

FY 2026-27 Budget Workshop

April 7, 2026



OCII Mission and Strategic Goals

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 26-27 Major Initiatives – Projects



Under Ramp Park

Infrastructure & Community

- Continue Construction on Mission Bay pump station, park, streets
- Secure permit to construct Under Ramp Park, bid Under Ramp Park, and complete construction of the streetscape for the Block 2 affordable housing project
- Complete street acceptance on Hilltop and related shipyard infrastructure



Mission Bay Block 9A

Housing

- Continue to fund construction of TB 2E, TB 2W
- Begin pre-development on MBS 12W, MBS 4E, and TB 4W
- Project closeout on MBS 9A, HPS 52/54, and HPS 56

Budget: FY 26-27 Process

- 1/12/26 Oversight Board ROPS Workshop
- 1/20/26 Commission ROPS Workshop
- 1/26/26 Oversight Board ROPS Action
- April 2026 DOF Decision on ROPS
- 4/7/26 Commission Budget Workshop
- 4/21/26 Commission Budget Action
- May 2026 Mayor's Budget Office Submission
- June 2026 Board of Supervisors Submission

Budget: FY 26-27 Summary

	Mission Bay	Transbay	Hunters Point Shipyard / Candlestick Point	Debt Service/Non- Projects	Total	Percent
Property Tax	\$0.6	\$34.0	\$1.6	\$138.6	\$174.8	25.8%
Bonds	\$167.3	\$59.6	\$0.0	\$20.0	\$246.9	36.5%
Developer Payments	\$0.3	\$0.1	\$9.8	\$0.1	\$10.2	1.5%
Other Funds	\$0.0	\$0.0	\$0.4	\$0.5	\$0.9	0.1%
Fund Balance	\$130.5	\$12.5	\$7.1	\$11.3	\$161.4	23.9%
Prior Period Authority	\$4.5	\$57.3	\$20.5	\$0.0	\$82.2	12.2%
Total	\$303.2	\$163.5	\$39.3	\$170.4	\$676.4	100.0%

Note: Affordable housing and staffing costs are embedded into Project costs above.

Budget: FY 26-27 Sources

Primary Budget Sources are Bonds, Property Tax, and Fund Balance

Sources	Amount (\$M)	Percent
Property Tax	\$174.8	25.8%
Bonds	\$246.9	36.5%
Developer Payments	\$10.2	1.5%
Other Funds	\$0.9	0.1%
Fund Balance	\$161.4	23.9%
Prior Period Authority	\$82.2	12.2%
Total	\$676.4	100.0%

*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.

Budget: FY 26-27 YOY Sources

Sources	PY Amount (\$M)	CY Amount (\$M)	YOY Change	Percent Change	Explanation
Property Tax	\$136.9	\$174.8	\$37.9	27.7%	Increase due to debt service for new bonds
Bonds	\$133.3	\$246.9	\$113.6	85.2%	Current year bonds reflect cost of issuance for new bonds and funding for infrastructure and replacement housing projects with new bonds
Developer Payments	\$10.3	\$10.2	(\$0.1)	-0.6%	Slight decrease in developer reimbursements in project areas.
Other Funds	\$0.9	\$0.9	(\$0.0)	0.0%	No change.
Fund Balance	\$68.1	\$161.4	\$93.3	137.0%	Increase due to programming funds on hand for affordable housing loans.
Prior Period Authority*	\$272.7	\$82.2	(\$190.5)	-69.9%	Decrease due to continued spending down on affordable housing loans in HPSCP and TBY initiated in prior years and on MBS infrastructure reimbursements from prior year funds; decrease due to delay in Transbay park schedule.
Total Sources	\$622.2	\$676.4	\$54.2	8.7%	

*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.

