Office of Community Investment and Infrastructure

FY 2024-25 Budget

OCII Mission and Objectives

Within Mission Bay, Transbay & Shipyard/Candlestick

- Invest in these communities by accelerating delivery of and access to new housing, especially affordable units
- Create new public infrastructure and open spaces
- Maximize opportunities for local business and workers
- Implement wind down of activities under State Redevelopment Dissolution Law

Mission Bay, Transbay, & Shipyard /Candlestick to provide:

- 22,000 new housing units, approximately 30% affordable
- 379 acres parks and open space
- 13 million sq. ft. commercial space

OCII FY 24-25 Major Initiatives – Projects

Transbay Block 3 Park & Streetscape Improvement Project

Mission Bay Block 9A

Infrastructure & Community

- Complete Mission Bay parks, pump station, streets
- Design Transbay Block 3 Park & Streetscape Improvement Project and Under Ramp Park
- Begin Block 48 horizontal infrastructure construction

Housing

- Begin pre-development on MBS 12W, MBS 4E
- Continue construction on TB 2 E, TB 2W
- Complete construction MBS 9A, HPS 52/54, and HPS 56

Budget: FY24-25 Uses

Of OCII's total FY 24-25 budget of $685.2M, the primary uses are Affordable Housing and Infrastructure & Other Non-Housing.

Uses	Amount ($M)	*Percent*
Direct Program Spending		
Affordable Housing	$342.9	*50.1%*
Replacement Housing	$0.7	*0.1%*
Infrastructure & Other Non-Housing	$170.4	*24.9%*
Project Management & Operations	$21.0	*3.1%*
Community Development & Workforce	$1.9	*0.3%*
Direct Programmatic Subtotal	**$536.9**	*78.4%*
Indirect Program Spending		
Debt	$114.7	*16.7%*
Pass-through to TJPA	$33.2	*4.8%*
Other	$0.4	*0.1%*
Indirect Programmatic Subtotal	**$148.2**	*21.6%*
Total	**$685.2**	*100%*

OCII's mission and objectives are to build affordable housing, parks and open spaces, and commercial spaces. Additionally, we maximize local business and employment opportunities. Our budget allocations help achieve these goals as the majority of our funds are dedicated to affordable housing (50.1%) and infrastructure work (24.9%), along with community development and workforce expenditures.

Budget: FY24-25 Sources

Primary Budget Sources are Prior Period Authority, Property Tax Increment, and Developer Payments.

Sources	Amount ($M)
Property Tax Increment	$160.4
Bonds	$64.0
Developer Payments	$104.6
Other Funds	$6.2
Fund Balance	$44.0
Prior Period Authority*	$306.0
Total Sources	**$685.2**

*Prior Period Authority is expenditure carried forward from prior year, including affordable housing loans awarded but not yet drawn down fully and multi-year construction budgets.

OCII Performance Measures: Housing Production Obligation

OCII-Funded Retained Affordable Housing Production Obligation, by Project Area

Project Status	Mission Bay	Transbay	HP Shipyard / Candlestick Point	Replacement Housing	Total	% of Total
Completed & Occupied	1,596	721	435	0	**2,752**	*21.2%*
In Construction	148	0	191	0	**339**	*2.6%*
In Predevelopment	0	638	477	0	**1,115**	*8.6%*
In Planning	164	0	386	600	**1,150**	*8.9%*
Future Development	0	79	2,280	5,242	**7,601**	*58.7%*
Total	**1,908**	**1,438**	**3,769**	**5,842**	**12,957**	*100.0%*

In FY 2024-25, OCII will complete 330 OCII-funded affordable housing units, including 148 units in Mission Bay South and 182 units in Hunters Point Shipyard Phase 1.

OCII Performance Measures: Parks & Open Space Completions

OCII's Park & Open Space Completions

Parks and Open Space Completions by Acreage	Mission Bay	Transbay	Hunters Point Shipyard / Candlestick Point	Total Acres
FY 24-25 Completions	5.9	-	-	5.9

In FY 2024-25, OCII will complete 5.9 acres of parks and open space in Mission Bay.

