

AGENDA ITEM 8
Treasure Island Development Authority
City and County of San Francisco
Meeting of January 10, 2024

Subject: Review and Discussion of Draft Fiscal Year 2024-25 & Fiscal Year 2025-26 Treasure Island Development Authority Budget (Informational Item)

Contact: Robert Beck, Treasure Island Director
Jamie Querubin, Finance Manager

SUMMARY

This is an informational item of the draft Treasure Island Development Authority Two-Year Budget for Fiscal Year 2024-25 (FY2025) and Fiscal Year 2025-26 (FY2026), collectively the “Proposed TIDA Budget.”

On December 13th, the Mayor’s Budget Office released budget instructions announcing a \$554M projected deficit over the next 2 fiscal years and a projected deficit of \$1.35B in the next 5 fiscal years. Given this shortfall and to balance the citywide budget, General Fund departments were asked to decrease ongoing General Fund support by 10% ongoing in FY25 and another 10% ongoing in FY26, with a 5% contingency plan for further reductions, to provide General Fund savings. The Mayor will be focused on policy priorities of improving public safety and street conditions, Citywide economic vitality, reducing homelessness and transforming mental health service delivery, and accountability and equity in service and spending.

Non-General Fund departments are being directed to balance within their own revenue projections. Since TIDA is considered a Non-General Fund department that does not receive any revenue support from the General Fund, it does not need to reduce its operating budget to provide General Fund savings.

The TIDA Budget is submitted as part of the overall budget for the City Administrator’s Office. The City Administrator’s Office of Budget and Planning has requested the Authority submit its departmental budget by early February. Authority staff will return to the TIDA Board on February 14th to approve the final submission of the TIDA Budget to the Mayor’s Budget Office.

The budget establishes a ceiling for expenditure authority, which is typically under-expended. For example, in FY2023, the Authority’s total expenditures were \$4.75M or approximately 16% under the adopted budget.

For the FY2025 & FY2026 Proposed TIDA Budget, Authority staff has made two notable changes. First, the overall budget has been adjusted to better align with prior year actuals. And second, the Authority Cost expenditure budget has been revised in effort to align with projected Authority Revenues.

Pursuant to the DDA, Authority staff has also shared the draft Proposed TIDA Budget with Treasure Island Community Development (TICD) for their review and comment.

EXHIBITS

Exhibit A – FY2025 & FY2026 Summary of Proposed Revenue & Expense Forecast

Exhibit B – FY2025 Revenue Details

Exhibit C – FY2025 Expense Details

Prepared by: Robert Beck, Treasure Island Director
Jamie Querubin, Finance Manager

EXHIBIT A. Summary Proposed FY 2025 & FY 2026 Revenue & Expense Forecast

TIDA Authority Costs Budget

			ADOPTED	PROPOSED	PROPOSED
Revenues	Budget Category	Cost Category	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	TIDA Revenue	A. Commercial Leasing Revenue - Tidelands Property	7,000,000	10,500,000	10,500,000
		B. Commercial Leasing Revenue - Non-Tidelands Trust	1,400,000	1,100,000	1,100,000
		C. John Stewart Company Housing Revenue	1,000,000	1,000,000	1,000,000
		D. Housing Common Area Maintenance Fees	1,732,540	1,580,000	1,580,000
		E. Other TIDA and CFD/IRFD Revenues	145,000	150,000	150,000
	Other Revenue	F. Expected Savings	1,000,000	-	-
		Revenue Total	12,277,540	14,330,000	14,330,000
	TIDA Pass-through Revenue	G. BATA Reimbursement Pier E-2 MOA	10,000	170,000	170,000
		H. SFCTA Reimbursement for YBI Pedestrian Path Costs (Vista Point)	100,000	100,000	100,000
		Pass-through Revenue Total	110,000	270,000	270,000
	TICD Revenue	I. TICD Reimbursement (Authority Costs)	3,142,334	0	(0)
		TICD Revenue Total	3,142,334	0	(0)
Revenues Total			15,529,874	14,600,000	14,600,000
Expenses	Budget Category	Cost Category	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	A. Personnel & Administration	1. TIDA Staff Salaries	2,538,103	2,436,631	2,526,619
		2. TIDA Staff Mandatory Fringe Benefits	1,087,758	1,044,271	1,082,837
		3. Staff Training, Memberships, and Field Expenses	10,000	10,000	10,000
		4. Marketing and Promotion Expenses	15,000	15,000	15,000
		5. One Treasure Island Contractual Services (not incl. abatement costs)	860,000	860,000	1,360,000
		6. Other Professional Services	1,189,700	1,189,700	1,189,700
		7. Equipment Leases / Materials & Supplies	87,250	125,000	125,000
		8. Public Safety Work Orders	168,088	145,000	157,000
		9. Public Health and Welfare Work Orders	432,400	331,650	331,650
		10. Other Administrative Work Orders	806,100	820,341	865,592
		Personnel & Administration Total	7,194,399	6,977,593	7,663,397
	B. Development	1. Development Professional Services (Authority Costs, not incl. Subsidy offsets)	1,201,644	1,355,000	1,400,000
		2. Planning Department (Authority Costs)	130,000	322,736	130,000
		3. Building Abatement Costs (incl. in One Treasure Island Contract) - FY 24 only	1,732,000	-	-
		Development Total	3,063,644	1,677,736	1,530,000
	C. Operations & Maintenance	1. Buildings Maintenance Services (Third-Party Contracts, not incl. Subsidy offsets)	2,630,000	2,978,571	2,430,000
		2. City Attorney - Legal Services (Authority Costs)	200,000	200,000	200,000
		3. SFPUC Utilities and Maintenance	1,513,831	1,100,000	1,252,000
		4. DPW Operations and Maintenance	818,000	840,000	698,503
		5. Debt Service - Submarine Cable Financing (Commercial Paper)	-	826,100	826,100
		6. BATA Pier E-2 MOA / SFCTA YBI Pedestrian Path Costs - FY 24 only	110,000	-	-
		Operations & Maintenance Total	5,271,831	5,944,671	5,406,603
Expenses Total		<i>(See Note A)</i>	15,529,874	14,600,000	14,600,000

TIDA City Costs Budget

Revenues	Budget Category	Cost Category	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	TICD Revenue	A. TICD Reimbursement (City Costs)	8,975,269	6,675,000	5,975,000
		B. TICD Obligated Reimbursement under Westside Bridges Budget (City Costs)	1,248,356	-	-
		TICD Revenue Total	10,223,625	6,675,000	5,975,000
	Other Revenue	C. Other CFD/IRFD Revenues	287,460	187,460	193,084
		D. Expected Savings	1,000,000	-	-
		Other Revenue Total	1,287,460	187,460	193,084
Revenues Total			11,511,085	6,862,460	6,168,084
Expenses	Budget Category	Cost Category	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	A. Development (City Costs)	1. Development Professional Contracts - FY 24 only	1,470,000	-	-
		1. TICD Building Abatements Costs (incl. in One Treasure Island Contract)	-	700,000	-
		1B. TICD Obligated Reimbursement under Westside Bridges Budget (City Costs)	1,248,356	-	-
		2. City Attorney - Legal Services	1,050,000	1,050,000	1,050,000
		3. DPW Engineering Support Services	5,428,853	3,500,000	3,500,000
		4. PUC Engineering Services	1,516,416	800,000	800,000
		5. SFMTA Services	250,000	305,000	305,000
		6. Planning Department	170,000	170,000	170,000
		7. Recreation and Parks Department	100,000	100,000	100,000
		8. Department of Technology	-	-	-
		9. SF Fire Department	10,000	50,000	50,000
		10. Controller's Office - CFD Administration	187,460	187,460	193,084
		11. SF Environment - FY 24 only	80,000	-	-
		Development Total	11,511,085	6,862,460	6,168,084
Expenses Total			11,511,085	6,862,460	6,168,084

