Office of Community Investment and Infrastructure

FY 2024-25 Budget Workshop

April 2, 2024

OCII

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 24-25 Major Initiatives – Projects

Transbay Block 3 Park & Streetscape Improvement Project

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

Mission Bay Block 9A

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 Process

- 1/8/24 OSB ROPS Workshop
- 1/16/25 Commission ROPS Workshop
- 1/24/24 OSB ROPS Action
- April 2024 DOF Decision on ROPS
- 4/2/24 Commission Budget Workshop
- 4/16/24 Commission Budget Action
- 5/1/24 Mayor's Budget Office Submission
- 6/1/24 Board of Supervisors Submission

Budget: FY24-25 Summary

	Mission Bay	Transbay	Hunters Point Shipyard / Candlestick Point	Debt Service/Non-Projects	Total	*Percent*
Property Tax	$5.1	$35.2	$2.6	$117.5	$160.4	*23.4%*
Bonds	$0.0	$64.0	$0.0	$0.0	$64.0	*9.3%*
Developer Payments	$0.2	$94.1	$10.3	$0.0	$104.6	*15.3%*
Other Funds	$0.0	$0.0	$0.0	$6.2	$6.2	*0.3%*
Fund Balance	$25.1	$7.7	$5.8	$5.5	$44.0	*6.4%*
Prior Period Authority	$43.9	$182.7	$72.9	$6.6	$306.0	*44.7%*
Total	**$74.2**	**$383.7**	**$91.5**	**$135.8**	**$685.2**	***100.0%***

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

Budget: FY24-25 Sources

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

Sources	Amount ($M)
Property Tax	$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.

Budget: YOY Sources

Sources	PY Amount ($M)	CY Amount ($M)	YOY Change	Explanation
Property Tax	$141.3	$160.4	$19.1	Increase due to planned increase in debt service schedule and MB infrastructure reimbursements.
Bonds	$127.9	$64.0	($63.9)	PY bonds reflect new affordable housing and infrastructure bonds issued.
Developer Payments	$22.4	$104.6	$82.2	Increase due to developer fees for affordable housing projects.
Other Funds	$5.5	$6.2	$0.7	Increase due to staff time on CFD work.
Fund Balance	$142.1	$44.0	($98.1)	Decrease due technical requirement to place all refunding proceeds for 2016D in PY budget and continued spend down on affordable housing loans and infrastructure projects.
Prior Period Authority*	$273.5	$306.0	$32.5	Increase due to continued spending on projects initiated in PY.
Total Sources	**$712.5**	**$685.2**	**($27.3)**	

*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: FY24-25 Uses

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%*

Budget: YOY Uses

Uses	PY Amount ($M)	CY Amount ($M)	YOY Change	Explanation
Direct Program Spending				
Affordable Housing	$331.6	$342.9	$11.3	Increase due to new affordable housing loans.
Replacement Housing	$0.0	$0.7	$0.7	This is the first year we are requesting replacement housing funds.
Infrastructure & Other Non-Housing	$178.7	$170.4	($8.3)	Decrease due to spend down on Mission Bay developer reimbursements.
Project Management & Operations	$20.0	$21.0	$1.0	Increase due to annual actuarial adjustments for retiree health and benefits and current year COLA.
Community Development & Workforce	$2.1	$1.9	($0.2)	Decrease due to spend down of community benefits funds.
Direct Programmatic Subtotal	**$532.4**	**$536.9**	**$4.5**	
Indirect Program Spending				
Debt	$146.1	$114.7	($31.4)	Decrease due to technical requirement in PY to place all refunding bond proceeds in budget.
Pass-through to TJPA	$33.7	$33.2	($0.5)	Decrease due to rightsizing based on most recent actuals.
Other	$0.4	$0.4	$0.0	No change. Lease payments to Navy.
Indirect Programmatic Subtotal	**$180.2**	**$148.2**	**($32.0)**	
Total	**$712.5**	**$685.2**	**($27.3)**	

Mission Bay North & South

MBN & MBS: FY24-25 Budget & Workplan Overview

Work Program	Budget Category	Amount ($M)
Infrastructure Reimbursement		
• Reimbursement: Streets, Parks P22, P19 & P2/P8, 5th and King , Bridgeview Way and Stormwater Pump Stations	Development Infrastructure	$32.6
Plans & Permit Review		
• Land Use: Design review for residential and other uses • Infrastructure: Parks (P2/P8) • Commercial: Design review of a new building, tenant improvements. • Reimbursement: City Agencies for infrastructure review.	Staffing	$2.5
	Professional Services	$3.6
Public Art Program		
• Arts Commission MOU: Install Public Art in park	Public Art	$1.0
Total		**$39.7**

**Numbers are slightly off due to rounding.*

MBN & MBS: FY24-25 Sources by Uses

Primary Source is Bond Proceeds;
Primary Use is Infrastructure.

