

Community Facilities Districts (CFD) Budgets Workshop

April 2, 2024



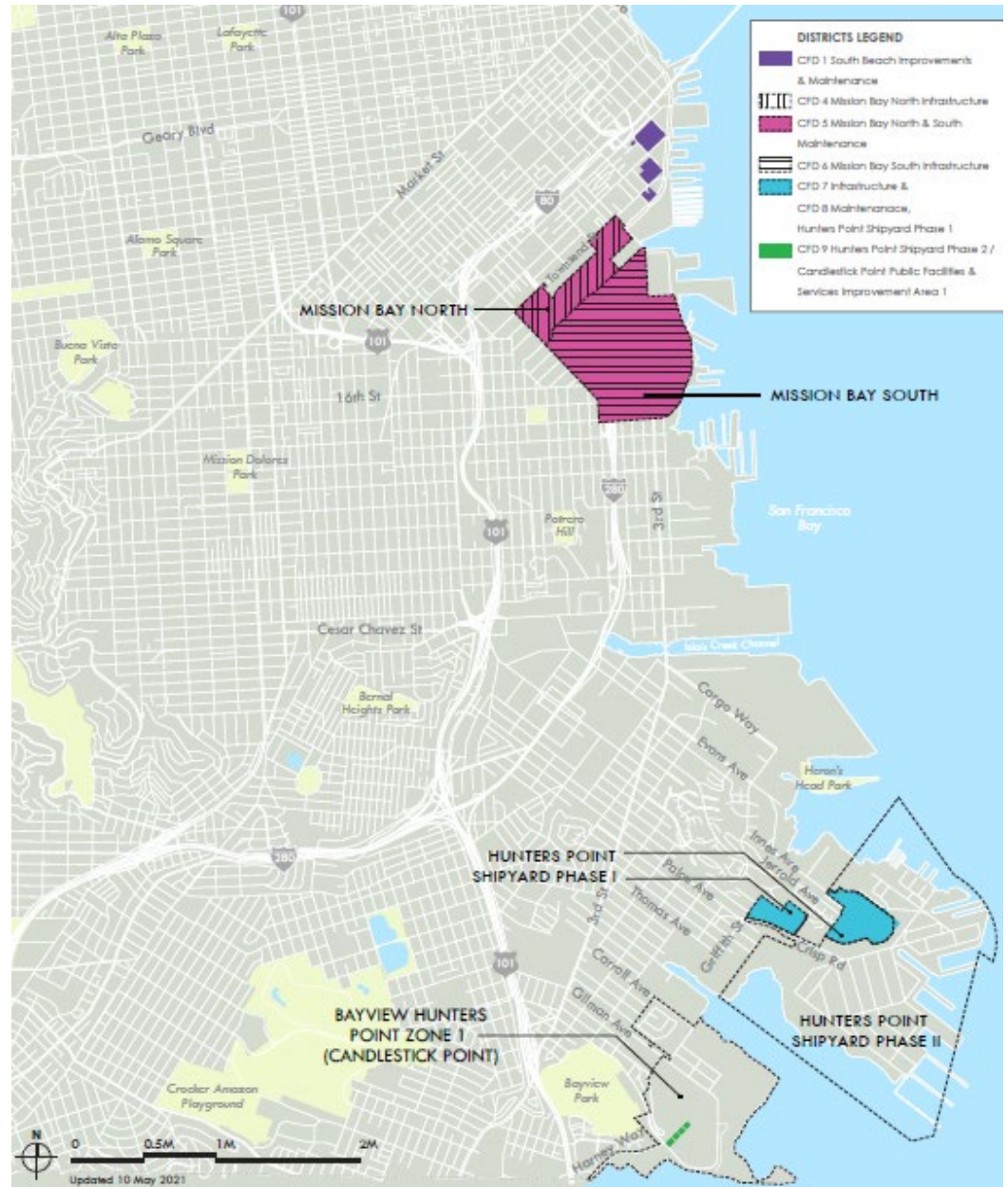
FY 24-25 CFD Budgets

*Expenditures on CFDs in FY 24-25 totals \$48.0M.
Each CFD is a separate and discrete budget.*