Budget: FY 26-27 Uses

Primary Uses are Infrastructure & Other Non-Housing, Affordable Housing, and Replacement Housing

Uses	Total	Percent
<u>Direct Program Spending</u>		
Affordable Housing	\$164.4	24.3%
Replacement Housing	\$148.8	22.0%
Infrastructure & Other Non-Housing	\$161.9	23.9%
Project Mgmt & Operations	\$20.8	3.1%
Comm Dev & Workforce	\$1.4	0.2%
Direct Programmatic Subtotal	\$497.3	73.5%
<u>Indirect Program Spending</u>		
Debt	\$146.7	21.7%
TJPA Pass-through	\$32.0	4.7%
Other	\$0.4	0.1%
Indirect Programmatic SubTotal	\$179.1	26.5%
Total	\$676.4	100.0%

*Numbers are slightly off due to rounding.

Budget: FY 26-27 YOY Uses

Uses	PY Amount (\$M)	CY Amount (\$M)	YOY Change	Percent Change	Explanation
<u>Direct Program Spending</u>					
Affordable Housing	\$293.2	\$164.4	(\$128.8)	-43.9%	Decrease due to continued spending on existing loans.
Replacement Housing	\$0.0	\$148.8	\$148.8	N/A - prior year value was zero	Increase due to debt service and programming project funds from bond issuance for Mission Bay 4e Phase 2 and replacement housing project loans
Infrastructure & Other Non-Housing	\$189.5	\$161.9	(\$27.6)	-14.6%	Decrease due to delay in Transbay infrastructure pipeline.
Project Management & Operations	\$20.0	\$20.8	\$0.8	4.1%	Increase due to COLA from existing MOAs and healthcare and pension costs.
Community Development & Workforce	\$1.5	\$1.4	(\$0.1)	-9.3%	Decrease due to spend down of community benefits funds.
Direct Programmatic Subtotal	\$504.1	\$497.3	(\$6.8)	-1.3%	
<u>Indirect Program Spending</u>					
Debt	\$85.8	\$146.7	\$60.9	70.9%	Planned increase in debt service schedule and debt service for new bonds.
Pass-through to TJPA	\$32.0	\$32.0	\$0.0	0.0%	No change
Other	\$0.4	\$0.4	(\$0.0)	0.0%	No change
Indirect Programmatic Subtotal	\$118.2	\$179.1	\$60.9	51.5%	
Total	\$622.2	\$676.4	\$54.2	8.7%	

Mission Bay North & South



MBN & MBS: Budget & Workplan Overview

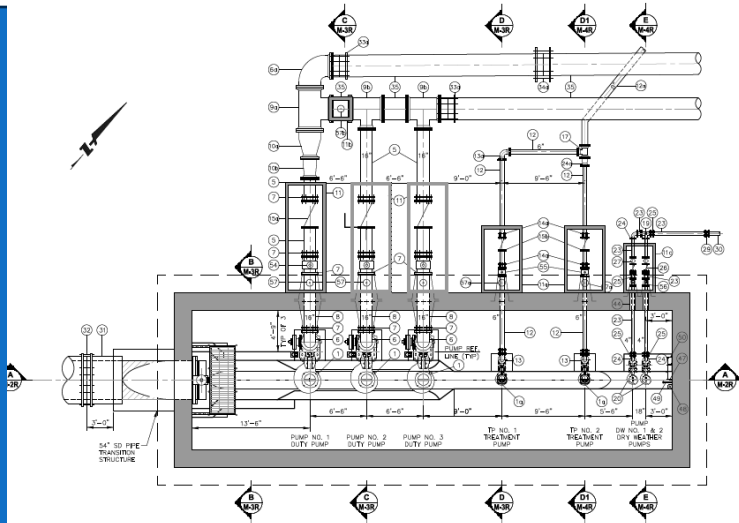
Work Program	Budget Category	Amount (\$M)
Infrastructure Reimbursement		
Reimbursement: Streets, Parks P19 & P2/P8, 5th and King, Bridgeview Way and Stormwater Pump Stations	Development Infrastructure	\$58.2
Plans & Permit Review		
Land Use: Design review for residential and other uses	Staffing	\$2.3
- Infrastructure: Parks (P2/P8) - Commercial: On-going tenant improvements - Reimbursement: City Agencies for infrastructure review	Professional Services	\$3.1
Public Art Program		
Arts Commission MOU: Install Public Art in park	Public Art	\$0.8
Total		\$64.4