Sources (M) / Uses	PILOT/ Developer Payments & Fees	Bond Proceeds	Property Tax (Prior Year and Current Year)	Public Art Fees	Total
Infrastructure Development	$0.1	$15.4	$17.1	-	$32.6
Staffing & Support Expenses	$2.5	-	-	-	$2.5
Professional Services	$0.6	$2.9	$0.1	-	$3.6
Public Art	-	-	-	$1.0	$1.0
Total	**$3.2**	**$18.3**	**$17.2**	**$1.0**	**$39.7**

**Numbers are slightly off due to rounding.*

Mission Bay: Project Photos

MBS Affordable Housing

Project	Loan Type	Amount ($M)	Number of Units	Anticipated Completion Date
Existing Loans				
MBS 9A	Construction	$20.5	148 units	September 2024
New Loans				
MBS Block 4E (A&B)	Predevelopment Loan	$7.0	273 units	TBD
MBS Block 12W (A&B)	Predevelopment Loan	$7.0	318 units	TBD
Total		**$34.5**		

Mission Bay South Block 9A

Office of Community Investment and Infrastructure

Transbay

Transbay: FY24-25 Budget & Workplan Overview

Work Program	Budget Category	Amount ($M)
Infrastructure Development		
• Construction Closeout: Folsom Streetscape close out • Design: Under Ramp Park • Construction Start: Block 3 Park & Infrastructure project	Development Infrastructure	$116.2
• Pass-through to TJPA	Property Tax	$33.2
Project and Property Management, Plans & Permit Review		
• Infrastructure: Block 3 Park & Infrastructure Project, & Under Ramp Park • Activation & Property Management: Former Temporary Terminal site & Essex Open Space	Staffing	$1.4
	Legal Services	$0.0 *($35k)*
	Professional Services	$1.2
Total		**$152.1**

**Numbers are slightly off due to rounding.*

Transbay: FY24-25 Sources by Uses

Primary Source is Bonds;
Primary Uses are Development Infrastructure & TJPA Pass-Through.

Sources (M) / Uses	Bond Proceeds	Developer Payments	Other	Property Tax	Total
Development Infrastructure	$106.6	-	$9.0	$0.6	$116.2
Staffing & Support Expenses	-	$0.1	-	$1.3	$1.4
Legal Services	-	$0.0 *($30k)*	-	$0.0 *($5k)*	$0.0 *($35k)*
Professional Services	-	$0.6	$0.5	$0.1	$1.2
Pass-through to TJPA	-	-	-	$33.2	$33.2
Total	**$106.6**	**$0.7**	**$9.5**	**$35.2**	**$152.1**

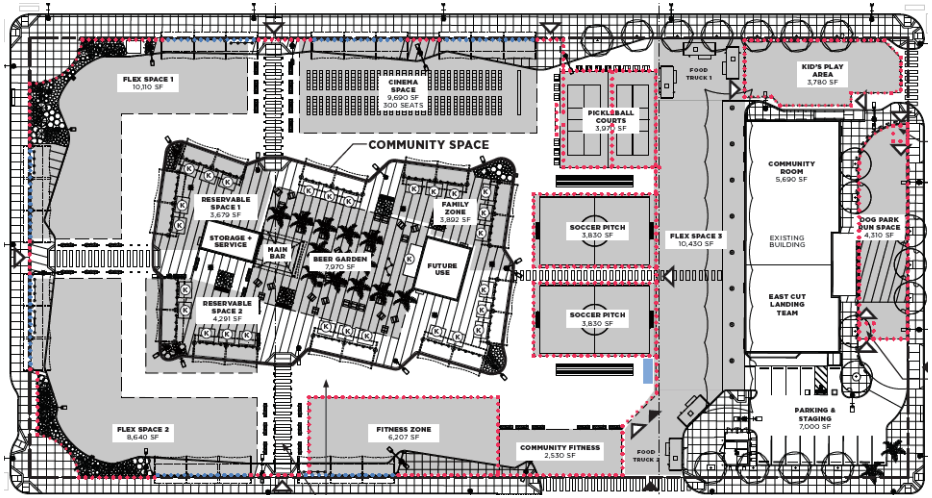
**Numbers are slightly off due to rounding.*

