Agenda Item 4.A.1

Resolution No. 26-03-004

CAPITAL PROGRAMS AND CLIMATE FINANCING AUTHORITY (CPCFA)
CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION PROGRAM

Meeting Date: November 10, 2026

Request to Extend Infill Grant Agreement under the California Recycle Underutilized Sites (CALReUSE) Remediation Program

Prepared by: Ryan Dannewitz

Applicant:	Office of Community Investment and Infrastructure as Successor Agency to the Redevelopment Agency of the City and County of San Francisco
Project Name:	Hunters Point Shipyard
Project Location:	San Francisco (San Francisco County)
Type of Funding:	Grant
Amount Awarded:	$5,000,000
Amount Disbursed:	$4,985,103
Resolution No.:	26-03-004
Prior Actions:	Approved: 11/19/2008 Amended: 09/17/2019 Amended: 11/15/2022 Amended: 06/20/2023 Amended: 12/12/2023 Amended: 12/10/2024

Summary

The Office of Community Investment and Infrastructure, also known as the Successor Agency to the Redevelopment Agency of the City and County of San Francisco, (the "Grantee") requests approval of an amendment to extend the term of the Infill Grant Agreement ("Grant Agreement"), dated November 19, 2008, from December 31, 2026, to December 31, 2028, under the CALReUSE Remediation Program ("Program").

Project Background

On November 19, 2008, the CPCFA Board approved a grant in the amount of $5,000,000 for remediation at the former Hunters Point Naval Shipyard ("Shipyard"). CPCFA and, after a modification to the affordability mix approved by the Executive Director under her delegated authority, the Grantee executed the Grant Agreement dated as of October 10, 2010. All reimbursable costs have been submitted by the Grantee, and the disbursement of the $4,985,103 Grant is complete. The original brownfield cleanup proposed an initial Infill Development Project that consisted of 2,625 housing units (616 affordable).

In October of 2015, the Grantee requested an extension to the term of the Grant Agreement and a further reduction in housing units listed in the infill development project description. The Grantee cited challenges with the dissolution of the Redevelopment Agency, challenges with the California Department of Finance on enforceable obligations, and delays with the conveyance of U.S. Navy parcels to the City of San Francisco. In January of 2016, the CPCFA Executive Director, under their delegated authority, approved the extension to the term of the Grant Agreement for approximately 22 months to October 7, 2019, and to reduce the number of housing units in the infill development project description from 1,128 (221 affordable) to 884 (209 affordable).

In September of 2019, the Grantee requested, and the board approved, an extension of approximately 38 months, from the previous October 7, 2019, to December 31, 2022. The grantee cited the economic infeasibility of the design of Block 52 and the subsequent redesign requiring lot line adjustment and lot consolidation approval.

In November 2022, the Grantee requested, and the board approved, an additional extension until July 31, 2023, to obtain a certificate of occupancy, and complete the Infill Development Report. In addition, the Grantee agreed to fulfilling five benchmarks, four of which have been met.

In June 2023, the Grantee requested, and the board approved, an extension until December 31, 2023. The Grantee cited shipping delays for key equipment that impacted the Grantee's ability to obtain a Certificate of Final Completion and Occupancy and complete the Infill Development Report.

In December 2023, the Grantee requested, and the board approved, an extension until December 31, 2024. The Grantee cited continued missing critical components for key equipment impacting the Grantee's ability to obtain a Certificate of Final Completion and Occupancy and complete the Infill Development Report.

In December 2024, the Grantee received board approval for an extension to December 31, 2026, due to the area surrounding the building awaiting an ADA inspection sign-off before issuing a Certificate of Final Completion and Occupancy (CFCO).

Current Status and Request

The Grantee is requesting additional time to gather all of the related materials and information needed to submit the Brownfield Remediation Final Report and Exhibit D of the Infill Grant Agreement (Completed Infill Development Project Report Certification). Staff turnover since the initial grant approval back in November 2008 has created difficulties for current OCII staff's attempts to access and collate all of the materials and information relevant to the completion and submittal of the reports.

