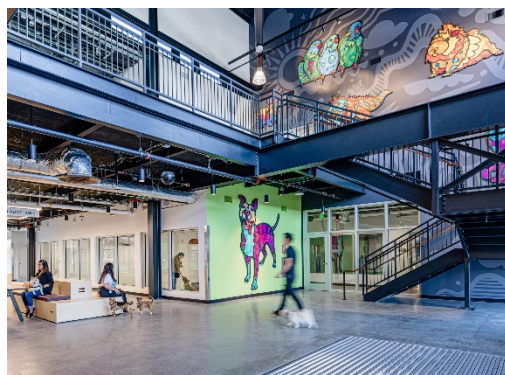
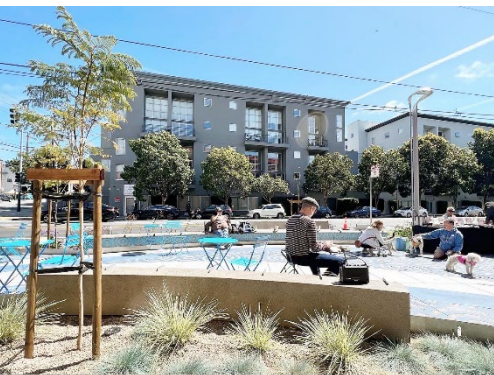


January 09, 2025

Candlestick Point USDOT RAISE Grant – Sole Source

Shawna Gates
Project Manager



Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track
Approval of Sole Source for USDOT RAISE Grant (Candlestick Point)

Recommend Commission:

Approve/Authorize Sole Source Grant Award:

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track

Amount:

\$20,000,000

Construction Duration:

Phase 1: 2026-2028

Phase 2: 2028-2031

Developer:

CP Development Co., LLC

Reason:

Required under Administrative Code Sec. 21G.8(a) due to nature of sole source Grant

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track

Location: San Francisco, Southeast Corner, District 10

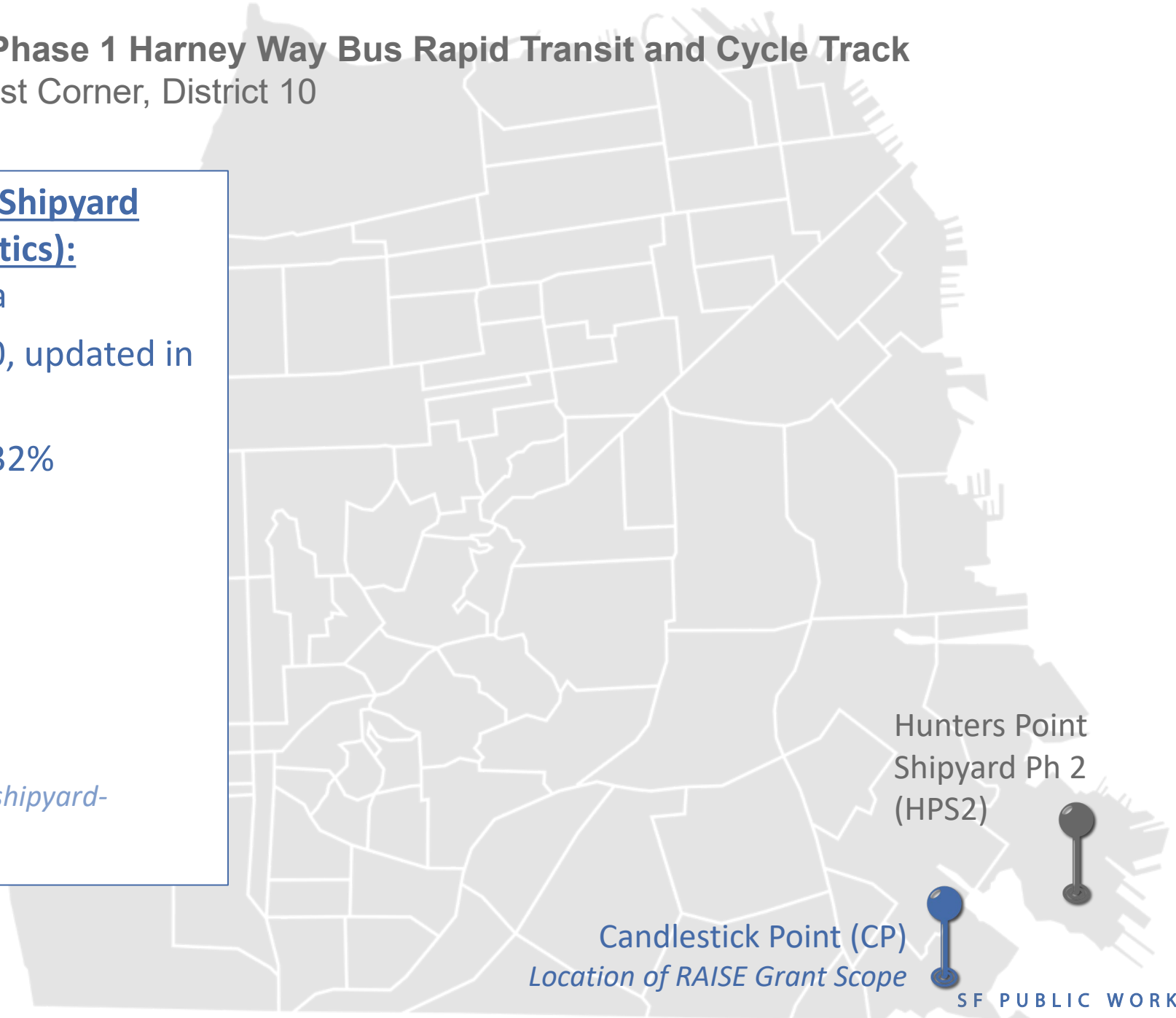
Candlestick Point/Hunters Point Shipyard