TIDA Subsidy Budget

Revenues	Budget Category	Cost Category	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	TICD Subsidy	A. TICD Reimbursement for One Treasure Island Job Broker Program	500,000	500,000	-
		B. TICD Transportation Subsidy	-	-	-
		C. TICD Developer Housing Subsidy	17,942,123	9,794,500	16,432,500
		D. TICD Parks and Open Space Subsidy	1,500,000	1,500,000	1,500,000
		E. CFD Ongoing Maintenance Fund (payable from CFD special taxes)	-	618,400	477,400
		TICD Subsidy Total	19,942,123	12,412,900	18,409,900
	VDDA Subsidy	F. Vertical Development Art Fees	-	-	553,148
		VDDA Subsidy Total	-	-	553,148
Revenues Total			19,942,123	12,412,900	18,963,048
Expenses	Budget Category	Cost Category	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026
	A. Personnel & Administration	1. One Treasure Island Contractual Services - Job Broker Program	500,000	500,000	-
		Personnel & Administration Total	500,000	500,000	-
	B. Development	1. Development Professional Services (Relocation Consultant - Replacement Housing)	500,000	500,000	500,000
		2. Development Professional Services (Early Relocation In-Lieu Fees)	300,000	300,000	300,000
		3. Development Professional Services (Early Relocation Moving Fees)	300,000	300,000	270,000
		4. Mayor's Office of Housing Community Development	405,578	405,578	405,578
		5. Mayor's Office of Housing Community Development (Direct Project Funding)	16,436,544	8,288,922	14,956,922
		6. SF Arts Commission - Art Installation Cost	-	-	553,148
		Development Total	17,942,123	9,794,500	16,985,648

C. Operations & Maintenance	1. As-Needed Invasive Species Management - Development Parcels	100,000	100,000	100,000
	2. Maintenance of New Parks and Open Spaces	1,207,533	1,688,400	1,797,400
	3. Parks and Open Space Operations Planning	192,467	250,000	-
	4. SF Department of the Environment		80,000	80,000
	Operations & Maintenance Total	1,500,000	2,118,400	1,977,400
Expenses Total		19,942,123	12,412,900	18,963,048
TOTAL TIDA BUDGETED REVENUES		46,983,081	33,875,360	39,731,131
TOTAL TIDA BUDGETED EXPENSES		46,983,081	33,875,360	39,731,131

NOTES

A. To the extent any costs under the Authority Cost budget is in support of the Job Corps redevelopment planning, such costs may be recoverable under a future Exclusive Neogtiating Agreement (ENA) process, and therefore offset in this budget.

EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

I. TIDA AUTHORITY COSTS BUDGET REVENUE DETAILS FY 2024-25

A. Commercial Leasing Revenue – Tidelands Trust

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$7,000,000	\$10,500,000	\$3,500,000

This amount reflects executed subleases and potential new subleasing opportunities for commercial space on Treasure Island within the Tidelands Trust. The increase in the proposed budget compared to prior year is to better align with actuals collected in FY 2023 and projections for FY 2025.

Projected FY 2025-26 Budget: \$10,500,000

B. Commercial Leasing Revenue – Non-Tidelands Trust

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,400,000	\$1,100,000	(\$300,000)

This amount reflects executed subleases and potential new subleasing opportunities for commercial space on Treasure Island within the Non-Tidelands Trust. The reduction in the proposed budget compared to prior year is to better align with actuals collected in FY 2023 and projections for FY 2025.

Projected FY 2025-26 Budget: \$1,100,000

C. John Stewart Company Housing Revenue

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,000,000	\$1,000,000	\$0

The projection is based upon approximately 300 rentable units and represents net revenue after expenses including the John Stewart 5% fee. Due the anticipated relocations of current residents, TIDA is continuing to assume reduced rent collections by the John Stewart Company. The FY25 proposed budget did not decrease from prior years because it is expected that TIDA will take on certain security services costs previously paid from John Stewart Company revenues.

Projected FY 2025-26 Budget: \$1,000,000

D. Housing Common Area Maintenance Fees

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
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EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

\$1,732,540

\$1,580,000

(\$152,540)

This estimated amount reflects income for housing common area maintenance (CAM) charges assuming a reduction in income from vacated Swords to Plowshares and Catholic Charities units. The projected CAM fees may change based on future unit vacancies as a result of new transition units available.

FY 2025-26 Budget: \$1,580,000

E. Other TIDA and CFD/IRFD Revenues

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$145,000	\$150,000	\$5,000

This estimated amount reflects revenue from the Cost of Issuance payments taken from public financing bond proceeds paid to TIDA, as well as ongoing annual administration fees TIDA can charge the CFD/IRFD financing districts.

Projected FY 2025-26 Budget: \$150,000

F. Expected Savings

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,000,000	\$0	(\$1,000,000)

The amount reflects anticipated savings that TIDA expects by FY 2023-24 year-end from Authority Cost expenses. In FY 25, TIDA expects to fully expend the revised appropriated budget amount for Authority Costs.

Projected FY 2025-26 Budget: \$0

G. BATA Reimbursement- Pier E- 2

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$10,000	\$170,000	\$160,000

The amount reflects anticipated funds from Bay Area Tolling Authority to TIDA as reimbursement of expenses for Pier E-2 operations. The budget increase in FY 25 is based on revised operating hours.

Projected FY 2025-26 Budget: \$170,000

EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

H. SFCTA Reimbursement for YBI Pedestrian Path Costs

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$100,000	\$100,000	\$0

The amount reflects anticipated payments from SFCTA to TIDA as revenue to cover costs related to the Bay Bridge Pedestrian path, including janitorial, transportation, and security.

Projected FY 2025-26 Budget: \$100,000

I. TICD Reimbursement (Authority Costs)

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$3,142,335	\$0	(\$3,142,335)

The amount reflects anticipated funds from TICD to TIDA as revenue to balance the budget, as defined by Section 19.6 of the DDA, not including development expenditures directly spent on City Costs. TIDA expects to full cover all annual Authority Costs expenses with Authority Revenues.

Projected FY 2025-26 Budget: \$0

EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

II. TIDA CITY COSTS REVENUE DETAILS FY 2024-25

A. TICD Reimbursement (City Costs)

TIDA FY 2022-23 Budget	TIDA FY 2023-24 Budget	Change
\$8,977,743	\$6,675,000	(\$2,302,743)

The amount reflects anticipated funds from TICD to TIDA as revenue to directly reimburse TIDA for development expenditures spent on City Costs, as defined by Section 19.8 of the DDA. The reduction in the FY 25 proposed budget is due to a reduction in overall City Cost expenditures in the proposed FY 25 proposed budget.

Projected FY 2025-26 Budget: \$5,975,000

B. TICD Obligated Reimbursement under Westside Bridges Budget (City Costs)

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,248,356	\$0	(\$1,248,356)

The amount reflects anticipated funds from TICD pursuant to proposed a letter Agreement between TIDA, TICD, and SFCTA for certain developer-obligated costs, including (1) the cost to install a new water supply line from the YBI Master Meter and the new water tank site that TICD is building, and (2) the cost to install a new gas line from the TICD/Caltrans right of way to the USCG's Oakland Gate as a part of the joint trench work within the Southgate Project. Per this letter Agreement, the SFCTA will directly finance and oversee these projects, and in lieu of funding these projects, TICD will instead rededicate funding to the Westside Bridges project. The reimbursements related to this letter Agreement is projected to be fully complete in FY 24.

