

Office of Community Investment and Infrastructure

FY 2017-18 Budget - Workshop #1 Project Areas, Affordable Housing, and Asset Management



April 4, 2017

FY 17-18 Budget Process

- **4/4/17: Commission Workshop #1**
 - Hunters Point Shipyard Phases 1 & 2 / Candlestick Point
 - Mission Bay North & South
 - Transbay
 - Affordable Housing
 - Real Estate and Development Services
- **4/18/17: Commission Workshop #2**
 - Overview of Budget Process
 - Administration/Operations/Debt Service
- **5/02/17: Commission Action**
- **5/03/17: Mayor's Budget Office Submission**
- **6/01/17: Board of Supervisors Submission**

Office of Community Investment and Infrastructure

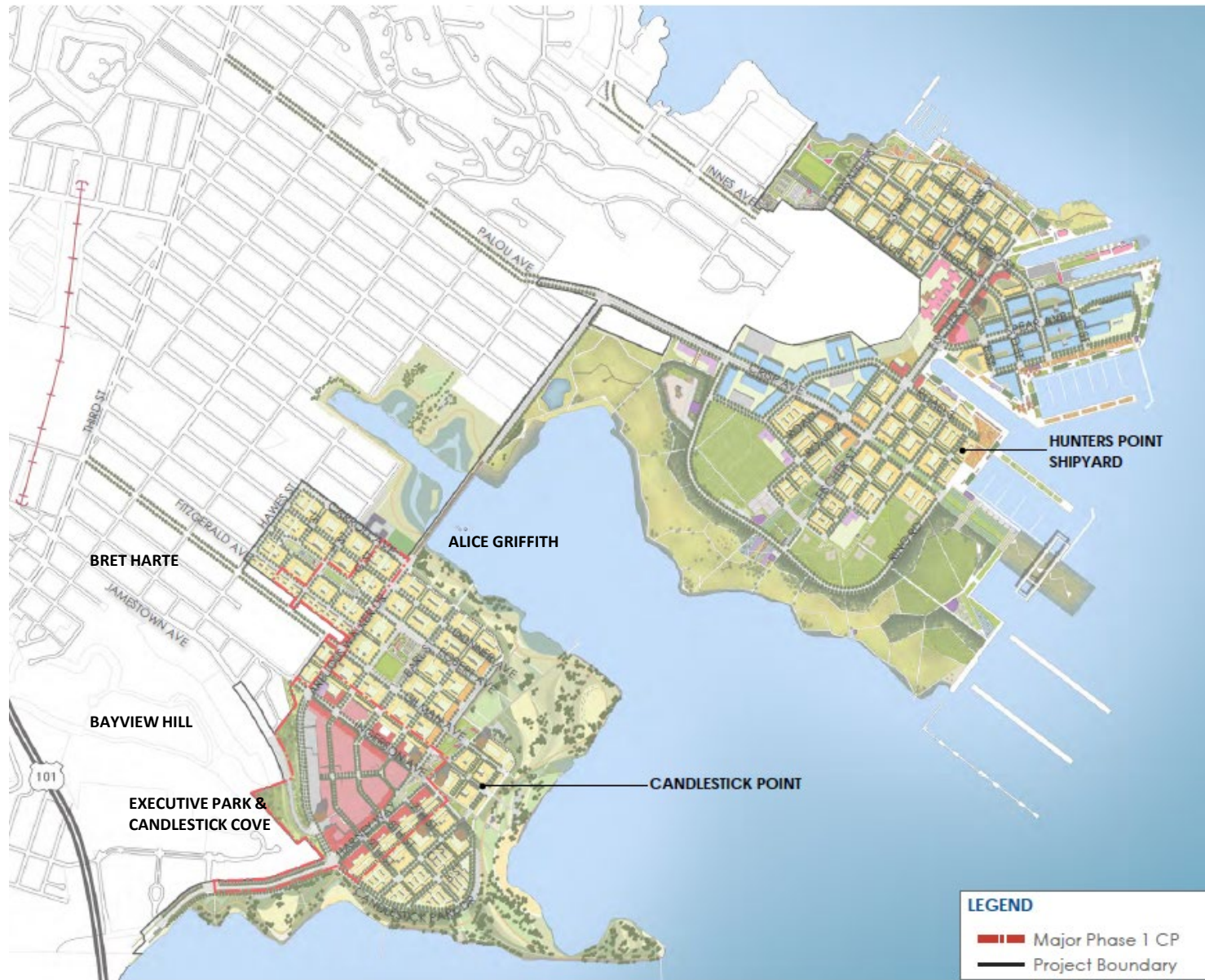
Hunters Point Shipyard Phases 1 & 2 / Candlestick Point