Phase 2 Project (combined statistics):

- ~693-acre redevelopment area
- Entitlements approved in 2010, updated in 2024
- Creates 10,672 new homes (~32% affordable)
- ~6.7M SF non-residential
- 300+ acres parks/open space

More info:

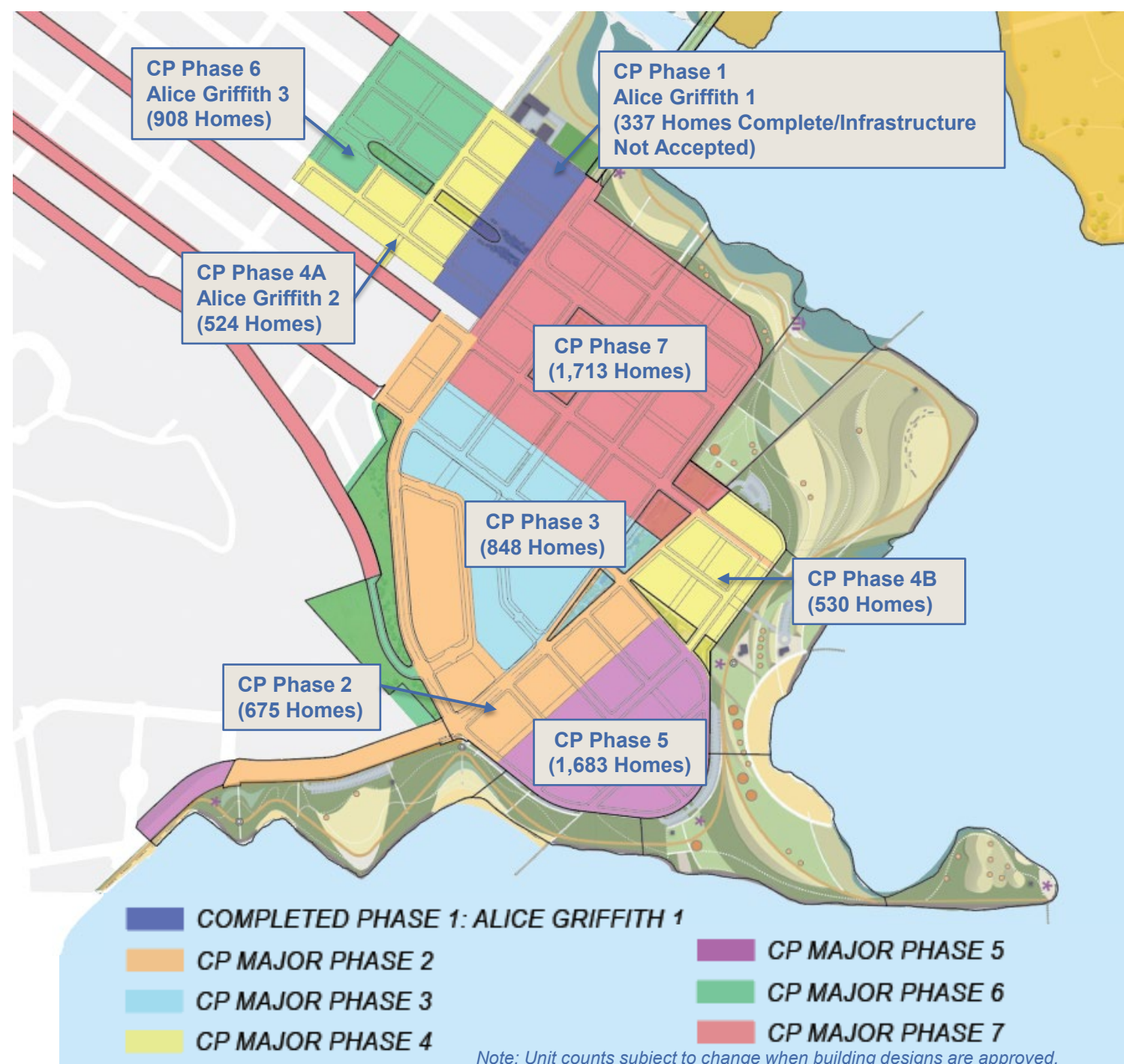
<https://sfocii.org/projects/hunters-point-shipyard-candlestick-point-2/document-library>



Disposition and Development Agreement (DDA):

- Following a competitive procurement process that began in 1998, CP Development Co., LLC (formerly Lennar-BVHP, LLC) was selected out of three applicants by the former Redevelopment Agency (now OCII), to be the master developer for the Hunters Point Shipyard/Candlestick Point Redevelopment Area.
- In 2010, OCII entered into a Development and Disposition Agreement (“DDA”) with CP Development Co, LLC (“Developer”) for the redevelopment of Candlestick Point and Hunters Point Shipyard Phase 2. The 4th Amendment to the DDA was approved in September 2024.
- The DDA establishes terms governing the project’s redevelopment, including phasing and responsibility of Developer to construct public infrastructure.
- The scope of improvements under the RAISE Grant for the Bayview Connections Project are required improvements under the DDA for redevelopment of Candlestick Point.

Candlestick Point Infrastructure Phases



<u>Phase</u>	<u>Estimated Buildout</u>
Phase 1/Alice Griffith 1	Complete
Phase 2	2026 – 2028
Phase 3	2029 – 2032
Phase 4A/Alice Griffith 2	2032 – 2035
Phase 4B	2032 - 2035
Phase 5	2035 - 2038
Phase 6/Alice Griffith 3	2039 - 2042
Phase 7	2045 - 2048

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track

Overview of RAISE Grant Improvements:



- \$20M USDOT RAISE Grant awarded to Public Works for these transit improvements
- Improvements include widening portion of existing Harney Way, and extending portions of Harney Way and Arelious Walker Drive
- Public Works intends to act as pass-through entity to reimburse Candlestick Point Developer for construction of specified improvements using Grant Funds
- Public Works and Developer will enter into Grant Agreement to govern use of Grant Funds and ensure compliance with all Federal and local requirements