Projected FY 2025-26 Budget: \$0

C. Other CFD/IRFD Revenues

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$287,460	\$187,460	(\$100,000)

This estimated amount reflects revenue from available taxes collected from the Community Facilities District (CFD) and Infrastructure Revitalization Financing District (IRFD) that can fund ongoing financial administration. The revenue directly offsets ongoing administration services provided by the Controller's Office.

Projected FY 2025-26 Budget: \$193,084

EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

D. Expected Savings

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,000,000	\$0	(\$1,000,000)

The amount reflects anticipated savings that TIDA expects by FY 2024-25 year-end from City Costs expenses. If such savings are not realized, TIDA will need to solve within the appropriated budget. In FY 25, TIDA expects to fully expend the revised appropriated budget amount for City Costs.

Projected FY 2025-26 Budget: \$0

EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

III. TIDA SUBSIDY BUDGET REVENUE DETAILS FY 2024-25

A. TICD Reimbursement for One Treasure Island Job Broker Program

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$500,000	\$500,000	\$0

The amount reflects anticipated funds from TICD to TIDA as revenue to directly fund the One Treasure Island Job Broker Program, as defined by Section 13.3.8 of the DDA. Pursuant to the DDA, the total subsidy amount payable by TICD for the Job Broker Program Subsidy is \$3,800,000 in certain prescribed annual allotments, which is scheduled to be fully paid in FY 25.

Projected FY 2025-26 Budget: \$0

B. TICD Transportation Subsidy

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$0	\$0	\$0

The amount reflects anticipated funds from TICD to TIDA as revenue to directly fund transportation operations, as defined by Section 13.3.2 of the DDA. For FY 25, TIDA does not anticipate a funding shortfall in transportation operations.

Projected FY 2025-26 Budget: \$0

C. TICD Developer Housing Subsidy

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$17,942,123	\$9,794,500	(\$8,147,623)

The amount reflects anticipated funds from TICD to TIDA as revenue to directly fund affordable housing projects and implementation, as defined by Section 13.3.4 of the DDA. In FY 25, the entirety of the Developer Housing Subsidy allocation is anticipated to fund costs related to a Relocation Consultant for replacement housing implementation in the amount of \$500,000, costs related to the pay-out of Early Relocation In-Lieu Fees in the estimated amount of \$300,000, costs related to the payment of Early Relocation Moving Fees in the estimated amount of \$300,000, the total costs related to the annual MOU between TIDA and the Mayor's Office of Housing and Community Development in the amount of \$405,578, and the remaining \$8,288,922 amount is for pre-development and construction costs for Parcel E2.3/4 and other affordable housing projects. The reduction in the FY 25 budget is due to a slower pace of projected Developer Housing payments due to a slowdown in vertical parcel transactions.

Projected FY 2025-26 Budget: \$16,432,500

EXHIBIT B - TIDA REVENUE DETAILS FY2024-25

TIDA Board 1/10/24

D. TICD Parks and Open Space Subsidy

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,500,000	\$1,500,000	\$0

The amount reflects anticipated funds from TICD to TIDA as revenue to directly fund new parks and open space operations and maintenance, as defined by Section 13.3.1 of the DDA, up to the annual maximum of \$1,500,000. The amount reflects anticipated funds from TICD to TIDA for parks and open space operations planning, certain invasive species management on development parcels, and maintenance for the new Dog Park, Hilltop Park West and East, Causeway Slope and Beach Access, Waterfront Plaza, Cityside Park, and stormwater facilities throughout YBI, all of which are scheduled for completion and operations in FY 2025.

Projected FY 2025-26 Budget: \$1,500,000

E. CFD Ongoing Maintenance Fund (payable from CFD special taxes)

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$0	\$618,400	\$618,400

The amount reflects anticipated funds from the CFD Ongoing Maintenance fund to TIDA as revenue to directly fund new parks and open space operations and maintenance, as defined by the Financing Plan. The amount reflects anticipated funds needed beyond the \$1,500,000 annual allotment from from TICD Parks and Open Space Subsidy for parks and open space operations planning, certain invasive species management on development parcels, and maintenance for the new Dog Park, Hilltop Park West and East, Causeway Slope and Beach Access, Waterfront Plaza, Cityside Park, and stormwater facilities throughout YBI, all of which are scheduled for completion and operations in FY 2025.

Projected FY 2025-26 Budget: \$477,400

F. Vertical Development Art Fees

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$0	\$0	\$0

The amount reflects anticipated art fees from vertical developers to TIDA as revenue to cover design and engineering of the first artwork commissions, pursuant the Vertical Disposition and Development Agreements (VDDA). Due to delayed permitting times, the projected rate in which the arts fees can be collected has also been delayed. Therefore, the proposed budget assumes \$0 in additional revenue collections for FY 25. As of early calendar year 2024, the total Art Fee program on Treasure Island has an appropriated fund balance \$4.3 million.

Projected FY 2025-26 Budget: \$553,148

EXHIBIT C - TIDA EXPENSE DETAILS FY2024-25

TIDA Board 1/10/24

I. TIDA AUTHORITY COSTS BUDGET EXPENSE DETAILS FY 2024-25

The expenditure for daily operations and development functions for Treasure and Yerba Buena Islands are defined under the following three categories: Personnel & Administration, Development, and Operations & Maintenance.

A. PERSONNEL & ADMINISTRATION

1. TIDA Staff Salaries

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Changes
\$2,538,103	\$2,436,632	(\$101,471)

The Proposed Budget provides funding for 14 full-time positions. All positions are budgeted directly in the TIDA Budget. The reduction in the FY 25 budget reflects more accurate alignment with the City Administrator’s Office overall salary budget accounted for TIDA.

Projected FY 2025-26 Budget: \$2,526,619

2. TIDA Staff Mandatory Fringe Benefits

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Changes
\$1,087,758	\$1,044,271	(\$43,487)

The Proposed Budget provides funding for fringe benefits for 14 full-time positions. This includes funding for benefits such as retirement, Social Security, and health benefits. Funding is adjusted by the Controller to the most up-to-date estimates for the upcoming fiscal year. The reduction in the FY 25 budget reflects more accurate alignment with the City Administrator’s Office overall fringe benefits budget accounted for TIDA.

Projected FY 2025-26 Budget: \$1,082,837

3. Staff Training, Memberships, and Field Expenses

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Changes
\$10,000	\$10,000	\$0

The Proposed Budget provides the same level of funding for staff expenses. Annual staff performance plans encourage staff participating in professional development.

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Training (including cost of travel)	\$1,300	\$1,300
Employee Field Expenses	\$1,000	\$1,000
Membership Fees	\$6,700	\$6,700
HR-Management Training Work Order	\$1,000	\$1,000

EXHIBIT C - TIDA EXPENSE DETAILS FY2024-25

TIDA Board 1/10/24

Subtotals	\$10,000	\$10,000
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Projected FY 2025-26 Budget: \$10,000

4. Marketing and Promotion Expenses

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$15,000	\$15,000	\$0

The Proposed Budget provides funding for marketing and promotional expenses to three on-island TIDA Board meetings. The proposed budget amount has been reduced compared to prior years to reflect actual expenses in more recent years.