Expenditure Type	CFD 1	CFD 5	CFD 6	CFD 7	CFD 8	CFD 9	Total
Debt Service			\$8,223,963	\$1,895,850			\$10,119,813
Maintenance and Operations	\$400,000	\$3,491,325			\$1,780,000		\$5,671,325
Infrastructure			\$21,279,480	\$9,181,770			\$30,461,250
Administrative Expenses	\$122,082	\$175,453	\$337,356	\$302,782	\$281,005	\$45,500	\$1,264,178
Contingency					\$100,000	\$389,864	\$489,864
Total	\$522,082	\$3,666,778	\$29,840,798	\$11,380,402	\$2,161,005	\$435,364	\$48,006,430

CFD Background

- A CFD is a voter approved district that levies a special tax based on the unique tax formula (RMA) approved by the Commission at formation; taxes must be spent on the district's public facilities identified at formation.
- OCII has two kinds of CFDs
 - Infrastructure CFDs provide a revenue source for infrastructure
 - Maintenance CFDs fund services on an on-going basis
 - *The maximum special tax for maintenance services may be increased by the lesser of 5% per year or the SF/Oakland Urban CPI for the twelve month period*
- OCII's seven CFDs cover multiple project areas:
 - South Beach / Rincon Point
 - Mission Bay North and South
 - Hunters Point Shipyard Phase 1
 - Candlestick Point / Hunters Point Shipyard Phase 2
- Under the Mello-Roos Act, the Commission is the legislative body for the CFDs and OCII staff administers the CFDs.



South Beach / Rincon Point Project Area

CFD 1 is a maintenance CFD for Rincon Point South Beach

CFD 1

Expenditure Type	Expenditure Detail	Special Tax	Fund Balance	Total
Maintenance and Operations	Professional services to maintain plazas and streetscapes including landscaping, janitorial services, and utilities	\$87,023	\$62,977	\$150,000
Capital Repair	Planned repairs on existing capital	\$0	\$250,000	\$250,000
Administrative Expenses	Staffing and consulting costs to administer CFD	\$122,082		\$122,082
Infrastructure	Direct payments for infrastructure or reimbursements to develop infrastructure	\$0		\$0
Total		\$209,105	\$312,977	\$522,082

Work Plan

- Provide landscape maintenance for four public plazas and streetscape maintenance on several City blocks within the Project Area
- Prepare long-term projections for capital maintenance to identify appropriate size for maintenance reserve



Mission Bay North and South Project Areas

There are three CFDs in Mission Bay

- CFD 4 is an inactive infrastructure CFD for Mission Bay North, and no special tax is levied.
- CFD 5 is a maintenance CFD for Mission Bay North and South.
- CFD 6 is an infrastructure CFD for Mission Bay South.



Mission Bay CFDs

CFD 6

Expenditure Type	Expenditure Detail	Special Tax	Fund Balance	Total
Debt Service	Debt service for previously issued debt	\$8,223,963		\$8,223,963
Administrative Expenses	Staffing and consulting costs to administer CFD	\$337,356		\$337,356
Infrastructure Reimbursement	Direct reimbursement to developer for costs of infrastructure construction	\$3,246,092	\$18,033,389	\$21,279,480
Total		\$11,807,410	\$18,033,389	\$29,840,798

Primary expenditure is debt service

Work Plan

- Work with FOCIL-MB to identify the value total remaining reimbursement
- No new debt issuance planned for 24-25

Mission Bay CFDs

CFD 5

Expenditure Type	Expenditure Detail	Special Tax	Fund Balance	Total
Maintenance and Operations	Professional services to maintain park system including landscaping, janitorial, and security	\$2,826,915	\$664,410	\$3,491,325
Administrative Expenses	Staffing and consulting costs to administer CFD	\$175,453	\$0	\$175,453
Total		\$3,002,368	\$664,410	\$3,666,778

