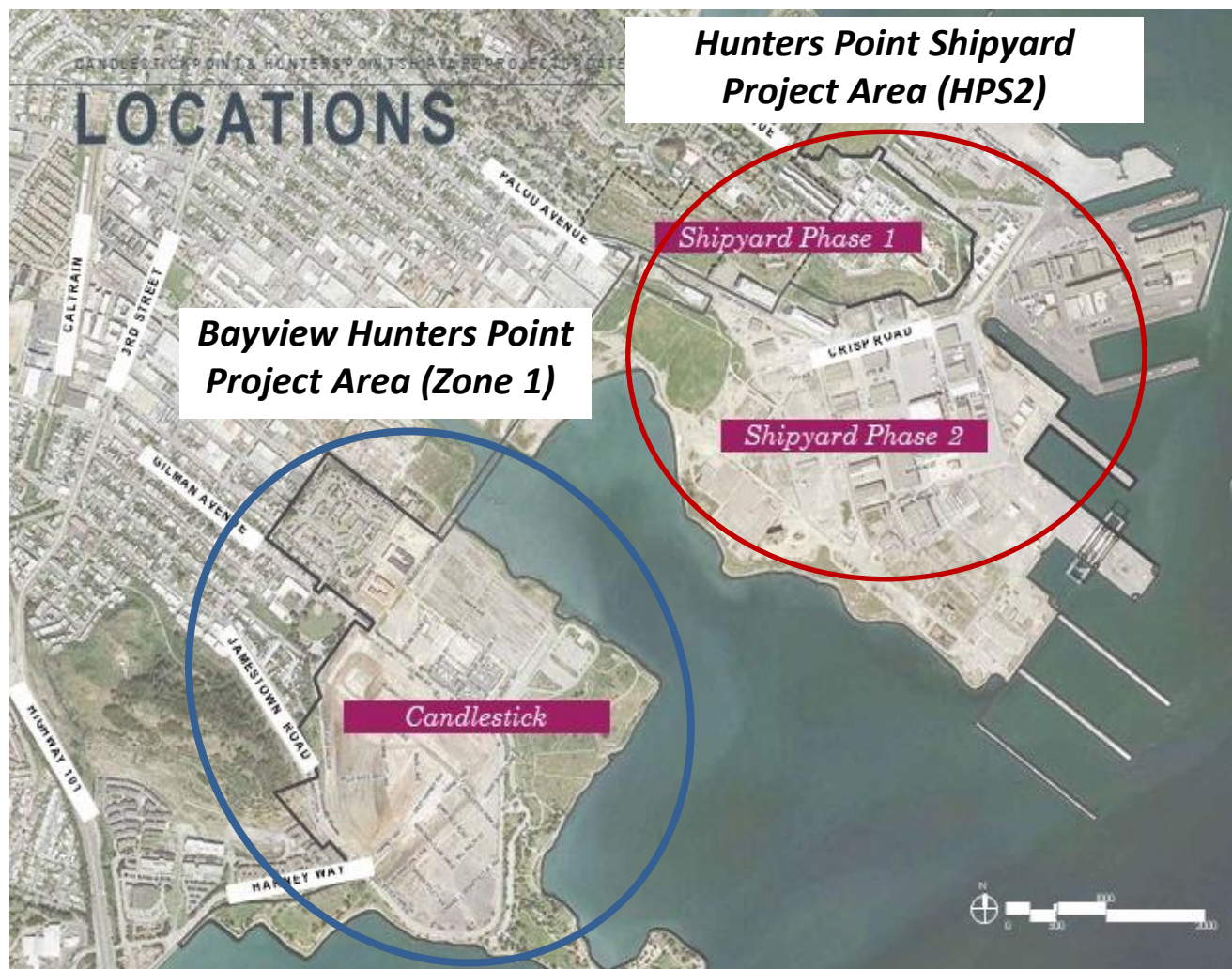
# Guiding Policy Objectives for Plan Amendments

- Extend redevelopment plan timelines/financial tools (tax increment, bond financing etc.) to deliver the development program
- Update the land use plan for flexibility and competitiveness while Shipyard is delayed
- Keep existing community benefits
- Keep existing affordable housing plan 32% at Project full build out (HPS2+CP) and 34% at Candlestick
- Update the phasing of the project to ensure that it is financially feasible



# Project Background: Two Redevelopment Plans/One Project

Transforming vacant lots, abandoned stadium, aging public housing, deteriorated roads and sidewalks



## Approved Redevelopment Program (HPS2-CP):

- Up to 10,672 housing units (Over 300 units complete at Alice Griffith)
- ~32% below market rate
- 4.9M SF of office/R&D
- 2.8M SF retail, institutional, community facility, entertainment
- Over 300 acres of new and improved open space
- New streets & utilities (significant infrastructure investment stadium demolition already complete)
- Community Benefits (investments to education and construction assistance already made)
- One DDA covers HPS2-CP

# Project Status

## Unprecedented Challenges:

- Navy delays at Hunters Point Shipyard Phase 2 has stalled project
- Shifting market conditions relating to retail and traditional office impacted Candlestick Point
- Redevelopment time limit for incurring debt at Candlestick Point is fast approaching (2026)

## Senate Bill 143 (2023):

- Limitations relating to timing and financing for the Project do not apply
- Plan amendments set forth new time limits
- Board action is the final City Step

## Updates to CP Land Use Changes:

- Transfer 2,050,000 sf of Office/R&D from Shipyard to Candlestick
- Allow more flexibility in the location of hotel and entertainment to be allowed in other neighborhoods in Candlestick
- All other land use entitlements remain the same (no changes in affordable housing and community benefits)