Projected FY 2025-26 Budget: \$15,000

5. One Treasure Island Contractual Services

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$860,000	\$860,000	\$0

The Proposed Budget provides for the following funding for One Treasure Island as detailed below, not including the Job Broker Program Costs, which are offset by a TICD Subsidy.

EXPENDITURE CATEGORY	FY 23-24 (Full Contract)	FY 24-25 Proposed (Full Contract)	FY 23-24 Proposed (Authority Costs Share)
Agreement with One Treasure Island	\$225,000	\$225,000	\$225,000
Community Planning	\$120,000	\$120,000	\$120,000
Affordable Housing Consultation	\$95,000	\$95,000	\$95,000
LBE/SBE Consultation	\$95,000	\$95,000	\$95,000
Child and Youth Needs Initiatives	\$25,000	\$25,000	\$25,000
Job Broker Program Costs - <i>Subsidy Offset</i>	\$500,000	\$500,000	<i>See Section III</i>
Pre-Apprentice Program	\$300,000	\$300,000	\$300,000
Abatement	\$1,732,000	\$700,000	<i>See Section I, B.2</i>
Subtotals	\$3,092,000	\$2,060,000	\$860,000

- The services provided under the Agreement between TIDA and One Treasure Island, include coordinating and facilitating participation of community-based homeless service organizations, as well as future development planning. TIDA will continue to contract with One Treasure Island to provide onsite after-hours event services on a limited basis at Administrative Building 1. One Treasure Island also operates the building known as the Shipshape as a community benefit.

EXHIBIT C - TIDA EXPENSE DETAILS FY2024-25

TIDA Board 1/10/24

- The Proposed Budget includes a funding allocation for various consultation services related to ongoing community planning, affordable housing development, and Local Business Enterprise (LBE) and Small Business Enterprise (SBE) reporting.
- The Proposed Budget includes a funding allocation for Funding for Child Youth Needs Initiatives to continue exploring program implementation to address needs found through prior year needs assessments.
- Funding for the pre-apprentice program with Laborers Union Locals 67 & 261 is to facilitate one training class for FY 2025 for the purposes of abatement and deconstruction of nuisance structures in Treasure Island. The proposed Authority Cost share includes an amount of \$300,000 for the cost of conducting a multi-week training program. Note that costs related for the abatement of a derelict structure (Building 450) upon completion of training is included as a City Cost (*See Section I, B.2. Development*).

Projected FY 2024-25 Budget: \$1,360,000

6. Other Professional Services

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,189,700	\$1,189,700	\$0

The Proposed Budget provides for the following funding for other professional services.

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Treasure Island Gym Operation, YMCA	\$290,000	\$290,000
Treasure Island Gym As-Needed Maintenance	\$50,000	\$50,000
Boys and Girls Club Camp Mendocino	\$9,900	\$9,900
Security Services	\$725,000	\$725,000
Marine Salvage As-Needed	\$50,000	\$50,000
Other Professional Services	\$64,800	\$64,800
Subtotals	\$1,189,700	\$1,189,700

- The Proposed YMCA Budget provides funding to operate the TI Gym and after school programs, including additional staff needs to provide more hours of operations and programming to the community. The YMCA provides health, education, youth and adult programs to Island residents free of charge.
- The Proposed budget assumes \$50,000 for as-needed gym improvements and maintenance to ensure the gym facility is in a state of good repair. TIDA maintains the facility.
- The Proposed Budget provides the same level of funding for Treasure Island youth participation at the Boys and Girls Club’s Camp Mendocino.
- The Proposed Budget assumes a \$725,000 increased budget allocation to pay for costs associated with security services on Treasure Island.
- The Proposed Budget provides the cost of marine salvage and as-needed lien sale and disposal of abandoned vessels from Clipper Cove.

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- The Proposed Budget provides an increased level for professional services including: the cost of signage, interpretation and translation services for public meetings and public notices; transportation costs and departmental work orders associated with summer internship programs. This category also funds portable restrooms, messenger services, audio services, periodicals, advertising, and printing. Lastly, this amount reserves approximately \$20,000 for professional services in the case of an emergency.

Projected FY 2025-26 Budget: \$1,189,700

7. Materials, Supplies, and Equipment Leases

TIDA FY 2023-4 Budget	Proposed FY 2024-25	Change
\$87,250	\$125,000	\$37,750

The Proposed Budget provides for the same level of funding for materials, supplies, and equipment leases.

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Materials and Supplies	\$26,950	\$55,000
Other Materials and Supplies – Public Safety	\$50,000	\$50,000
Rents & Leases - Equipment	\$10,300	\$20,000
Subtotals	\$87,250	\$125,000

- Materials and supplies includes funding for standard office supplies and materials, food expenses, recreational expenses, flags, and banners.
- The other materials and supplies – public safety expenditure line includes the costs to purchase and maintain TIDA’s departmental response assets, staff personal protective equipment, as well as to fund as-needed awareness programs and community outreach. This amount may also include any as-needed public safety equipment needed for TIDA’s newly completed parks and open space areas.
- Funding for rents & leased equipment provides for rentals including TIDA multi-purpose machine, postage machine, and water dispenser.

Projected FY 2025-26 Budget: \$125,000

8. Public Safety Work Orders

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$168,088	\$145,000	(\$23,088)

The Proposed Budget provides a small cost of living adjustment increase for public safety work orders with other City departments.

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EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Parking & Traffic	\$25,000	\$25,000
Police Security	\$143,088	\$120,000
Fire	\$0	\$0
Subtotals	\$168,088	\$145,000

- Parking & Traffic provides for traffic control and parking enforcement during major public holidays and events when spectators and large crowds visit the Island. These events may include Fourth of July, Fleet Week, Halloween and New Year’s Eve. This budget also provides funding for stripe and signage work performed on Treasure Island by SFMTA staff.
- Police Security provides for building and grounds patrol Monday - Friday at Building One as well as 10B assistance for special events and other high traffic volume events.

Projected FY 2025-26 Budget: \$157,000

9. Public Health and Welfare Work Orders

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$432,200	\$331,650	(\$100,550)

The Proposed Budget provides increased funding for the following public health and welfare work orders with other City departments.

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Children, Youth, & Families Work Order	\$226,650	\$226,650
Department of Public Health Work Order	\$77,250	\$40,000
Human Services Agency Work Order	\$128,500	\$65,000
Subtotals	\$432,200	\$331,650

- The Department of Children, Youth, and Families provides the following services:
 - \$176,000 for the Treasure Island After-School Program
 - \$50,650 for the Treasure Island Summer Program
- The Department of Public Health provides TI Community Nurse Clinic services, community health and wellness programming, and development support.
- The Human Services Agency work order proves funding for Catholic Charities to operate the child development facilities for up to 49 infants, toddlers and preschoolers. Catholic Charities occupies the child care facility free of charge as a public benefit and TIDA maintains the facility. This FY 25 budget proposal reduces the total subsidy to better align with the childcare centers operating subsidy needs in recent years.

Projected FY 2025-26 Budget: \$331,650

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10. Other Administrative Work Orders

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$806,100	\$820,341	\$14,241

The Proposed Budget provides increased funding for other administrative work orders with other City departments, primarily for back of the office services.