MBN & MBS: Sources by Uses

*Primary Source is Prior Period Authority;
Primary Use is Development Infrastructure*

Uses	Sources	Bonds	Developer Payments	Fund Balance	Grand Total
Allocated Staff & Operating Expenses		\$0.0	\$2.3	\$0.0	\$2.3
Development Infrastructure		\$42.3	\$0.0	\$15.9	\$58.2
Other Professional Services		\$2.5	\$0.6	\$0.0	\$3.1
Public Art		\$0.0	\$0.8	\$0.0	\$0.8
Grand Total		\$44.8	\$3.7	\$15.9	\$64.4

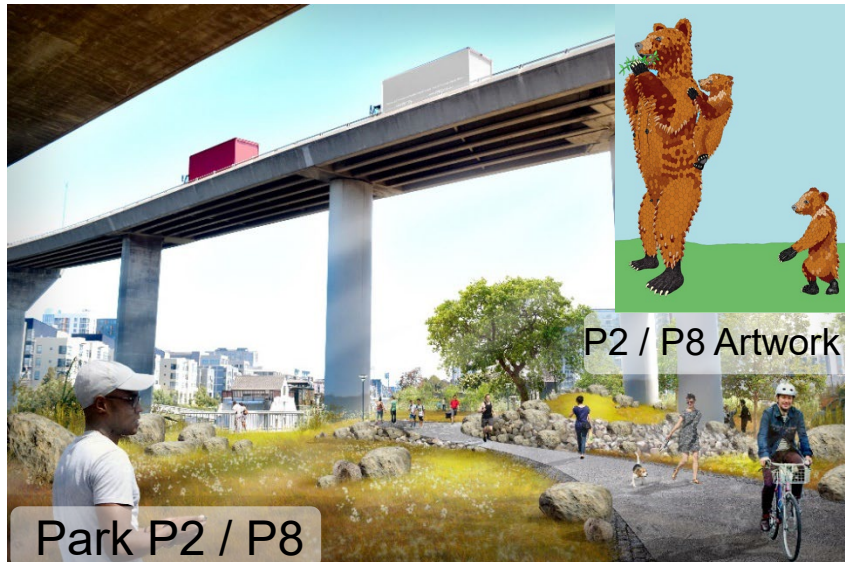
Mission Bay: Project Photos



Stormwater Pump Station (subterranean),
Park P1



5th and King



Park P2 / P8



Bridgeview Way

Office of Community Investment and Infrastructure

Transbay



Transbay: Budget & Workplan Overview

Work Program	Budget Category	Amount (\$M)
Infrastructure Development		
- Design, Permit & Begin Construction: Under Ramp Park - Procure stakeholder feedback about programming: Block 3 Park project	Development Infrastructure	\$90.2
Pass-through to TJPA	Property Tax	\$32.0
Project and Property Management, Plans & Permit Review		
- Infrastructure: Under Ramp Park - Activation & Property Management: Former Temporary Terminal site & Essex Open Space	Staffing	\$2.4
	Legal Services	\$0.0
	Professional Services	\$0.7
Total		\$125.3

Transbay: Sources by Uses

*Primary Source is Bonds;
Primary Uses are Developer Infrastructure and Pass-through to TJPA*