HPS/CP Project Area



HPS/CP: Project Overview

- Bayview Hunters Point and Hunters Point Shipyard
Redevelopment Plans
(adopted 2010)
- 12,100 homes, 32%
below-market
- Rebuilding of Alice
Griffith Public Housing
- 352 acres of parks and
open space
- 3,150,000 sq. ft. of
R&D/office space
- 885,000 sq. ft of retail
- 325,000 sq. ft of artist
and community
facilities
- New Bus Rapid Transit,
express
busses and extending
crosstown lines



HPS/CP FY 16-17: Accomplishments

Affordable Housing:

- HPS Phase 1 Block 49: Completed construction and marketing plan
- HPS Phase 1: 23 Inclusionary Units completed
- AG Phases 1 & 2: Completing construction in Spring 2017
- AG Phase 3: In construction
- AG Phase 4: Permanent loan approved; Construction to start Fall 2017
- CPS Blocks 10A and 11A: ENA and Predevelopment Loans Approved



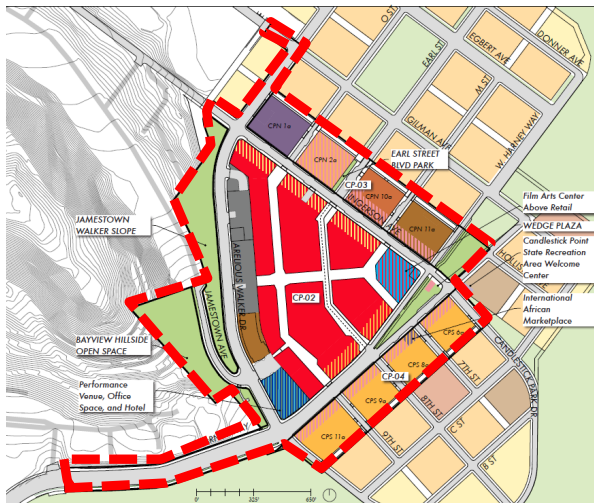
HPS/CP FY 16-17: Accomplishments

Planning Applications:

- CP: Approved Design for Development amendments
- CP: Approved Major Phase 1, Sub-Phases 2, 3, 4

Vertical Development:

	Schematic Design		In Construction		Completed		Total
	MRK	BMR	MRK	BMR	MRK	BMR	
HPS Phase 1	264	167	169	85	216	82	983
HPS Phase 2	0	0	0		0	0	0
Candlestick Point	111	44	0	306	0	0	337
Total	375	211	169	391	216	82	1444



HPS/CP FY 16-17: Accomplishments

Public Open Space:

- HPS Phase 1: Hilltop Parks nearing completion; public art installed
- HPS Phase 2: Northside Park: Completed public outreach workshops for basic concept design
- CP: Wedge Park: Schematic Designs approved
- CP: Alice Griffith Community Garden: Schematic Design approved

Public Improvements

- HPS Phase 1: Continued construction of utilities, streets, and streetscape
- CP: Commenced infrastructure to serve regional retail center & mixed use developments
- AG: Completed infrastructure to serve first Alice Griffith phases



HPS/CP FY 17-18: Work Program

- **Review, design, and approve infrastructure, parks & vertical development**
 - Hunters Point Shipyard Re-envisioning
 - Candlestick Center Schematic Design
 - Candlestick Mix-Use Development Blocks
- **Land conveyances from State Lands, State Parks, & Navy**
- **Monitor community benefits and workforce compliance**
- **Coordinate transportation**
- **Manage grants**
- **Parks and property management**
- **Implement affordable housing (Alice Griffith, HPS, CP)**



Office of Community Investment and Infrastructure

MISSION BAY North & South

Mission Bay North & South Project Area



Aerial View – Late 2015

MB: Project Overview

- Two Redevelopment Plans - Adopted in 1998
- 6,404 residential units – up to 29% affordable
- 4.04 million sf private office/ biotech/ R&D
- UCSF research campus and hospital
- 250-room hotel
- Neighborhood-serving retail
- Public school, fire/police station and headquarters, library
- 49 acres of public parks