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
General Services Agency Work Order	\$343,137	\$328,975
Risk Management Services – Insurance	\$308,460	\$281,784
Information Technology Work Orders	\$75,124	\$75,000
Purchasing-Central Shops Work Orders	\$23,724	\$24,436
Purchasing-Reproduction Work Order	\$11,933	\$11,933
DT-SFGOV	\$43,723	\$75,000
Subtotals	\$806,100	\$820,341

- The General Services Agency (GSA) work order provides for financial oversight and IT services. GSA provides services to TIDA in support of human resources, budget, accounting, financial reporting including PeopleSoft, and payroll. GSA manages TIDA’s office network and data infrastructure and supports TIDA’s computer hardware and workstation application usage. GSA also supports TIDA’s emergency response activities and departmental emergency logistics planning. The Proposed Budget also provides for TIDA Board Health Benefits.
- The Risk Management work order provides funding for general liability coverage, liability insurance for TIDA’s Board of Directors, and administrative review of proposed subleases and use-permits by the Risk Manager to determine appropriate insurance requirements. The reduction in the FY 25 proposed budget is to better align with actual insurance premium costs from FY 23 compared to the conservative budget estimate in FY 24.
- Information Technology work orders provide for the City’s IT infrastructure projects, IT procurements made on behalf of TIDA, and telephone services for department land line and cellular phones. The budget reflects TIDA’s recent integration with the Department of Technology’s contract with Comcast Services and other IT services in lieu of directly contracting with those entities.
- The Purchasing-Central Shops work orders provide for fleet maintenance services and fuel.
- The Purchasing-Reproduction work order provides for city stationary, envelopes, labels, and other materials.
- DT-SFGOV work order covers TIDA Board Meeting services.

Projected FY 2025-26 Budget: \$865,592

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B. DEVELOPMENT

1. Development Professional Services (Authority Costs)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,201,645	\$1,355,000	\$153,355

The Proposed Budget provides for Development Professional Services for Authority Costs, as detailed below under “FY25 Authority Costs Share” not including costs that are offset by TICD Subsidies:

Development Services	FY 23-24	FY 24-25 Proposed	FY 25 Authority Costs Share
Environmental Engineering	\$185,000	\$250,000	\$250,000
Engineering Consulting Contracts	\$500,000	\$600,000	\$600,000
Parks & Open Space Operations Planning	\$250,000	\$250,000	<i>See Section III</i>
Environmental Evaluation Consultation	\$500,000	\$0	\$0
TIMMA (Mobility Study & Systems Engineering)	\$0	\$0	\$0
Westside Bridges Memorandum of Agreement (SFCTA)	\$1,755,000	\$0	\$0
Relocation Consultant – Replacement Housing - <i>Subsidy Offset</i>	\$500,000	\$500,000	<i>See Section III</i>
Early Relocation In-Lieu Fees - <i>Subsidy Offset</i>	\$300,000	\$300,000	<i>See Section III</i>
Early Relocation Moving Fees - <i>Subsidy Offset</i>	\$300,000	\$300,000	<i>See Section III</i>
Task Force Services	\$750,000	\$0	\$0
CFD/IRFD Reimbursement Consultants (Harris & Associates)	\$100,000	\$250,000	\$250,000
As-Needed Fiscal Consultant	\$45,000	\$45,000	\$45,000
Land Transfer and Closing Costs	\$10,000	\$10,000	\$10,000
State Regulatory Payments - Dept. Toxic Substances Control, State Lands Commission	\$75,000	\$200,000	\$200,000
Subtotals	\$4,770,000	\$2,705,000	1,355,000

Description of contracts under “Authority Costs”:

- Engineering Consultant Contracts – TIDA has on-call service agreements with firms for engineering and architectural support services.
- Westside Bridges Memorandum of Agreement (MOA) – TIDA and the SFCTA entered into a funding Memorandum of Agreement to partially fund the Westside Bridges project to serve as a local match source for other state and federal funding sources. This amount represents year 2 of 3 years of funding, for a total amount of \$3,505,000. The Authority Cost share represents the amount under the MOA not otherwise covered via City Cost obligations paid by TICD, including the cost of the YBI water line replacement and PG&E Gas Line (*See Section II, Development Professional Services*). By FY 25, costs related to this MOA should be fully repaid.

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- As-Needed Fiscal Consultant Services – TIDA anticipates the need to evaluate the impact of future development on land values and future tax increment related to IRFD public financing bond issuances or as it relates to the possible development of the Job Corps campus.

Projected FY 2025-26 Budget: \$1,503,303

2. Planning Department (Authority Costs)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$130,000	\$322,736	\$192,736

The Planning Department work order amount reflects fees for review, oversight, and assistance with environmental impact review efforts related to future development proposals such as for the Job Corps Campus project. The increase in the FY 25 proposed budget reflects increased work order hours for part-time SF Planning staff work on the TI Equity Program.

Projected FY 2024-25 Budget: \$130,000

C. OPERATIONS & MAINTENANCE

1. Maintenance Services – Buildings & Grounds (Authority Costs)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$2,630,000	\$2,978,571	(\$348,571)

The Proposed Budget provides for building maintenance services for Authority Costs, as detailed below under “FY25 Authority Costs Share” not including costs that are offset by TICD Subsidies:

EXPENDITURE CATEGORY	FY 23-24	FY 25 Authority Costs Share
Grounds Maintenance/YBI Natural Areas – Rubicon	\$1,530,000	\$1,530,000
YBI Natural Areas Management - Contracted	\$100,000	\$100,000
YBI Natural Areas Management (Development Project Areas) - <i>Subsidy Offset</i>	<i>See Section III</i>	<i>See Section III</i>
Maintenance of New Parks and Open Spaces (Developer Subsidy) - <i>Subsidy Offset</i>	<i>See Section III</i>	<i>See Section III</i>
Janitorial Services – Toolworks	\$400,000	\$400,000
Building and Facilities Maintenance / Demolition	\$798,571	\$450,000
Art & History Preservation	\$50,000	\$50,000
Scavenger Services	\$85,000	\$85,000
Pest Control	\$15,000	\$15,000
Subtotals	\$2,978,571	\$2,630,000

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- Rubicon Enterprises provides all landscaping maintenance services following the City's Integrated Pest management protocols as well as limited trash collection and management on Treasure Island. In addition, Rubicon now also performs natural areas management on Yerba Buena Island. Rubicon manages the Island Community Garden. Rubicon is a member organization of One Treasure Island and employs formerly homeless and economically disadvantaged individuals. A portion of landscaping expenses are offset by common area maintenance (CAM) charges recovered from housing providers.
- An additional budget allocation provides as-needed hillside invasive species management under the YBI Habitat Management Plan, a portion of which is contracted with Rubicon Enterprises and \$100,000 of which will be contracted separately. Note that an additional \$100,000 of hillside invasive species management will be payable under the Parks and Open Space Developer Subsidy.
- Toolworks is a member organization of One Treasure Island that employs formerly homeless and economically disadvantaged individuals. The Proposed Budget includes janitorial maintenance services and supplies to Buildings One and the Childcare Center, including collection of trash, recyclables and compostables, in addition to services at the restroom facilities at Quarters 9 for the Bay Bridge Bike path and the North Great Lawn for MerSea Restaurant.
- The Proposed Budget provides the same level of funding for TIDA building and facilities maintenance services. The funding is outside of the scope of services provided by DPW Work Orders. The line item funds contracts, as needed, for property maintenance and upkeep, emergency repairs, street paving, seal coating residential parking lots, vegetation management, and fencing. This budget allocation may also be utilized for anticipated demolition and abatement costs.
- Art & History Preservation includes the annual costs for storage of the Authority's existing historic artifacts including the Pageant of the Pacific murals and TI Museum Collection. Funding also allows for as-needed development of TIDA's collection management capacity including any identified needs for plan development, asset conservation, photo-documentation and asset cataloging.
- The Proposed Budget provides the same level of funding for scavenger services and pest control services.