Primary expenditure is maintenance of parks and open space

Work Plan

- Maintain 30.2 acres of passive and active park space
- Work with RPD and Port to transition completed parks to original owner

Hunters Point Shipyard / Candlestick Point

There are three CFDs in HPS/Candlestick Point

- CFD 7 is an infrastructure CFD for Hunters Point Shipyard Phase 1
- CFD 8 is a maintenance CFD for Hunters Point Shipyard Phase 1
- CFD 9 is an infrastructure and maintenance CFD for Hunters Point Shipyard / Candlestick Point Phase 2



Phase 1 Hillside and Hilltop Open Space



Hunters Point Shipyard / Candlestick Point CFDs

CFD 7

Expenditure Type	Expenditure Detail	Special Tax	Fund Balance	Total
Debt Service	Debt service for previously issued debt	\$1,895,850		\$1,895,850
Administrative Expenses	Staffing and consulting costs to administer CFD	\$302,782		\$302,782
Infrastructure Reimbursement	Direct reimbursement to developer for costs of infrastructure construction	\$1,134,628	\$8,047,142	\$9,181,770
Total		\$3,333,260	\$8,047,142	\$11,380,402

Primary expenditure is infrastructure reimbursement

Workplan

- Process infrastructure reimbursements for open space and streetscapes

Hunters Point Shipyard / Candlestick Point CFDs

CFD 8

Expenditure Type	Expenditure Detail	Special Tax	Fund Balance	Total
Maintenance and Operations	Professional services to maintain and operate the Facilities. Includes utilities	\$1,255,000		\$1,255,000
Capital Expenses	Planned capital expenses for Facilities	\$206,521	\$318,479	\$525,000
Administrative Expenses	Staffing and consulting costs to administer CFD	\$281,005		\$281,005
Contingency Reserve	Reserve for maintenance, capital and administrative expenditures		\$100,000	\$100,000
Total		\$1,742,526	\$418,479	\$2,161,005

Primary expenditure is maintenance of parks and open space

Workplan

- Maintain approx. 17 acres of park
- Transfer Facilities to the City

Hunters Point Shipyard / Candlestick Point CFDs

CFD 9

Expenditure Type	Expenditure Detail	Special Tax
Administrative Expenses	Staffing and consulting costs to administer CFD	\$45,500
Contingency Reserve	Reserve for maintenance, operations and capital expenditures	\$389,864
Total		\$435,364

Infrastructure and open space in CFD 9 are in the planning stage; therefore, funds will be held in reserve.

Annual Appropriations Limits

- The Mello-Roos Act requires the establishment of an appropriations limit for CFDs.
- Under Article XIII B of the Constitution of the State of California, the total annual appropriations may not exceed the appropriations limit for the prior year adjusted for the change in the cost of living and the change in population.
- The Commission must establish the appropriations limits of the Agency CFDs for fiscal year 2024-25.
- The Agency is working with our special tax consultant to update the appropriations limits and will present this information as a workshop and action item in June 2024.

CFD	Original Appropriations Limits	Source
CFD 1	\$20M	SFRA Reso 186-88 Formation CFD 1 Section 8
CFD 5	\$20M	SFRA Reso 217-99 Formation CFD 5 Section 8
CFD 6	\$50M	Section C of RMA
CFD 7	\$65M	Adopted Ordinance 1-2008 (CFD 7) Section 8
CFD 8	\$25M	Resolution 94-2008 Section 11
CFD 9	\$200M	Reso 17-2018 HPS2-CP Formation (page 10)

Next Steps

- Staff recommend approval of the proposed FY 24-25 CFD Budgets
- Staff will work with special tax consultant to determine the Annual Appropriations Limits
- Staff will work with special tax consultant to determine final levy in August 2024

CFD Budget Workshop

Questions / Comments