Sources Uses	Bonds	Developer Payments	Fund Balance	Property Tax	Grand Total
Allocated Staff & Operating Expenses	\$0.0	\$0.0	\$0.4	\$2.0	\$2.4
Development Infrastructure	\$84.0	\$0.0	\$6.1	\$0.0	\$90.2
Legal Services	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Professional Services	\$0.0	\$0.1	\$0.6	\$0.0	\$0.7
Pass-through to TJPA	\$0.0	\$0.0	\$0.0	\$32.0	\$32.0
Grand Total	\$84.0	\$0.1	\$7.2	\$34.0	\$125.3

Transbay: Project Renderings & Photos

East Clementina extension



Under Ramp Park



Interim Activation of former Temp Terminal

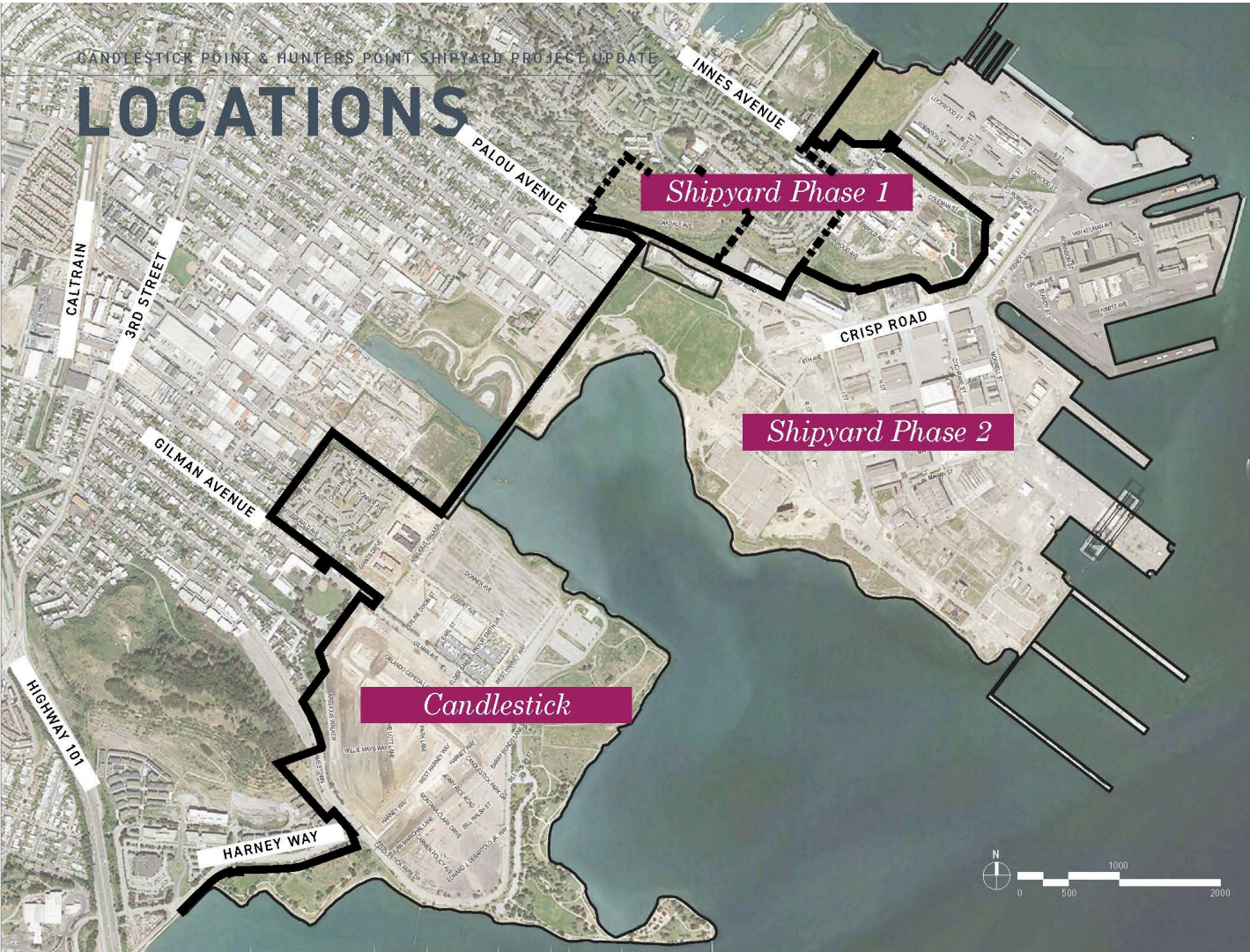


Under Ramp Park Concessions Building



Office of Community Investment and Infrastructure

Hunters Point Shipyard Phases 1 & 2 / Candlestick Point



CONTEXT MAP
Scale: NTS

HPS/CP: Budget & Workplan Overview

Work Program	Budget Category	Amount (\$M)
Plans & Permit Review		
- Infrastructure: CP Construction - Housing: Two Candlestick Blocks	Staffing	\$3.1
	Legal Services	\$1.1
	Planning & Infrastructure Review	\$4.9
	Professional Services	\$1.4
Community Development & Workforce		