MB FY 16-17: Accomplishments

Affordable Housing (226 built, 143 started)

- Block 7W (200 units): Completed construction and marketing plan
- Block N4P3 (129 units w/ 26 inclusionary): Completed construction and marketing plan
- Block 6E (143 units): Started construction, complete construction by 2018
- Block 3E (119 units): Completed design review, start construction by fall 2017
- Block 6W (approx. 140 units): Selected developer
- Block 9 (approx. 120 units): Issued RFP (expected)



Block 7W

Golden State Warriors

- Upheld the certification of the Environmental Impact Report in the California First Appellate District Court
- Denied review by the California Supreme Court
- Completed design development and began construction, complete construction by fall 2019



Golden State Warriors Event Center

MB FY 16-17: Accomplishments

Vertical Development Design & Construction

- **Residential:**
 - Continued construction of 350 residential units on Block 1, complete construction by summer 2017
- **Hotel:**
 - Completed design development and approved site permit for 250-room hotel
- **Office:**
 - Continued construction for Block 40 (680,000 sf), complete construction early 2018
 - Began construction for Blocks 26/27 (420,000 sf)
 - Approved Design for Blocks 33/34 (340,000 sf), start construction by June 2017
 - Approved design of Blocks X3/36 (180,000 sf), start construction by April 2017



Blocks 26/27 (Uber Global HQ)

MB FY 16-17: Accomplishments

- **Financing**
 - Issued 2017 Series C Bonds, generating \$22M for Mission Bay housing
- **Public Open Space**
 - Received design approval from community, BCDC, Port of SF, and OCII Commission: Bayfront Park (P22)
 - Started construction: Mariposa Bayfront Parks (P23 and P24), P2 parking, P11-11a, P19, P27 and P5
 - Accepted by City and Opened for Public Use: Kids' Park (P6) and Mariposa Park (P26)
- **Street Improvements**
 - Continued construction



Mariposa Park (P26)

MB FY 17-18: Work Program

- **Affordable Housing**

- **MBS Block 6 East (143 units):** Complete construction and marketing plan
- **MBS Block 3 East (119 units):** Approve ground lease and construction financing. Started construction
- **MBS Block 6 West (approx. 140 units):** Approve design, ground lease, and construction financing. Started construction
- **MBS Block 9 (approx. 120 units):** Select developer and funded predevelopment
- **MBS Block 4 East:** Issue RFP for developer

- **Golden State Warriors Project**

- Continue construction, completion expected August 2019

- **Public Open Space**

- **Bayfront Park (P22):** Complete construction documents and issued permits
- **Park P3:** Start construction
- **Park P2/P8 Phase 2:** Start construction
- **Mariposa Bayfront Parks (P23 and P24), Dog Park (P5), P2 Parking, Parks 11-11a, P19 and P27:** Complete construction
- **P20:** Remove from the Redevelopment Plan so Port can develop

MB FY 17-18: Work Program

- **Vertical Development Design and Construction**
 - **Office/UCSF:**
 - **Block 40:** Complete construction
 - **Blocks 26/27:** Continue construction, completion expected 2018.
 - **UCSF's Blocks 33/34 and Phase 2 Precision Cancer Medicine Center:** Continue construction
 - **Market-Rate Residential/Hotel:**
 - **Block 1/Residential:** Complete construction
 - **Block 1/Hotel:** Start construction
- **Public Art Program**
 - Continue planning for art in public open space
- **Future Park Management Strategy**
 - Continue working on transition strategy for transferring parks to City
- **Street Improvements**
 - Continue construction of remaining street improvements