Source: RAISE Grant Application 2023

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track

RAISE Grant and Local Funding Summary

Project Scope	Total Cost	RAISE (43%)	Local (57%)
1. Harney Extension	\$10,867,500	\$4,702,428	\$6,165,072
Bus Lanes		\$262,652	\$344,348
Complete Streets		\$3,567,225	\$4,676,775
Cycletrack		\$259,191	\$339,809
2. Arelious Walker Dr.	\$24,628,400	\$10,656,847	\$13,971,553
Complete Streets		\$9,266,824	\$12,149,176
3. Harney Way	\$5,131,300	\$2,220,342	\$2,910,958
Bus Lanes		\$46,300	\$60,700
Complete Streets		\$1,860,201	\$2,438,799
Cycletrack		\$24,232	\$31,768
4. West Harney Way	\$5,593,600	\$2,420,382	\$3,173,218
Bus Lanes		\$99,522	\$130,478
Complete Streets		\$1,969,676	\$2,582,324
Cycletrack		\$35,482	\$46,518
Totals	\$46,220,800	\$20,000,000	\$26,220,800

Public Financing:

CCSF and OCII are required to fund the public infrastructure at Candlestick Point. The public infrastructure is initially paid for by Developer, and then reimbursed through public financing sources, including:

- Tax Increment Financing (TIF)
- Special Taxes (CFDs)
- Bonds

RAISE Grant offset:

\$20M Grant Funds offset funds requiring reimbursement from public financing sources

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track

Public Benefit and Public Purpose of RAISE Grant:

- Accelerates completion of critical transportation infrastructure along Harney Way and Arelius Walker Dr to connect Candlestick Point and the existing southeast neighborhoods to the San Francisco and Bay Area's regional economy by facilitating connections to US-101, the Bayshore Caltrain, and Balboa Park BART
- Immediately benefits residents of the surrounding Bayview neighborhood by improving accessibility to transit and creating safer streets to walk and bike.
- Helps kickstart the development of the CP/HPS2 Project, which has been dormant for years.
 - At full buildout, it is estimated that the Candlestick Point portion of the CP/HPS2 Project will contribute new housing and public infrastructure as well as \$23.3 million in net annual General Fund revenues to the City, net annual transit revenues of \$2.8 million, 4,068 construction jobs, and 12,670 new permanent jobs.



Conceptual image of West Harney BRT lane adjacent bike lanes and Willie Mays Plaza

Justification for Sole Source Award of RAISE Grant Funds:

- Public Works applied for and was awarded the RAISE Grant to complete the Bayview Connections Project scope of work; the federal government's award of the RAISE Grant was contingent upon the contribution of \$26,220,800 in non-RAISE Grant funds, which will be provided by the Developer.
- As the master developer for the CP/HPS2 Project and the provider of \$26,220,800 in non-RAISE Grant funds to supplement the RAISE Grant, Developer is not only uniquely positioned to integrate the RAISE Grant-funded work with its ongoing development activities at Candlestick Point ensuring coordination and cost efficiency, but the Developer is also the only entity that is qualified, equipped, and legally authorized to fulfill the RAISE Grant's prescribed scope of work and to complete the grant's public purpose.

Legislative Approvals and Next Steps – Candlestick Point RAISE Grant



**PW
Commission
Approval**

Approve Sole Source, Admin Code Sec. 21G.8(a)

**SF Board of
Supervisor
Approval**

Accept and Expend Grant Funds, Admin Code Sec 21G.8(a)

**Execution of
Grant
Agreement**

(USDOT-SFPW)

**SF Board of
Supervisor
Approval**

Approve Sole Source and Authorize Grant Agreement, Charter Section 9.118(b)

**Execution of
Grant
Agreement**

(SFPW-CPDevCo)

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track
Approval of Sole Source for USDOT RAISE Grant (Candlestick Point)

Recommend Commission:

Approve/Authorize Sole Source Grant Award:

Bayview Connections Project: Phase 1 Harney Way Bus Rapid Transit and Cycle Track

Amount:

\$20,000,000

Construction Duration:

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Developer:

CP Development Co., LLC

Reason:

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QUESTIONS