Once the reports are submitted, additional time will be needed for the Department of Toxic Substances Control to review the Brownfield Remediation Final Report, and for CPCFA staff to review and process both reports so the grants can be closed out.

Staff Recommendation

Staff recommends approval of Resolution No. 26-03-004 extending the term of the Infill Grant Agreement from December 31, 2026, to December 31, 2028, for the Hunters Point Shipyard project.

A RESOLUTION OF THE CAPITAL PROGRAMS AND CLIMATE FINANCING AUTHORITY APPROVING THE REQUEST TO AMEND THE GRANT DOCUMENTS UNDER THE CALIFORNIA RECYCLE UNDERUTILIZED SITES REMEDIATION PROGRAM

November 10, 2026

WHEREAS, the Capital Programs and Climate Financing Authority (the "Authority"), a public instrumentality of the State of California, is authorized pursuant to California Health and Safety Code, Division 27, Section 44500 et seq., to implement and make specific the statutory provisions of the California Recycle Underutilized Sites (CALReUSE) Remediation Program (Program) pursuant to California Code of Regulations (CCR) Title 4, Division 11, Article 9, Subarticle 2 (Regulations); and

WHEREAS, the statutory provisions of the CALReUSE Remediation Program authorize grant and loan funding for the purpose of brownfield cleanup that promotes infill residential and mixed-use development, consistent with regional and local land use plans; and

WHEREAS, on November 19, 2008, the Capital Programs and Climate Financing Authority approved a grant to the Redevelopment Agency of the City and County of San Francisco in the amount of $5,000,000 pursuant to that certain Infill Grant Agreement dated October 18, 2010 (Infill Grant Agreement); and

WHEREAS, the Authority amended the Infill Grant Agreement on November 27, 2012 to add the Successor Agency to the Redevelopment Agency of the City and County of San Francisco (Grantee therein), which assumed the authority and responsibility to complete the Brownfield Infill Project and Infill Development Project as described therein; and

WHEREAS, under the authority delegated to the executive director, the Authority amended the Infill Grant Agreement on January 13, 2016, to extend the term of the Infill Grant Agreement to October 7, 2019, and amended the number of housing units in the infill development project description to 884 (209 affordable); and

WHEREAS, the Authority amended the Infill Grant Agreement on September 17, 2019, to extend the term of the Infill Grant Agreement to December 31, 2022; and

WHEREAS, the Authority amended the Infill Grant Agreement on November 20, 2022, to extend the term of the Infill Grant Agreement to July 31, 2023; and

WHEREAS, the Authority amended the Infill Grant Agreement on June 20, 2022, to extend the term of the Infill Grant Agreement to December 31, 2023; and

WHEREAS, the Authority amended the Infill Grant Agreement on December 12, 2023, to extend the term of the Infill Grant Agreement to December 31, 2024; and

WHEREAS, the Authority amended the Infill Grant Agreement on December 10, 2024, to extend the term of the Infill Grant Agreement to December 31, 2026; and

WHEREAS, the Authority finds that further extending the term of the Infill Grant Agreement until December 31, 2028, is in the public interest and advances the purposes of CALReUSE.

NOW THEREFORE BE IT RESOLVED by the Capital Programs and Climate Financing Authority, as follows:

Section 1. The Authority finds that extending the term of the Infill Grant Agreement until December 31, 2028, is in the public interest and advances the purposes of CALReUSE Remediation Program.

Section 2. The Infill Grant Agreement dated October 10, 2010, as amended, is hereby extended to December 31, 2028. The Executive Director or her designee is authorized to execute an extension or other documents and to take any other actions consistent with the purpose of this Resolution.

Section 3. Except as specifically authorized by this Resolution, all provisions and conditions of the Infill Grant Agreement dated October 5, 2010, as amended, shall remain unchanged and in full force and effect.