Transbay: Project Renderings & Photos


Block 3 Park


Under Ramp Park

Interim Activation of former Temp Terminal




Under Ramp Park

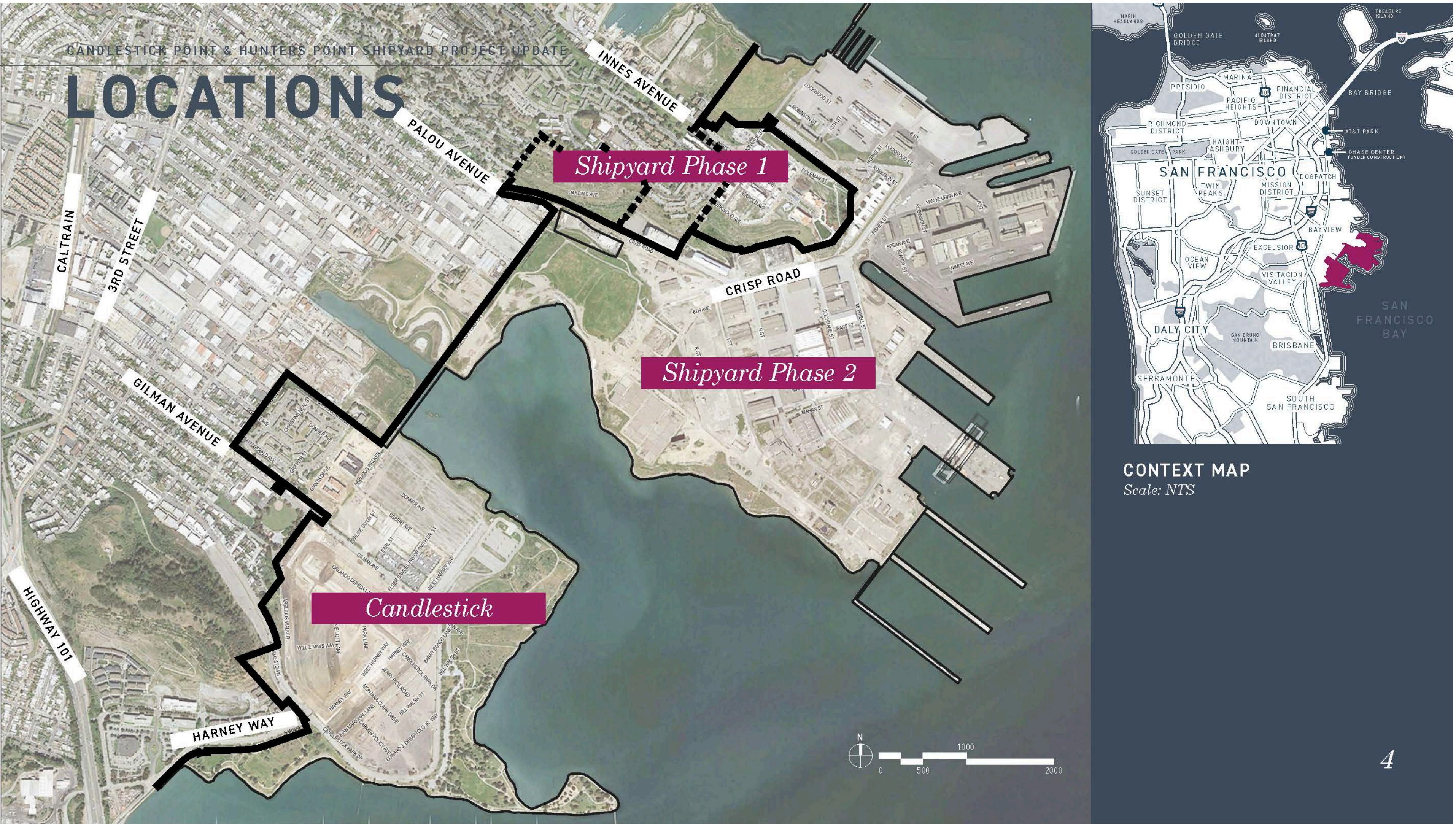
Transbay Affordable Housing

Work program includes 2 new and 2 existing affordable housing loans.