Projected FY 2025-26 Budget: \$2,430,000

2. City Attorney – Legal Services (Authority Costs)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$200,000	\$200,000	\$0

The City Attorney's Office acts as TIDA's General Counsel to provide legal services in TIDA's role as planner and negotiator for development. This includes funding for outside counsel when required.

Projected FY 2025-26 Budget: \$200,000

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3. SFPUC Utilities and Maintenance

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,513,831	\$1,100,000	(\$413,831)

- For PUC water services, the Proposed Budget provides approximately \$150,000 in budget allocation for permitting fees to State Water Resources Control Board (SWRCB), lab services, TIDA water utility fees.
- For PUC wastewater services, the proposed budget assumes \$115,000 to cover wastewater system repair and rehabilitation, and \$70,000 for TIDA wastewater utility fees
- For PUC Hetch Hetchy Power services, the proposed budget allocates \$815,000 for TIDA gas/electric utility fees and \$20,000 for ongoing payments per a service agreement for two backup generators.

Projected FY 2025-26 Budget: \$1,252,000

4. DPW Operations and Maintenance

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$818,000	\$840,000	\$22,000

The Proposed Budget provides funding for the following work orders with DPW:

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Bureau of Building Repair (BBR)	\$618,000	\$640,000
Bureau of Street Environments Services (BSES)	\$0	\$0
Bureau of Streets and Sewer Repair Services (BSSR)	\$200,000	\$200,000
Subtotals	\$818,000	\$840,000

- BBR provides for a Stationary Engineer as well as crafts such as electrical, plumbing, glass, sheet metal, locksmith and carpenter on an as-needed basis. This line item also funds materials and supplies.
- BSES historically provides freeway on/off ramp cleaning, manual landscape cleaning, and streets and roadways sweeping. BSES also provides trash can set-up, clean-up and debris removal for special public events such as New Year’s Eve, Memorial Day, Fourth of July and Fleet Week and during weekends. TIDA no longer intends to contract with BSES for these services
- BSSR provides street paving and pothole repairs on Treasure and Yerba Buena Islands.

Projected FY 2025-26: \$698,503

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5. Debt Service - Electric Submarine Cable Financing

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$0	\$826,100	\$826,100

The Proposed Budget assumes TIDA borrows commercial paper in FY2024 (one year later than planned) to repay an outstanding loan balance related to the installation of an electric submarine cable connecting Oakland’s Davis Substation to TI/YBI in support the development. Although there was budget allocated in FY2024 to begin repayment, there was no commercial paper borrowed or payment made in FY2024. The budget reflects debt service to start repayment in FY2025, assuming the full commercial paper amount is borrowed prior to the end of FY2024.

Projected FY 2024-25 Budget: \$826,100

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II. TIDA CITY COSTS BUDGET EXPENSE DETAILS FY 2024-25

A. DEVELOPMENT

1. TICD Building Abatements Costs

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,732,000	\$700,000	(\$1,032,000)

The amount reflects anticipated costs to finance the demolition and abatement of Building 450. This total amount is included in the overall contract amount with One Treasure Island.

Projected FY 2025-26 Budget: \$0

1B. TICD Obligated Reimbursement under Westside Bridges Budget (City Costs)

TIDA FY 2023-24 Budget	TIDA FY 2024-25 Budget	Change
\$1,248,356	\$0	(\$1,248,356)

The amount reflects anticipated funds from TICD pursuant to proposed a letter Agreement between TIDA, TICD, and SFCTA for certain developer-obligated costs, including (1) the cost to install a new water supply line from the YBI Master Meter and the new water tank site that TICD is building, and (2) the cost to install a new gas line from the TICD/Caltrans right of way to the USCG's Oakland Gate as a part of the joint trench work within the Southgate Project. Per this letter Agreement, the SFCTA will directly finance and oversee these projects, and in lieu of funding these projects, TICD will instead rededicate funding to the Westside Bridges project. The reimbursements related to this letter Agreement is projected to be fully complete in FY 24.

Projected FY 2025-26 Budget: \$0

2. City Attorney – Legal Services (City Costs)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,050,000	\$1,050,000	\$0

The City Attorney's Office acts as TIDA's General Counsel to provide legal services in TIDA's role as planner and negotiator for development. This includes funding for outside counsel when required.

Projected FY 2025-26 Budget: \$1,050,000

3. DPW Engineering Support Services

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TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$5,428,853	\$3,500,000	(\$1,928,853)

This Department of Public Works (DPW) work order pays for the review of subdivision maps, construction inspection services, including Public Works Task Force Service's staff needed for Notice of Completion (NOC) process for completed infrastructure and future bond reimbursement package reviews. The reduction in the FY25 proposed budget is to better align with prior year actuals.

Projected FY 2025-26 Budget: \$3,500,000

4. PUC Engineering & Development Field Services

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,516,416	\$800,000	(\$716,416)

The SF Public Utilities Commission (SFPUC) work order includes engineering review by SFPUC for review of Major Phase and Sub-Phase Applications, subdivision regulations, and other materials prepared by TICD and other technical services performed by SFPUC in support of development. The proposed budget includes field support services by City Distribution Division and Hetch Hetchy to relocate water and electrical lines and abandon existing natural gas lines in support of construction activities and construction inspection services and staffing support for the Wastewater Enterprise to support the development. The proposed FY2024 budget reflects anticipated staffing costs for the Notice of Completion (NOC) process for completed infrastructure and equipment/material costs. The reduction in the FY25 proposed budget is to better align with prior year actuals.

Projected FY 2025-26 Budget: \$800,000

5. SFMTA

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$250,000	\$305,000	\$55,000

This SFMTA work order includes technical services in support of development. The increase in the FY25 proposed budget is to better align with prior year actuals.

Projected FY 2025-26 Budget: \$305,000

6. Planning Department (City Costs)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$170,000	\$170,000	\$0

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The Planning Department work order amount reflects fees for review of TICD plans and construction documents as well as assistance with environmental impact review efforts. This budget allocation is not intended for hours/services provided by the Planning Department for future development proposals such as for the Job Corps Campus project. However if any amount is used for such services, they will be recoverable pursuant to any future Exclusive Negotiating Agreement (ENA).

Projected FY 2025-26 Budget: \$170,000

7. Recreation and Parks Department

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$100,000	\$100,000	\$0

The Recreation and Parks Department work order amount reflects costs to provide peer review of planned Yerba Buena Island and Treasure Island Parks for operability/maintainability.

Projected FY 2025-26 Budget: \$100,000

8. Department of Technology

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$0	\$0	\$0

The Department of Technology work order amount reflects no further costs related to implementing municipal fiber system on Yerba Buena Island and Treasure Island to support tolling infrastructure, fiber to affordable housing, and other municipal facilities. To date, TIDA has executed an MOU with the Department of Technology in the amount not to exceed \$801,000 for the initial scope of work, which has been allocated in the FY 2021, FY 2022, and FY 2023 budgets, therefore TIDA does not anticipate allocating additional funds in its budget until future scopes and phases are determined.

Projected FY 2025-26 Budget: \$0

9. SF Fire Department

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$10,000	\$50,000	\$40,000

The SF Fire Department (Bureau of Fire Prevention) work order amount reflects costs to provide departmental review of the street improvement permit for Stage 2/3 and TI/YBI Stage 1. The increase in the FY25 proposed budget is to better align with prior year actuals.