Office of Community Investment and Infrastructure

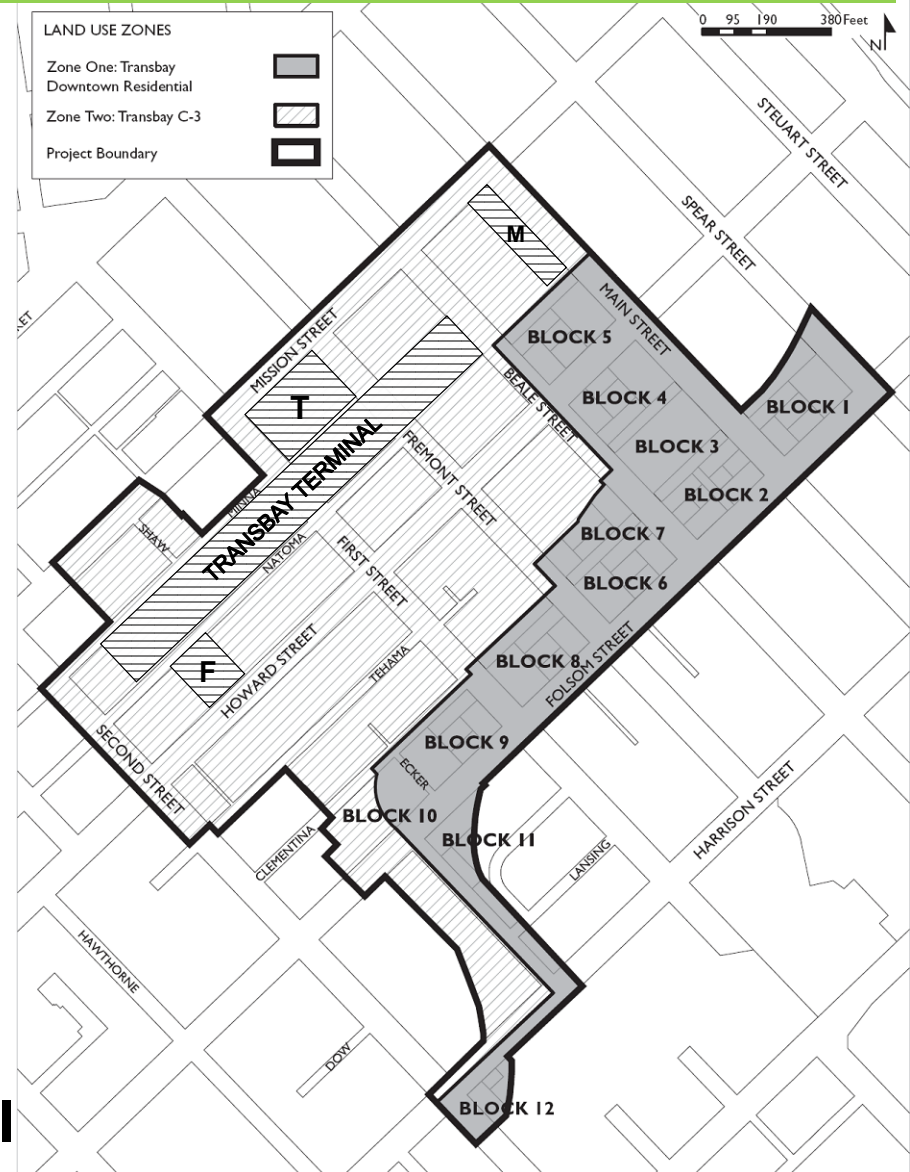
TRANSBAY

Transbay Project Area



TBY: Project Overview

- **Redevelopment Plan - Adopted in 2005**
- **10 acres of formerly State-owned parcels**
- **~3,200 residential units - 35% affordable**
- **2 million sf office**
- **Transbay Transit Center + 5.4-acre rooftop park**
- **4 acres of parks in Zone 1**
- **Neighborhood-serving retail**



TBY FY 16-17: Accomplishments

- **Block 1:** Approved OP/DDA and reviewed design
- **Block 5:** Continued construction
- **Block 6:** Completed construction
- **Block 7:** Continued construction
- **Block 8:** Started construction
- **Block 9:** Continued construction
- **Folsom Street Improvements:** Continued design

TBY FY 17-18: Work Program

- **Develop State-owned and OCII-owned parcels**
 - **Block 1:** Close on land sale and begin construction
 - **Block 5:** Monitor construction
 - **Block 6:** Market affordable housing
 - **Block 7:** Monitor construction and marketing of affordable housing
 - **Block 8:** Monitor construction and marketing of affordable housing
 - **Block 9:** Monitor construction and marketing of affordable housing
- **Neighborhood Infrastructure Development**
 - **Folsom Street Blvd.:** Begin construction
 - **“Under-Ramp” Park:** Complete design
 - **Transbay Park:** Begin design