Legacy Foundation, Contractor Assistance, College Readiness, Neighborhood Building, Scholarship, Education Improvement, Surety Bond	Grants to Community Based Organizations	\$1.2
Infrastructure Reimbursement		
Reimbursement of Predevelopment Costs	Development Infrastructure	\$1.8
Lease Payments		
Lease Payments to Navy	Payments to Other Public Agencies	\$0.4
Total		\$13.8

HPS/CP: Sources by Uses

Primary Source is Developer Payments; Primary Use is Planning & Infrastructure.

Uses	Sources	Developer Payments	Fund Balance	Property Tax	Rent & Lease Revenue	Grand Total
Allocated Staff & Operating Expenses		\$2.3	\$0.5	\$0.3	\$0.0	\$3.1
Development Infrastructure		\$0.0	\$0.0	\$1.3	\$0.0	\$1.3
Grants to Community-Based Organizations		\$0.0	\$1.3	\$0.0	\$0.0	\$1.3
Legal Services		\$1.1	\$0.0	\$0.0	\$0.0	\$1.1
Other Professional Services		\$1.4	\$0.0	\$0.0	\$0.0	\$1.4
Payments to Other Public Agencies		\$0.0	\$0.0	\$0.0	\$0.4	\$0.4
Planning & Infrastructure Rvw		\$4.9	\$0.0	\$0.0	\$0.0	\$4.9
Real Estate Development Services		\$0.0	\$0.3	\$0.0	\$0.0	\$0.3
Workforce Development Services		\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
Grand Total		\$9.8	\$2.1	\$1.6	\$0.4	\$13.8