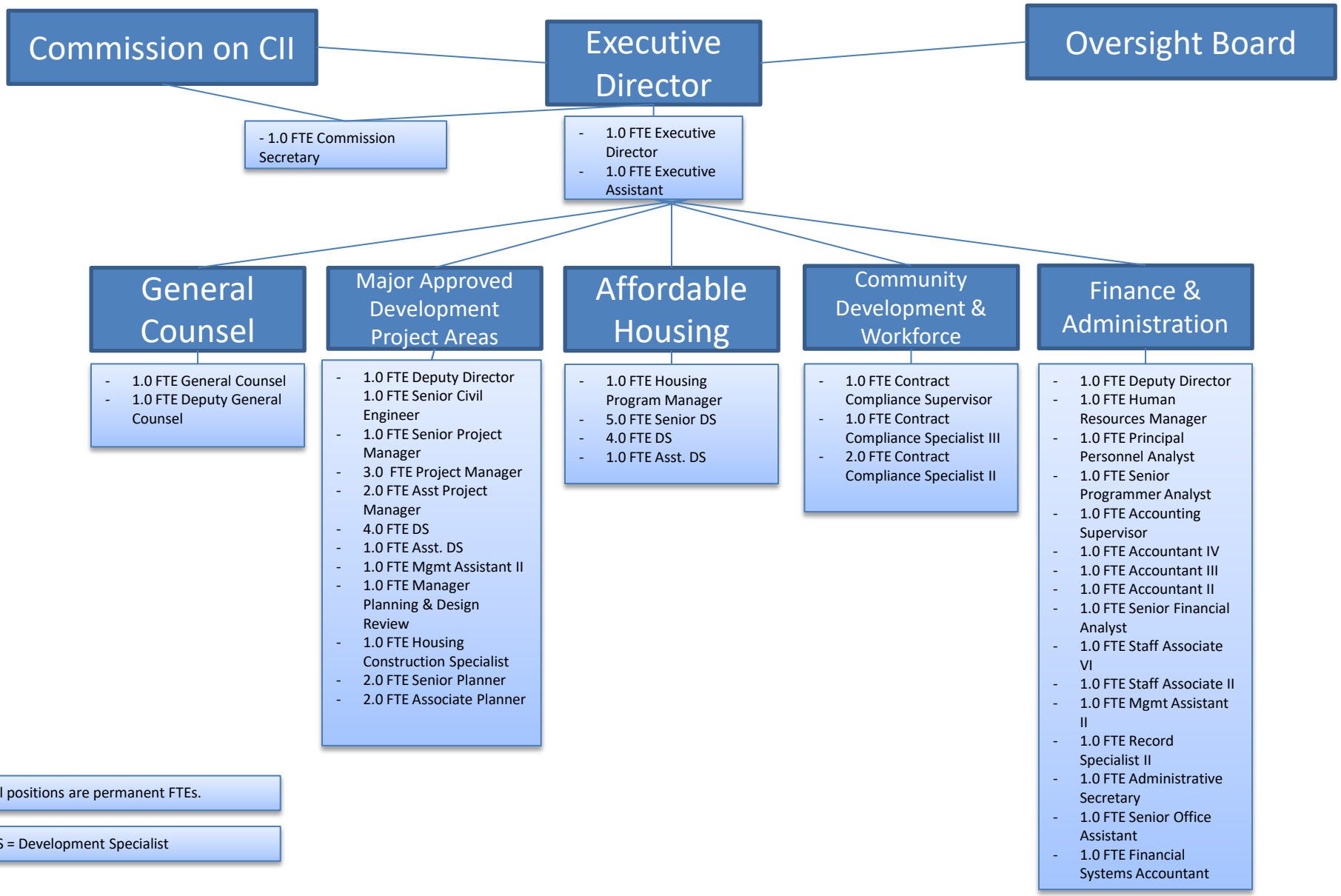
OCII Performance Measures: Community Workforce Development

OCII's Equal Opportunity Programs ("EOP") program applies to all OCII-administered contracts, including Development and Disposition Agreements, ground leases, and loan agreements, among others. OCII administers the EOP program on all stages of a project, from design through construction. OCII reports on the EOP to its Commission annually.