TBY: Folsom Street Blvd – Start 2017



TBY: “Under-Ramp” Park – Start 2018



TBY: Transbay Park – Start 2018



Office of Community Investment and Infrastructure

Affordable Housing Obligations

Affordable Housing FY 16-17: Accomplishments

1,220 new affordable units in various stages of development

Approximately 2,800 people in new affordable housing

- **Delivered 552 new affordable rental units at:**
 - 106 units - Hunters View
 - 198 units - MBS Block 7W (588 Mission Bay Boulevard North)
 - 66 units - Bill Sorro (200 6th Street, formerly The Hugo Hotel)
 - 182 units - Alice Griffith Phases 1 & 2 (*May 2017*)
- **Selected developer teams/committed predevelopment funds for 431 units:**
 - 140 affordable units and a childcare facility at MBS Block 6W
 - 139 affordable units (25% for formerly homeless households) at CPN 10a
 - 152 affordable units (25% for formerly homeless households) at CPS 11a
- **Oversaw marketing and lease-up or sale for 237 units:**
 - 120 rental units at Dr. Davis Senior Residence in the Bayview
 - 59 family rental units at 350 Friedell (Block 49) in HPS Phase 1
 - 26 affordable inclusionary rental units at Eviva in Mission Bay North
 - 32 affordable inclusionary ownership units

Affordable Housing FY 16-17: Accomplishments

- **Alice Griffith Phases 1&2 (182 units)** - Delivered public housing replacement and new tax credit units
- **Alice Griffith Phase 3 (121 units)** - Oversaw construction and early outreach/marketing
- **Alice Griffith Phase 4 (31 units)** – Committed gap funding
- **TBY Block 8 (149 units)** - Broke ground and initiated early outreach
- **MBS 6E (143 units)** - Committed gap funding and started construction
- **MBS 3E (119 units)** - Approved schematic design and applied for Veterans Housing and Homelessness Prevention Program funds
- **MBS 7E (119 units)**- Delivered new tax credit units
- **Bill Sorro (66 units)** - Delivered new tax credit units at 200 6th Street, SOMA
- **Hunters View (106 units)** – Construction completion

Affordable Housing FY 16-17: Accomplishments

- **Published the second Annual Housing Production Report**
- **Implemented enhanced early outreach and marketing protocols**
- **Added new staff member to accelerate affordable housing production**

HPSY Housing: FY 17-18 Work Program

Site	Aff. Units	Housing Type	FY 17-18 Funding (Est.)	FY 17-18 Workplan Activities
350 Freidell (HPSY1 Block 49)	59	Family Rental	-	•Transfer to MOHCD (inclusionary project)
AG Phase 1	92	HOPE SF	-	•Monitor lease-up •Monitor public housing relocation and demolition •Transfer to MOHCD
AG Phase 2	90	HOPE SF	-	•Monitor lease-up •Monitor public housing relocation and demolition •Transfer to MOHCD
AG Phase 3 (A & B)	121	HOPE SF	-	•Monitor construction •Monitor outreach, marketing and lease-up •Transfer to MOHCD
AG Phase 4	31	HOPE SF	-	•Begin and monitor construction •Monitor early outreach
AG Phase 5	36	HOPE SF	\$3.5 M	•Provide predevelopment funding
AG Phase 6	131	HOPE SF	\$3.5 M	•Provide predevelopment funding
CPN Block 10a	139	Family Rental (25% homeless families)	-	•Approve schematic design •Underwrite gap financing (commit in FY 18-19)
CPS Block 11a	152	Family Rental (25% homeless families)	-	•Approve schematic design •Underwrite gap financing (commit in FY 18-19)
Block 52/54 (HPSY I)	99	Family Rental	\$4.0 M	•Issue RFP and select development team •Negotiate Exclusive Negotiations Agreement •Provide predevelopment funding
Total	950		\$11.5M	

HPSY Housing: FY 17-18 Work Program

Alice Griffith 1 & 2 – TCO May 2017



HPSY Housing: FY 17-18 Work Program

Alice Griffith 3 – TCO November 2017



HPSY Housing: FY 17-18 Work Program

Alice Griffith 4 - Begin Construction



MB Housing: FY 17-18 Work Program

Block	Aff. Units	Housing Type	FY 17-18 Funding (Est.)	FY 17-18 Workplan Activities
7 West	200	Family Rental	-	•Convert to permanent financing •Transfer asset to MOHCD
6 East	143	Family Rental (20% for homeless families)	-	•Monitor construction •Monitor outreach and marketing
3 East	118	Formerly Homeless Low-Income Family Rental	\$39 M	•Provide gap funding •Approve ground lease •Begin construction
6 West	139	Family Rental (20% for homeless families)	-	•Approve schematic design •Underwrite gap funding (commit in FY 18-19)
9	120	Supportive Rental	\$3.5 M	•Select development team •Provide predevelopment funding •Approve schematic design
4 East	TBD	Family Rental	-	•Issue request for proposals
Total	720		\$42.5M	