# Bayview-Hunters Point Redevelopment Plan

	Current	Proposed
<b>Land Use</b>		
Office/R&D	750,000 SF	Transfer 2,050,000 sf from Shipyard for total of 2,800,000 sf at Candlestick
Entertainment & Hotel	Only allowed in Candlestick Center	Permit these land uses anywhere in Candlestick.
<b>Timing &amp; Financing</b>		
Incurring Debt	6/1/2026	30 years from the 2024 Plan Amendment Date and an additional 15 years for anticipated Navy delays to pay for qualified project cost and affordable housing at HPS Phase 2
Plan Effectiveness	6/1/2036	30 years from the 2024 Plan Amendment Date
Repay Indebtedness and Receive Property Taxes	6/1/2051	45 years from the 2024 Plan Amendment Date and an additional 15 years solely for the purpose for the repayment of bonded indebtedness for qualified project and affordable housing at HPS Phase 2
Bonded Indebtedness	\$820 million	\$5.9 billion (combined for both project areas)

# Hunters Point Shipyard Phase 2 Redevelopment Plan

	Current	Proposed
<b>Land Use</b>		
Office/R&D	4,146,500 sf	Transfer 2,050,000 sf to Candlestick for total of 2,096,500 remaining at Shipyard
<b>Timing &amp; Financing</b>		
Incurring Debt	20 years after first \$100,000 in increment received (2033)	30 years from the date of conveyance to Developer all Phase 2 parcel(s) required for the completion of the 1 <sup>st</sup> Major Phase located in Shipyard Phase 2 ("Initial HPS Transfer Date"); plus an additional 15 years for Anticipated Navy Delays
Repay Indebtedness and Receive Property Taxes	45 years after first \$100,000 increment received (2058)	45 years from the Initial HPS Transfer Date; plus an additional 15 years for Anticipated Navy Delays
Bonded Indebtedness	\$900 million	\$5.9 billion (combined for both project areas)

# Tax Allocation Pledge Agreement: Implementing SB 143

## First Amendment to the Tax Allocation Pledge

### Original Pledge

- Establishes **time limits** for incurring debt, plan effectiveness, and repayment of debt/receipt of tax increment revenue that **begin to expire in 2026**
- All net available tax increment from the **Project Site finances public infrastructure and public improvements on the Project Site** (unclear if revenue can flow between Candlestick and Shipyard Phase 2)
- Caps bonded indebtedness at **\$1.72 billion** (\$900 million for HPS2 and \$820 million for BVHP)

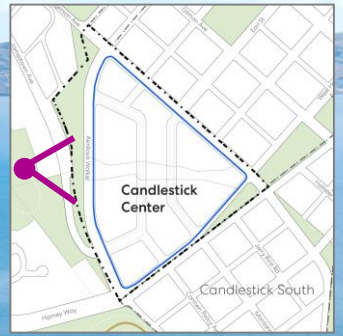
### Changes

- A First Amendment to the Pledge Agreement is proposed to implement SB 143 as follows:
  - Extends **time limits applicable to incurring debt and repayment of debt/receipt of tax increment** as described in the BVHP and HPS RD Plans
  - Clarifies that **tax increment revenue can flow between Candlestick and Shipyard Phase 2**
  - Adjusts limit on the amount of bonded indebtedness to a **\$5.9 billion combined** for both project areas



# Prioritizing Porosity

View from the Bayview Hill to the Bay



Arelious Walker Dr

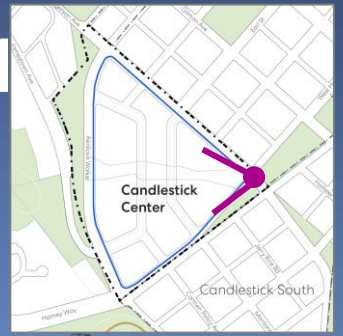
Harney Way

Conceptual Illustration



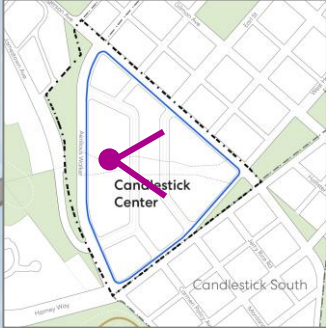
# Innovation District: CP Project Infrastructure Investment \$1

View from Harney Way & Ingerson Avenue



# Inviting the Community

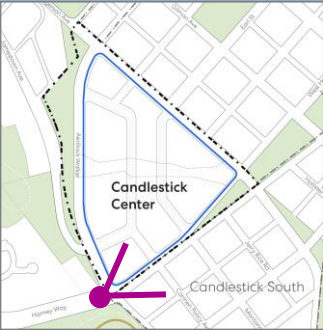
View from the Central Promenade



Conceptual Illustration

# Signature Gateway Buildings

View from Harney Way & Arelious Walker Drive



Conceptual Illustration

# Phase 2: 675 Housing Units and ~ 1.3M sf of Commercial

Infrastructure Permits will be submitted within 12 months of approvals

Conceptual Illustration: image credit Perkins + Will



Conceptual Illustration: image credit Perkins + Will

## Program:

- 236 units at 0 - 60% AMI
- 42 units at 80 – 120% AMI
- 397 Market Rate
- Ground-floor retail/community spaces
- 1,012 total housing units will be complete in Phases 1 & 2
  - (61% below market rate)

## Next Steps:

- Infrastructure permits & mapping in 2025 – 2026
- Construction begins in late 2025/ early 2026
- Vertical development begins 2027



**Thank You**