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Projected FY 2025-26 Budget: \$50,000

10. Controller's Office

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$187,460	\$187,460	\$0

The Controller's Office work order amount reflects costs for annual accounting services, state and federal compliance reporting, and issuing financial statements for the Treasure Island Community Facilities District (CFD) and the Infrastructure Revitalization Financing District (IRFD).

Projected FY 2025-26 Budget: \$187,460

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III. TIDA SUBSIDY BUDGET EXPENSE DETAILS FY 2024-25

A. PERSONNEL & ADMINISTRATION

1. One Treasure Island Contractual Services (Funded by TICD Job Broker Subsidy)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$500,000	\$500,000	\$0

The Proposed Budget provides for the following funding for the Job Broker Program Costs, which is included in the One Treasure Island contract. This amount is offset by the TICD Job Broker Program Subsidy, pursuant to the DDA.

EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
Job Broker Program Costs - <i>Subsidy Offset</i>	\$500,000	\$500,000
Subtotals	\$500,000	\$500,000

- The Proposed Budget for the One Treasure Island contract includes funding for the Job Broker Program Costs are provided to TIDA by TICD as described in the DDA.

Projected FY 2025-26 Budget: \$0

B. DEVELOPMENT

1-3. Development Professional Services (Funded by TICD Developer Housing Subsidy)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,100,000	\$1,100,000	\$0

The Proposed Budget provides for the following funding for certain Development Professional Services Contracts related to housing development. This amount is offset by the TICD Developer Housing Subsidy, pursuant to the DDA.

Development Professional Services	FY 23-24 Proposed
Relocation Consultant – Replacement Housing - <i>Subsidy Offset</i>	\$500,000
Early Relocation In-Lieu Fees - <i>Subsidy Offset</i>	\$300,000
Early Relocation Moving Fees - <i>Subsidy Offset</i>	\$300,000
Subtotals	\$1,100,000

- Relocation Consultant/Replacement Housing – work with the relocation consultant to address resident moves to future new units is expected to ramp up in the upcoming fiscal year. This amount will be offset by the TICD Housing Subsidy.

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- Early Relocation In-Lieu Fees – TIDA anticipates to continue offering early in-lieu fee payments to qualifying pre-DDA residents who wish to exercise the option. This amount will be offset by the TICD Housing Subsidy.
- Early Relocation Moving Fees – TIDA anticipates to cover moving services and fees for qualifying pre-DDA residents who are relocating to new housing units. This amount will be offset by the TICD Housing Subsidy.

Projected FY 2025-26 Budget: \$1,100,000

4. Mayor’s Office of Housing & Community Development (Funded by TICD Developer Housing Subsidy)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$405,579	\$405,579	\$0

The Mayor’s Office of Housing and Community Development work order amount reflect costs of ongoing project management for affordable housing developments on Treasure Island, including the annual cost of managing and maintaining MOHCD’s online DAHLIA system. This amount is offset by the TICD Developer Housing Subsidy, pursuant to the DDA.

Projected FY 2025-26 Budget: \$405,579

5. Affordable Housing Development (Funded by TICD Developer Housing Subsidy)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$16,436,545	\$8,288,922	(\$8,147,624)

Pursuant to the DDA, TICD is required to pay a Developer Housing Subsidy set at \$17,500 per Market Rate unit at the point in which a Vertical Disposition Development Agreement (VDDA) is executed. This proposed budget is estimated based on the projected amount of Developer Housing Subsidy collections. In FY 25, the entirety of the Developer Housing Subsidy allocation is anticipated to fund an amount of \$8,288,922 amount for pre-development and construction costs for Parcel E2.3/4 and other affordable housing projects.

Projected FY 2025-26 Budget: \$14,956,922

6. SF Arts Commission – Art Installation (Funded by VDDA Arts Fees)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$0	\$0	\$0

The SF Arts Commission work order amount reflects anticipated art costs, which will be entirely offset by Arts Fees paid by vertical developers to TIDA as revenue to cover design and engineering of the first artwork commissions. This amount is offset by the VDDA Arts Fee revenues, pursuant to the

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DDA. Due to delayed permitting times, the projected rate in which the arts fees can be collected has also been delayed. Therefore, the proposed budget assumes \$0 for FY 2024 expenses. Prior appropriated fund balance of \$4.3M is still available to the project for program expenses.

Projected FY 2025-26 Budget: \$553,148

C. OPERATIONS & MAINTENANCE

1-4. Maintenance Services – Buildings & Grounds (Funded by TICD Subsidy)

TIDA FY 2023-24 Budget	Proposed FY 2024-25	Change
\$1,500,000	\$2,118,400	\$618,400

The Proposed Budget provides for the following funding for certain maintenance services contracts related to parks and open space maintenance. This amount is offset by the TICD Parks and Open Space Subsidy, pursuant to the DDA.

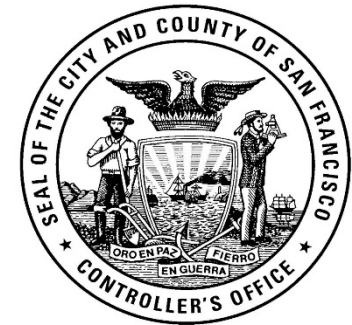
EXPENDITURE CATEGORY	FY 23-24	FY 24-25 Proposed
As Needed Invasive Species Management (Development Project Areas) - <i>Subsidy Offset</i>	\$100,000	\$100,000
Maintenance of New Parks and Open Spaces - <i>Subsidy Offset</i>	\$1,207,534	\$1,688,400
New Parks and Open Spaces Operations Planning - <i>Subsidy Offset</i>	\$192,466	\$250,000
		80,000
Subtotals	\$1,500,000	\$2,118,400

- The proposed budget includes \$100,000 of funding for invasive species management for new development parcels anticipated in FY2025 provided to TIDA by TICD as part of the Open Space Subsidy described in the DDA.
- The proposed budget includes \$1,688,400 for new parks and open space maintenance expenditures anticipated in FY2025 provided to TIDA by TICD as part of the Open Space Subsidy described in the DDA. The budget allocation will cover maintenance costs of YBI Parks and Open Spaces for the completed Dog Park, Hilltop West and East Park, Causeway Park, Waterfront Plaza, and Cityside Park, all of which are scheduled to be completed and operational in 2024.
- The proposed budget includes approximately \$250,000 of funding for operations planning for parks and open spaces on YBI/Treasure Island provided to TIDA by TICD as part of the Open Space Subsidy described in the DDA. This planning effort will assist in the overall maintenance plan, ongoing operations, and governance structure of TIDA's parks and open space system.
- The proposed budget includes a \$80,000 SF Environment work order covers continued assistance with Habitat Management Plan implementation, monitoring, and support.