Project	Loan Type	Amount ($M)	Number of Units	Anticipated Completion Date
Existing Loans				
Transbay Block 2 West	Construction	$61.9	151 units.	January 2026
Transbay Block 2 East	Construction	$69.2	184 units	April 2026
New Loans				
Transbay Block 12	Predevelopment	$3.5	80 units	TBD
Transbay Block 4	Predevelopment/ Construction	$97.0	202 units	TBD
Total		**$231.7**		

Office of Community Investment and Infrastructure

Hunters Point Shipyard Phases 1 & 2 / Candlestick Point



HPS/CP: FY24-25 Budget & Workplan Overview

Work Program	Budget Category	Amount ($M)
Plans & Permit Review		
• Land Use: Candlestick • Infrastructure: HPS1 parks & streets • Housing: HPS1 Blocks 1, 52, & 54/56	Staffing	$3.6
	Legal Services	$1.1
	Planning & Infrastructure Review	$5.0
	Professional Services	$1.6
Community Benefits Grants		
• Legacy Foundation, Contractor Assistance, College Readiness, Neighborhood Building, Scholarship, Education Improvement, Surety Bond	Grants to Community Based Organizations	$1.8
Infrastructure Reimbursement		
• Reimbursement of Predevelopment Costs	Infrastructure Development	$1.5
Lease Payments		
• Lease Payments to Navy	Payments to Other Public Agencies	$0.4
Total		**$15.1**

**Numbers are slightly off due to rounding.*

HPS/CP: FY24-25 Sources by Uses

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

Sources (M) Uses	Bond Proceeds	Developer Payments	Property Tax	Rent/ Other	Total
Staffing & Support Expenses	-	$2.5	$1.1	-	$3.6
Legal Services	-	$1.1	-	-	$1.1
Planning & Infrastructure	-	$5.0	-	-	$5.0
Professional Services	-	$1.6	-	-	$1.6
Grants to Community Based Organizations	-	$1.8	-	-	$1.8
Infrastructure Development	-	-	$1.5	-	$1.5
Workforce Development	-	$0.1	-	-	$0.1
Payments to Other Agencies (Navy)	-	-	-	$0.4	$0.4
Total	**-**	**$12.1**	**$2.6**	**$0.5**	**$15.1**

**Numbers are slightly off due to rounding.*

HPS/CP: Project Photos

Phase 1 Parks

Artists' Building 101 Improvements

HPS/CP Affordable Housing

Project	Loan Type	Amount ($M)	Number of Units	Anticipated Completion Date
Existing Loans				
CPN Block 10a	Predevelopment	$1.6	156 units	TBD
CPS Block 11a	Predevelopment	$1.2	176 units	TBD
HPS Block 52/54	Predevelopment & Construction	$43.6	112 units	April 2025
HPS Block 56	Predevelopment & Construction	$26.5	73 units	February 2025
New Loans				
HPS Block 48	Predevelopment	$4.0	144 units	TBD
Total		**$76.8**		

Hunters Point Shipyard Block 52/54

Hunters Point Shipyard Block 56

Replacement Housing

Replacement Housing: Sources and Uses

Other and RPTTF Residual are the sources.
The funds will be used for staffing and professional services costs.

Sources ($M) / Uses	Bond Proceeds	Reserve Balance	Other Funds	RPTTF Non-Admin	RPTTF Residual	RPTTF Admin	Total
Admin	-	-	$0.4	-	$0.3	-	$0.7
Total	**-**	**-**	**$0.4**	**-**	**$0.3**	**-**	**$0.7**

**Numbers are slightly off due to rounding.*

- Staffing costs of planning for first Replacement Housing Bond Issuance anticipated in FY 25/26 including:
  - Solicitation of and collaboration with the bond financing team and City to determine initial issuance amount
  - Collaboration with MOHCD to determine a list of projects that may be candidates for initial bond issuance

Debt

Debt: Sources & Uses

Property Tax is primary source.
Debt Service for existing TAB Bonds is primary use.