MB Housing: FY 17-18 Workplan

MBS Block 3 East – Begin Construction



MB Housing: FY 17-18 Workplan

MBS Block 6 East – Continue Construction



MB Housing: FY 17-18 Workplan

MBS Block 6 West – Continue Predevelopment



TBY Housing: FY 17-18 Workplan

Block	Aff. Units	Housing Type	FY 17-18 Funding (Est.)	FY 17-18 Workplan Activities
7	120	Family Rental	-	•Monitor construction •Monitor outreach, marketing, and lease-up
9	109	Family Rental (inclusionary)	-	•Monitor for consistency with inclusionary policy •Monitor construction •Monitor early outreach and marketing
8	149	Family Rental	-	•Monitor construction •Monitor early outreach and marketing
1	156	Family Homeownership	-	•Monitor construction •Monitor early outreach and marketing
2 West	77	Family Rental	\$3.5 M	•Issue RFP •Provide predevelopment funding
2 East	167	Senior Rental	\$3.5 M	•Issue RFP •Provide predevelopment funding
4	TBD	TBD	-	•Select affordable housing developer partner •Negotiate a term sheet and ENA
Total	778		\$7.0M	

TBY Housing: FY 17-18 Workplan

Block 7 – Complete Construction



TBY Housing: FY 17-18 Workplan

Block 8 – Continue Construction



TBY Housing: FY 17-18 Workplan

Block 9 – Continue Construction



Other Housing Activities

- **Inclusionary Marketing Monitoring**
 - Market 15 for-sale BMRs for Blocks 56/57 in HPSY/CP
 - Market 9 for-sale BMRs at 1450 Franklin
 - Utilize MOHCD BMR housing team services through MOHCD MOU
- **Transfer completed projects to MOHCD**

Real Estate & Development Services

- **Development Services**

- Manage existing development agreements, loan agreements, operating agreements, and leases
- Provide technical support to Transbay, Mission Bay, HPS-CP

- **Asset Management**

- Manage assets in Transbay, Mission Bay, HPS-CP and expired/inactive Project Areas
- Dispose of assets per Property Management Plan

Real Estate: 16-17 Accomplishments

- **Property Management Plan**
 - Fillmore Heritage Center Garage and Commercial Parcel transfer anticipated by summer 2017
 - Shoreview Park transfer anticipated by June 2017
- **Yerba Buena Center**
 - Transferred Jessie Square Garage and Mexican Museum site in 2016
- **Yerba Buena Gardens**
 - Performed ongoing property management and support for cultural operators/ programming
 - Completed capital improvements, including HVAC and fountain overhauls and FF&E replacements
- **Rincon Point - South Beach**
 - Performed ongoing management of CFD #1
- **Loan Administration**
 - Compiled inventory of non-housing loans
 - Finalized comprehensive strategy for transferring, assigning and/or restructuring loans for Commission, Oversight Board and DOF approval

Real Estate: FY17-18 Work Plan

- **Manage assets and development obligations in Transbay, Mission Bay, HPS-CP and expired/inactive Project Areas**
- **Provide technical support to Transbay, Mission Bay, HPS-CP**
- **Property Management Plan**
 - Transfer Yerba Buena Gardens (anticipated late 2017)
 - Begin transfer of other properties outside Project Areas
- **Yerba Buena Gardens (until transfer)**
 - Manage operations and capital improvements
 - Support cultural operators and programming and support
- **Rincon-Point South Beach**
 - Issue RFP for landscape maintenance contractor for CFD #1
- **Administer loan portfolio**

FY 17-18 Budget Process Next Steps

- **4/18/17: Commission Workshop #2**
 - Overview of Budget Process
 - Administration/Operations/Debt Service
- **5/02/17: Commission Action**
- **5/03/17: Mayor's Budget Office Submission**
- **6/01/17: Board of Supervisors Submission**

Office of Community Investment and Infrastructure

Questions & Comments