HPS/CP: Project Photos



Candlestick: Rendering



Candlestick: Rendering



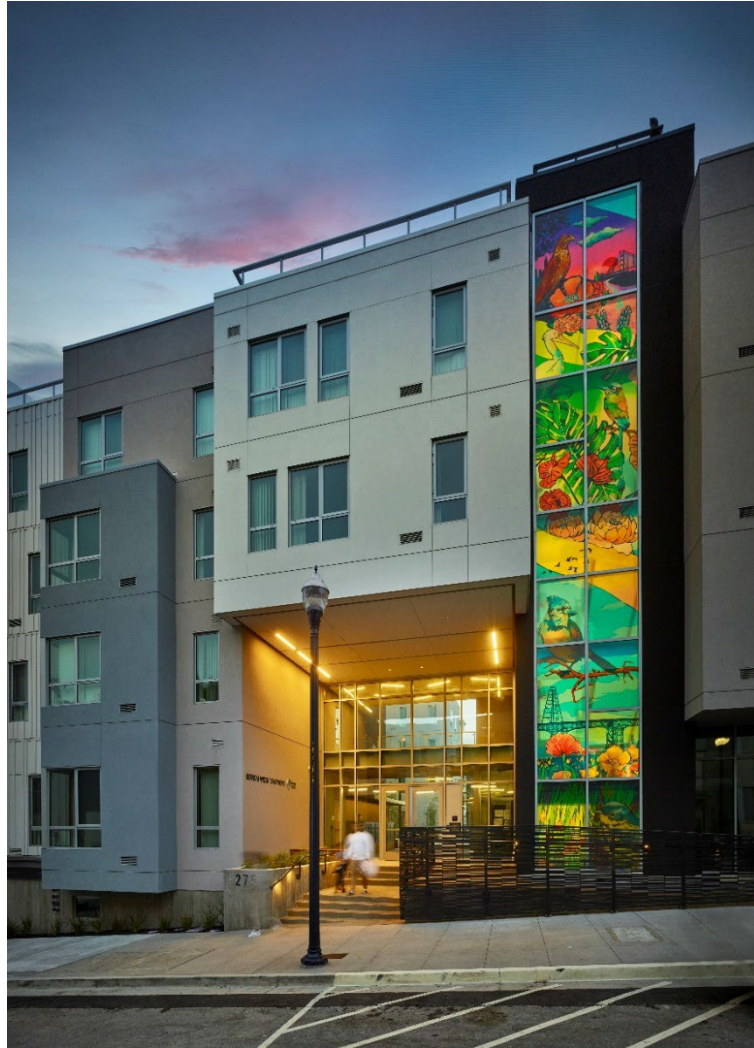
Candlestick: Harney Way & Arelious Walker Dr. Rendering



Candlestick: Aerial Rendering

Office of Community Investment and Infrastructure

Affordable Housing



*The Dorris M. Vincent Apartments on Hunters Point Shipyard Phase 1 Block 56 at 275 Coleman (73 units, completed in April 2025).
Artist's name is Josué Rojas*

MBS Affordable Housing

Project	Loan Type	Amount (\$M)	Number of Units	Anticipated Completion Date
MBS Block 4E Phase 1	Continued Predevelopment, Gap Loan	\$99.4	165 units	April 2029
Total		\$99.4	165 units	



Mission Bay South Block 4E Phase 1

Transbay Affordable Housing

Project	Loan Type	Amount (\$M)	Number of Units	Anticipated Completion Date
Transbay Block 2 West	Continued Construction	\$18.9	151 units	January 2026
Transbay Block 2 East	Continued Construction	\$9.1	184 units	April 2026
Transbay Block 4W	Predevelopment	\$10.0	325 units	TBD
Total		\$38.1	660 units	

HPS/CP Affordable Housing

Project	Loan Type	Amount (\$M)	Number of Units	Anticipated Completion Date
CPN Block 10a	Continued Predevelopment	\$.3	156 units	TBD
CPS Block 11a	Continued Predevelopment	\$3.7	176 units	TBD
HPS Block 52/54	Construction	\$9.7	112 units	April 2025
HPS Block 56	Construction	\$6.8	73 units	February 2025
CPN Block 7	Predevelopment	\$5.0	100 units	TBD
Total		\$25.5	617 units	



Hunters Point Shipyard Block 52/54



Hunters Point Shipyard Block 56

Replacement Housing

Replacement Housing Background

Senate Bill No. 593 (“SB 593”) which was enacted in October 2023 and became effective on January 1, 2024, authorizes OCII to use a limited form of tax increment financing to fund and develop the 5,842 units that the former SFRA destroyed and that were never replaced (“Replacement Housing Obligation”).

SB 593 authorizes debt financing secured by redevelopment property tax increment that would otherwise be allocated to the City and County of San Francisco after other existing obligations of OCII are paid (“RPTTF Residual”).