Sources ($M) Uses	Bond Proceeds	Reserve Funds	Other Funds	Property Tax	Total
Debt Service - Existing TAB Bonds	$3.2	-	-	$106.8	$110.0
Other Debt	-	-	$4.7	-	$4.7
Total	**$3.2**	**-**	**$4.7**	**$106.8**	**$114.7**

Operations

Operations: Uses Detail

Operations: $21.0M total

- **$10.3M Existing Staff Salaries & Benefits**
  - 55 Full Time Equivalent (FTE) positions
  - 15 vacancies, held for increase in development activity (hiring occurring for retirements/attrition)
  - COLA
- **$6.8M in Non-Labor Costs**
  - City Department Work Orders, Software and IT, Other Current Expenses, Professional Services, Insurance
- **$3.9M Retiree Obligations**
  - $3.0M for current pension
  - $0.9M for current retiree health benefits

**Numbers are slightly off due to rounding*

Operations: YOY

	FY 23-24	FY 24-25	Change
Sources			
Bond Proceeds	$0.1	$0.9	$0.8
Reserve Funds	$0.6	$1.0	$0.4
Other Funds	$10.2	$5.9	($4.3)
Property Tax	$9.1	$13.2	$4.1
Total	**$20.0**	**$21.0**	**$1.0**
Uses			
Salaries and Benefits	$9.9	$10.3	$0.4
Non-Labor	$6.6	$6.8	$0.2
Retiree Health and Pension	$3.5	$3.9	$0.4
Total	**$20.0**	**$21.0**	**$1.0**

YOY increase is due to increase in retiree health and pension costs per actuarial liability schedule and increased COLA.

Operations: Key Enhancements & Improvements

- New Payroll & Human Resources Information System
- Centralized Database Management System for our data and records management
- Microfiche Digitization
- Website Phase 2 Upgrades

Operations: Organizational Development

Cultivating Collaboration & Community:

- March 22, 2024 All-Staff Retreat
  - OCII held its first post-pandemic staff retreat at South Beach Harbor.

- FY 24/25 Activities
  - Quarterly All-Staffs
  - Knowledge Sharing through Brown Bags Trainings

Operations: Staffing

Division	Position
ACTIVE RECRUITMENT	
Design-Review Planning	Associate Planner
Finance/Administration	Accountant IV
Housing	AFH Assistant Development Specialist
Legal	Deputy General Counsel
Project Management	HPS/CP Development Specialist
PLANNED RECRUITMENT IN THE NEXT 6 MONTHS	
Contract Compliance	Contract Compl. Sp. II
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	Asst Project Manager
Project Management	Development Specialist
Project Management	HPS/CP Asst. Project Manager
Project Management	Project Manager
Staff Associate	Staff Associate II-Media Relations
HELD FOR FUTURE NEEDS	
Development Services	Development Services Manager
Engineering	Senior Civil Engineer

Operations: Work Orders with City Departments Detail

Work Orders with Mayor's Office of Housing/Comm. Dev. and with ADM for Rent, Mail, OLSE & are largest.

Department	Service	Amount ($M)
Mayor's Office of Housing and Comm. Dev. (MOHCD)	Affordable Housing Services	$1.4
Office of City Administrator (ADM)	Rent, Mail, OLSE	$0.9
Controller	Accounting and Audit Services	$0.3
Department of Technology	IT Services	$0.3
Office of Economic and Workforce Development (OEWD)	Contract Compliance Support	$0.1
City Attorney	Legal Services	$0.1
Treasurer Tax Collector	Investment Management	$30k
Planning Department	Planning Review	$26k
Total		**$3.1**

OCII Budget: FY 24-25 Highlights

- FY 24-25 Budget is $685.2M.
- Operational expenses make up $21.0M or 3.1% of FY 24-25 Budget
- Staffing levels unchanged from prior year; 55 FTE
- Budget also includes $400k of COP enhancements
- Budget includes 8 existing affordable housing loans and 4 new affordable housing loans

Project	Type	Amount ($M)	Number of Units
HPS Blocks 52/54	Gap Loans	$43.6	112
HPS Block 56	Gap Loan	$26.5	73
CP Block 11a	Predevelopment Loan-On hold	$1.2	176
CP Block 10a	Predevelopment Loan-On hold	$1.6	156
TB Block 2 West	Gap Loan	$61.8	151
TB Block 2 East	Gap Loan	$69.2	184
MBS Block 4E	Predevelopment Loan	$7.0	273
MBS Block 9A	Gap Loan and Additional Gap Loan	$20.5	148
Subtotal Existing		**$231.4**	**1273**
HPS Block 48	Predevelopment Loan	$4.0	144
TB Block 4	Predevelopment & Gap Loan-On hold	$97.0	202
TB Block 12	Predevelopment Loan	$3.5	80
MBS Block 12W	Predevelopment Loan	$7.0	318
Subtotal New		**$111.5**	**744**
Total		**$342.9**	**2017**

Budget: FY 24-25

Questions?