- Contracting
  - Since 2012, OCII has administered over $6.0 billion in contracts, of which $1.9 billion has been awarded to small business enterprises ("SBE"). Of this amount, $1.0 billion has been awarded to San Francisco-based SBEs.
  - Additionally, $1.0 billion of the total has been awarded to minority and women-owned businesses.

- Workforce Development
  - Since 2012, over 49,890 workers have performed over 18.6 million construction hours on OCII-administered projects.
  - 7,401 SF residents performed 3.6 million hours, garnering $157.6 million in wages.

Organizational Chart



All positions are permanent FTEs.

DS = Development Specialist

Staffing

Vacancy Status	Division	Position	Anticipated Hire Date
ACTIVE RECUITMENT			
	Contract Compliance	Contract Compl. Sp. II	Aug-24
	Design-Review Planning	Associate Planner	Jul-24
	Finance/Administration	Accountant IV	Jul-24
	Housing	AFH Assistant Development Specialist	Jul-24
	Legal	Deputy General Counsel	Jul-24
	Project Management	HPS/CP Development Specialist	Jul-24
VACANT DUE TO DEVELOPMENT PHASE OF PROJECTS			
	Contract Compliance	Contract Compl. Sp. II	
	Design-Review Planning	Associate Planner	
	Design-Review Planning	Senior Planner	
	Development Services	Development Specialist	
	Development Services	Senior Development Specialist	
	Finance/Administration	Financial Systems Accountant	
	Finance/Administration	Senior Office Assistant	
	Project Management	Assistant Project Manager	
	Project Management	Development Specialist	
	Project Management	HPS/CP Assistant Project Manager	
	Project Management	Project Manager	
	Staff Associate	Staff Associate II-Media Relations	
	Development Services	Development Services Manager	
	Engineering	Senior Civil Engineer	

Vacancies as of June 2024

Staffing

OCII has 20 vacancies, as of May 2024, an increase from 6 in FY 19-20.

Staffing	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Vacancies	6	9	16	20	15	20

The vacancy amounts are due to

(1) Development status of projects;
(2) Retirements, attrition, and promotions; and
(3) Challenges posed by COVID-19 to recruitment of new staff, as well as general competition for talent.

OCII Response to Mayor's 24-25 Budget Instructions

- OCII's budget is not funded by General Fund; the City's interest is in Property Tax Increment ("PTI"), which is ~20% of OCII's annual budget.
- The state (Dept. of Finance) approves OCII's expenditures of PTI, the vast majority of which funds fixed and mandatory costs such as debt service, affordable housing loans, and retiree health and pension payments.
- Before every City PTI distribution in June and January, OCII works with CON to take only what is needed for discretionary expenditures.
  - Bi-Annual Five Year PTI Plan reconciliation:
    - OCII works with CON on a Five Year PTI draw schedule.
    - For 23-24, OCII reduced PTI draw by $5.7M to account for current spending.
    - In 24-25, OCII anticipates reducing PTI draw by $13.0M.
- OCII continues to review its expenditures biannually for any further savings.

Office of Community Investment and Infrastructure

OCII

BOS questions

For your departmental presentation, please keep your presentation to **5 minutes** and include answers to the following prompts:

1. What are the department's mission and objectives?
2. How does the department's budget allocations help achieve its mission and objectives?
3. What are the performance measures that the department uses to determine whether it is achieving its objectives?
4. Please include an organizational chart of your department. This chart or supporting documentation should include:
    1. Position name, classification, and whether it is a permanent, temporary or exempt position
    2. Whether the position is filled, vacant, or in the hiring process and anticipated hire date
    3. A historic look the changes to your department's staffing over the past 5 years
5. How did the Department respond to the Mayor's budget instructions? What changes and reductions did your department make?