SB 593 relies on the standards in the Community Redevelopment Law for developing replacement housing. See SB 593, Section 1 (n) (providing that OCII shall “to the greatest extent feasible, replace the amount of lost units . . . according to the formulas in Section 33413 of the Health and Safety Code”). Section 33413 provided that the replacement housing units:

- may be built anywhere within the territorial jurisdiction of the city or county in which the redevelopment agency was located;
 - must be available at “affordable housing cost to persons in the same or a lower income category (low, very low, or moderate), as the persons displaced from those destroyed or removed units;”
 - must remain affordable “for the longest feasible time, [which] includes, but is not limited to, unlimited duration;”
 - must be subject to affordability restrictions enforceable through recorded covenants; and
- are independent of a redevelopment agency’s other obligations to produce housing.

Replacement Housing

Project	Loan Type	Amount (\$M)	Number of Units	Anticipated Completion Date
MBS Block 4E Phase 2	Continued Predevelopment Loan/Gap	\$128.8	233 units	March 2030
MBS Block 12W Phase 1	Predevelopment	\$5.0	157 units	TBD
MBS Block 12W Phase 2	Predevelopment	\$5.0	161 units	TBD
Freedom West	Predevelopment/Gap	\$10.0	250 units	TBD
Total		\$148.8	801 units	



Mission Bay South Block 4E Phase II

Debt

Debt: Sources by Uses

*Primary source is Property Tax;
Primary use is Debt Service for existing TAB Bonds*

Uses	Sources	Bonds	Fund Balance	Property Tax	Grand Total
Debt Service - OCII TAB Bonds		\$0.0	\$0.0	\$108.6	\$108.6
Other Debt		\$0.0	\$6.5	\$0.0	\$6.5
Other Professional Services		\$10.0	\$0.0	\$0.0	\$10.0
Debt Service - Replacement Housing Bonds		\$0.0	\$0.0	\$21.6	\$21.6
Total		\$10.0	\$6.5	\$130.2	\$146.7

Debt: Estimated Bond Issuances

Bond	Issuance Amount	Estimated Debt Service
2026 Transbay taxable**	\$75.4M	\$8.6M
2027 Housing taxable	\$86.0M	\$8.0M
2026 Mission Bay South**	\$48.0M	\$4.3M
2027 Replacement Housing taxable	\$189.0M	\$21.6M
Total	\$398.4M	\$42.5M

***The bond not-to-exceed approvals for Transbay and Mission Bay South were received in FY 25-26.*

Estimated Savings

Savings Schedule

- Savings generated by refinancing existing bonds at an interest rate of 5.0% with refunding bonds at an interest rate estimated at 4.5%

Bond Year Ending 8/1	2014A, 2016B&C Refunded Debt Service	2026D Refunding Debt Service	Savings
2027	11,908,000	11,117,104	790,896
2028	11,908,250	11,116,500	791,750
2029	11,910,500	11,125,250	785,250
2030	11,909,000	11,120,750	788,250
2031	11,908,250	11,123,000	785,250
2032-43	142,904,750	131,963,250	10,941,500
Total	\$202,448,750	\$187,565,854	\$14,882,896

Assumptions

- Key assumptions used in Municipal Advisor's Debt Service Savings Analysis:

Bond Series	Bond Proceeds (\$ Millions)	True Interest Cost	Underwriter's Discount
2026C	\$40.6	4.5%	0.3%
2026D	\$131.0	4.5%	0.3%

Operations

Operations: Information Management Division

- The Information Management Division includes IT, Records and OCII Website.
- Information Management Infrastructure Updates:
 - PowerBI Centralized Database
 - Website Accessibility Audit

Operations: PowerBI Centralized Database

- OCII/Diamond Technology Inc. are currently migrating the Agency's Seven Databases from Microsoft Access to Microsoft Power BI.
- The Migration will occur in 3 Phases:

Phase One	Phase Two	Phase Three
1. Resolution 2. Bond	3. Contract Compliance 4. Contracts 5. Correspondence	6. Forward Calendar 7. Records Storage

- Resolution and Bond Databases are currently undergoing quality assurance review before launching Agency-Wide

Operations: Website Accessibility Audit Update

- This audit entails reviewing our website for accessibility standards for those with learning differences and for an audience with a wide range of disabilities.
- Our initial accessibility guideline score was 6 out of 10.
- FivePaths, our website development collaborator, has invested significant time and effort to raise our current score to 8.5 of 10.
- Next Phase: PDF remediation
 - The Audit revealed a substantial need to provide more accessible version of PDFs. OCII/FivePaths are exploring PDF transcription software to aid in the effort.