Projected FY 2025-26 Budget: \$1,897,400

Treasure Island Board of Directors

Informational Item No. 8: FY 2024-25 Budget Planning
Update



January 10, 2024

City & County of San Francisco
Treasure Island Development Authority

FY2024-25 Budget Timeline

- **December 13th** – FY 2024-25 Budget Introduction to TIDA Board
- **December 13th** – Mayor releases FY25 & FY26 Budget Instructions
- **January 10th** – Bring draft budget to the TIDA Board for review/comment
- **February 14th** – Bring proposed budget to the TIDA Board for approval to submit to Mayor’s Budget Office
- **Early February** – TIDA proposed budget submission to City Administrator’s Central Budget & Planning Office
- **Mid/late-February** – City Administrator submits budget to Mayor’s Budget Office
- **March** – Proposed department budgets are published on the Controller’s Office website. Controller publishes an update to the 5-Year Financial Plan (Joint Report), which highlights near-term budgetary shortfalls
- **June 1st** – Mayor’s Budget Office publishes two-year budget
- **June** – Budget and Finance Committee hearings
- **July 1st** – Mayor’s Proposed Budget is loaded into financial system by Controller’s Office
- **July** – Board of Supervisors adopts FY2024-25 & FY2025-26 Budget



Mayor's Budget Instructions

- In October 2023, the Mayor's Budget Office issued instructions for current year budget reductions, which amount to approximately \$75 million in the current fiscal year 2023-24, and ongoing, around \$35 million in each year thereafter
- In mid-December, the Mayor's Budget Office released budget instructions for the next 2 fiscal years requesting for additional reductions of 10%/yr plus a 5% contingency. In partnership with the Controller's Office and Budget & Legislative Analyst, the Mayor's Budget Office is projecting a deficit that grows to \$1.35 billion by FY 2027-28 if no further actions are taken
- To balance the citywide budget, General Fund departments will be asked to decrease ongoing General Fund support
- **Non-General Fund departments are being directed to balance within their own revenue projections.** TIDA is considered a Non-General Fund department, as it does not receive any revenue support from the General Fund.



FY 2024-25 & FY2025-26 Proposed Budget Highlights

Total Budget Revenues and Expenses:

- FY 2024-25 – \$33,875,360
- FY 2025-26 – \$39,731,131

**See Exhibit A for full detail*

Budget Format – In order to breakout TIDA's annual expenditure budget in alignment with certain revenue sources and reimbursements pursuant to the DDA, TIDA staff organizes the budget into 3 budget components:

(1) Authority Costs Budget:	\$14,600,000
(2) City Costs Budget:	\$6,862,460
(3) Subsidy Budget:	\$12,412,900

The budget establishes a ceiling for expenditure authority, which is typically under-expended. For example, in FY2023, TIDA's total expenditures were \$4.75M or approximately 16% under budget.

In the proposed budget, Authority staff has made two notable changes: (1) overall budget has been adjusted to better align with prior year actuals, and (2) the Authority Cost expenditure budget has been revised to align with projected Authority Revenues.



TICD Reimbursement Obligations

TICD Obligation to Pay Shortfall in Authority Costs

19.6 Payment for Shortfall in Authority Costs. ...In each calendar quarter, Authority shall apply all Authority Revenues against all Authority Costs described in each Authority Costs and Revenues Report in accordance with the requirements of applicable laws, including the Conversion Act and the City's Charter. **Developer shall reimburse Authority for the amount by which the Authority Costs exceed Authority Revenues and reasonable reserves for that quarter, as shown in the Authority Costs and Revenues Report, no later than sixty (60) days after the receipt of the Authority Costs and Revenue Report from the Authority.** The Parties shall meet and confer in good faith to resolve any disputes regarding an Authority Costs and Revenue Report...

TICD Obligation to Pay City Costs

19.8 Payment of City Costs and Ramps Payment. Under the Development Agreement and the Interagency Cooperation Agreement, City Agencies must submit quarterly invoices for all City Costs incurred by the City Agency for reimbursement under the Development Agreement, which invoices shall be gathered by Authority. **Authority shall gather all such invoices so as to submit one combined City bill to Developer each quarter. As described in the Development Agreement and the Interagency Cooperation Agreement, Developer shall pay City for all City Costs during the Term within thirty (30) days following receipt of a written invoice.** Developer shall not be obligated for the payment of any City Cost that is not invoiced to Developer within twelve (12) months from the date the City Cost was incurred...



TICD Budget Review Requirement

19.2 Annual Budget. ... **Each subsequent Authority Fiscal Year during the term of this DDA, the Authority and Master Developer shall meet and confer regarding the Authority Costs reasonably expected to be incurred and Authority Revenues reasonably expected to be received during that succeeding Authority Fiscal Year. Prior to such meetings, the Authority shall prepare a preliminary budget (the "Annual Preliminary Budget") estimating the anticipated Authority Cost and Authority Revenues...**The Annual Preliminary Budget shall include a projection of anticipated revenues payable to Authority for the year, including projected Authority Revenues. **Based on such meetings and other relevant information available to the Authority, the Authority shall update such Annual Preliminary Budget for Authority Costs for such Authority Fiscal Year, broken down by fiscal quarter and including the information set forth in clauses (i) through (v) above (an "Annual Authority Draft Budget") and deliver the same to Master Developer.** The Parties acknowledge that the Annual Authority Draft Budget is subject to review and approval by the Authority Board and the Board of Supervisors in their sole and absolute discretion. The Parties further acknowledge and agree that the Annual Authority Budget may need to be modified by the Authority and the Board of Supervisors from time to time during the Authority Fiscal Year.



FY 2024-25 Proposed Budget Highlights

REVENUES:

- **\$11.6 M** - Commercial revenues are assumed to stay steady in FY2025 based on prior year revenues improving
- **\$3.0 M** - Residential leasing revenues assumed to \$1.0M due to anticipated moves and in-lieu payments; Common Area Maintenance (CAM) fees (\$1.75M); additional revenues from CFD/IRFD taxes for administration (\$150K); additional revenues from BATA/SFCTA MOAs (\$270K)
- **\$0 M** - In both FY 2025 and FY2026, the proposed budget assumes a Authority expenditures are fully covered by Authority Revenues, so there is no expectation for TICD to cover shortfalls between actual expenditures and actuals revenues
- **\$6.675 M** - Certain development costs (City Costs) will be offset by TICD reimbursement
- **\$12.6 M** - Certain qualified costs will be offset by TICD Subsidies, vertical developer fees, and service agreement payments with other departments

**See Exhibit B for full detail*



Fiscal Year 2024-2025 Budget Introduction

TREASURE ISLAND DEVELOPMENT AUTHORITY

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FY 2024-25 Proposed Budget Highlights

EXPENSES:

Authority Costs Budget

- \$6.98 M - Personnel & Admin
- \$1.677 M - Development-related contractual services
- \$5.94 M - TIDA operations and maintenance

City Costs Budget

- \$700,000 – Building abatement
- \$1.05 M - City Attorney / legal services
- \$5.11 M - City department services, including amortized repayment of submarine cable

Subsidy Budget

- \$500,000 - Job Broker Program
- \$9.80 M - housing development costs (relocation services, in-lieu payments, MOHCD)
- \$2.12 M - parks and open space maintenance, as-needed habitat management
- \$0 - Arts Commission programming and installation costs (no net new appropriation)



**See Exhibit C for full detail*

Fiscal Year 2024-2025 Budget Introduction

TREASURE ISLAND DEVELOPMENT AUTHORITY

FY 2024-25 Budget Planning

Anticipated Budget Growth:

- Developer Housing Subsidies to support future affordable housing development
- Maintenance for newly completed parks
- Transitional housing related fees/costs
 - Relocations to Star View Court
 - Unit turnovers and interim moves
 - Securing or demolishing vacant buildings
- SF Planning staff support for Equity Program



FY 2024-25 Budget Planning

Contract Services:

- Park planning and operations support
- Task-Force/program management support
- Environmental assessment/planning studies



Community Serving Programs Support

Total Support Services

- One Treasure Island (ShipShape, food pantry, construction training program, community facilities planning, etc.)
- YMCA Operations – free to island residents
- Island youth participation in Boys & Girls Club Camp Mendocino summer program
- After-school & on-island summer youth programs
- Childcare Center Facility maintenance & operating subsidy
- Dept. of Public Health on-island services
- Traffic management during Fleet Week, July 4th, and New Year's Eve



Discussion

