

Hunters Point Shipyard Storehouse

HPS CAC

Business & Employment Subcommittee

Presentation

March 10, 2022



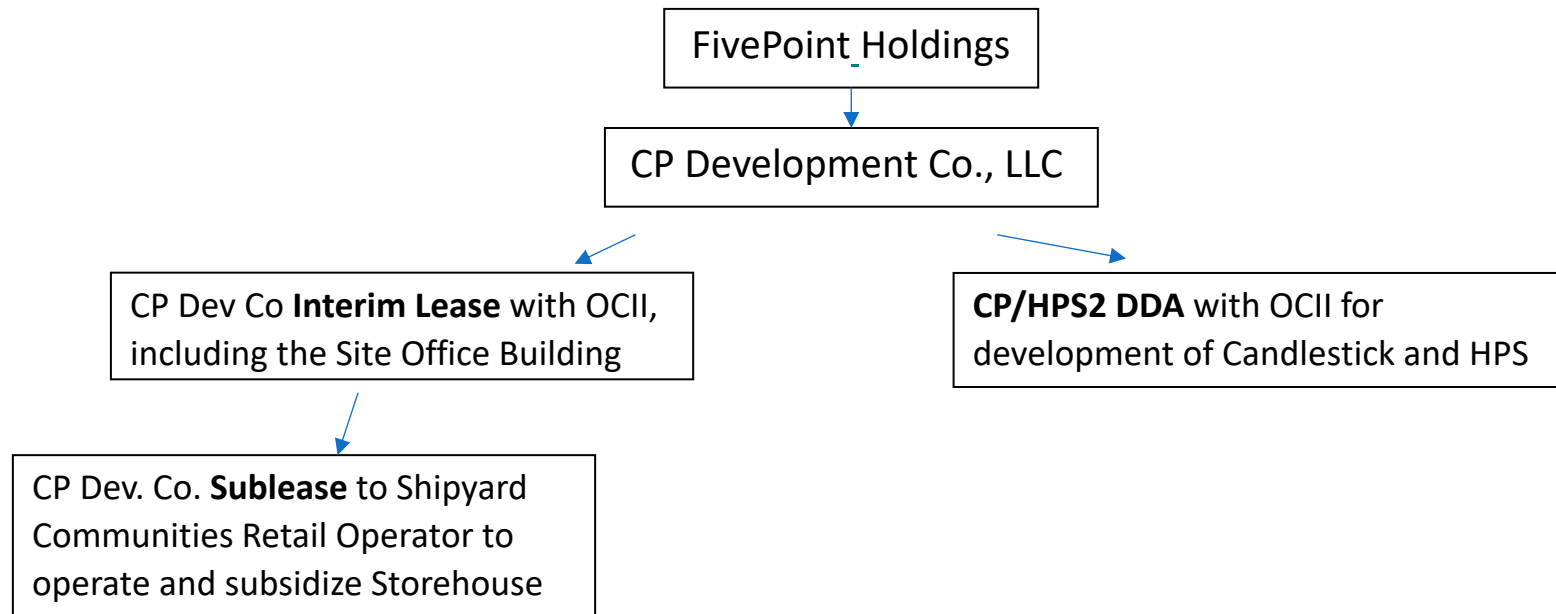
Overview of the Storehouse

- Retail Store within Site Office Building at 451 Galvez
- Operated by Shipyard Communities Retail Operator (subsidiary of FivePoint)
- FivePoint subsidizes the operation of the Storehouse
- Closed in 2020, during the COVID pandemic
- FivePoint is exploring reopening the Storehouse



Storehouse Operator

- Operated by Shipyard Communities Retail Operator, LLC ("Operator"),
- Operator is wholly-owned subsidiary of FivePoint Holdings, which also controls CP Development Co., LLC, the master developer under the CP/HPS 2 DDA



Storehouse Operation Costs (Pre-COVID)

Cost	2018	2019	Summary
Revenue	\$118,349	\$118,349	Retail Revenue
Costs	\$476,644	\$398,113	Retail Operating Expenses: merchandise, events, utilities, maintenance, security, insurance, taxes, supplies, furniture and equipment, depreciation
Net Income	(\$358,295)	(\$289,172)	Operating Losses

Storehouse Background

- Operator subleased the Storehouse pursuant to FivePoint's rights under Interim Lease. Interim Lease is an enforceable obligation that OCII is permitted to continue to administer after dissolution of the Former San Francisco Redevelopment Agency.
- Until Interim Lease is terminated, only FivePoint has ability to operate, or oversee the operation of Storehouse.
- OCII is not authorized to expend funds to subsidize a retail space at the storehouse location.

Storehouse not Related to HPS1 Public Facilities Contract

- Storehouse operation within the Site Office Building is unrelated to the public facilities property management and maintenance contract.
- Community Facilities District (CFD) fund the public facilities property management and maintenance contract for parks, open space, streetscapes and public facilities.
- CFD revenues are not allowed to be used to subsidize the operation of the Storehouse, or to perform landlord property management of a retail establishment within the Storehouse space.

Questions/Comments

Thank you