Operations: Uses Detail

Operations: \$21.2M total

- **\$11.5M Existing Staff Salaries & Benefits**

- 40 Full Time Equivalent (FTE) positions
- COLA per MOAs

- **\$5.2M in Non-Labor Costs**

- City Department Work Orders, Software and IT, Other Current Expenses, Professional Services, Insurance

- **\$4.5M Retiree Obligations**

- \$3.7M for current pension
- \$0.8M for current retiree health benefits

Operations: YOY

YOY increase is due to COLA per MOAs, and an increase in retiree health and pension costs per actuarial liability schedule

	PY Amount (\$M)	CY Amount (\$M)	YOY Change	% Change	Explanation
Sources					
Bond Proceeds	\$1.0	\$0.9	(\$0.1)	-10.0%	Slight decrease in use of bond proceeds for staff time on eligible bond funded projects.
Reserve Funds	\$1.2	\$0.6	(\$0.6)	-50.0%	Decrease due to spend down of available Reserve funds for staff time.
Other Funds	\$6.9	\$7.7	\$0.8	11.6%	Increase due to use of Other funds on staff time in current year.
Property Tax	\$10.8	\$12.0	\$1.2	11.1%	Increase due to retiree healthcare and pension costs and spend down of Reserve in Prior Year that is no longer available in FY 26-27.
Total	\$20.0	\$21.2	\$1.2	6.0%	
Uses					
Salaries and Benefits	\$10.2	\$11.5	\$1.3	12.7%	Increase due to COLA and increased benefit costs.
Non-Labor	\$5.6	\$5.2	(\$0.4)	-7.1%	Decrease due to rightsizing costs based on prior year actuals.
Retiree Health and Pension	\$4.2	\$4.5	\$0.3	7.1%	Increase in healthcare and pension costs per actuarial liability schedule.
Total	\$20.0	\$21.2	\$1.2	6.0%	

Operations: Work Orders with City Departments Detail

Work Orders with ADM for Rent, Mail, OLSE, and with Mayor's Office of Housing & Community Development are the largest

Department	Service	Amount (\$M)
Office of City Administrator (ADM)	Rent, Mail, Office of Labor Standards Enforcement	\$1.0
Mayor's Office of Housing & Community Development (MOHCD)	Affordable Housing Services	\$0.9
Controller	Accounting and Audit Services	\$0.3
Department of Technology	IT Services	\$0.1
Office of Economic and Workforce Development (OEWD)	Contract Compliance Support	\$0.1
City Attorney	Legal Services	\$0.1
Treasurer Tax Collector	Investment Management	\$0.1
Total		\$2.5

OCII Budget: FY 26-27 Highlights

- FY 26-27 Budget is \$676.4M, an increase of \$54.2M from prior year
- Labor expenses make up \$11.5M or 1.7% of total budget
- Staffing levels unchanged from prior year; 40 FTE
- FY 26-27 Budget includes 4 bond issuances:
 - 2026 Transbay taxable
 - 2027 Housing taxable
 - 2026 Mission Bay South
 - 2027 Replacement Housing taxable
- Workplan reflects 13 affordable housing projects:
 - Predevelopment: CP Block 7, CP Block 11A, Transbay Block 4, MBS Block 12W
 - Gap: TB 2W, TB 2E, HPS 52/54, HPS 56, MBS 4E Phase 1, MBS 4E Phase 2

Budget: FY 26-27

Questions?