

**Resolution modifying the draft Infrastructure Financing Plan for the proposed San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) and the project areas therein, and determining other matters in connection therewith.**

4

5        WHEREAS, Laurel Heights Partners, LLC, a Delaware limited liability company (“3333  
6 California Street Developer”), owns and operates an approximately 10.25-acre site located in  
7 the City and County of San Francisco (“City”) bounded by California Street to the north,  
8 Presidio Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south,  
9 and Laurel Street and Mayfair Drive to the west, currently comprised of an approximately  
10 455,000 gross square foot office building, an approximately 14,000 gross square foot annex  
11 building, surface and subsurface parking areas, and landscaping or landscaped open space  
12 (“3333 California Street Project Site”); and

13        WHEREAS, The City, acting by and through its Planning Department, and the 3333  
14 California Street Developer entered into a Development Agreement dated as of September  
15 11, 2020, and recorded in the Official Records on September 11, 2020, as Document No.  
16 2020015925 (“Original Development Agreement”), and a Memorandum of Minor Modification  
17 of Development Agreement (Amendment No. 1) dated as of June 5, 2024, and recorded in the  
18 Official Records on June 26, 2024, as Document No. 2024048267 (“Amendment No. 1”), and  
19 a Second Amendment to Development Agreement, dated as of April 30, 2025 and recorded in  
20 the Official Records on May 7, 2025, as Document No. 2025034503 (“Amendment No. 2” and  
21 together with Amendment No. 1 and the Original Development Agreement, the “3333  
22 California Street Development Agreement”), and a copy of the 3333 California Street  
23 Development Agreement is on file with the Clerk of the Board of Supervisors in File No.  
24 240816; and

25

1        WHEREAS, The 3333 California Street Developer proposes to construct a mixed-use  
2        development on the 3333 California Street Project Site that will include residential, non-  
3        residential, open space, child care, and related uses, including (i) approximately 744  
4        residential units, including approximately 124 on-site affordable senior residential units, (ii)  
5        approximately 38,094 square feet of retail/restaurant/commercial use in buildings along  
6        California Street, (iii) an approximately 13,933 gross square foot space for child care use, and  
7        (iv) approximately 52 percent of the overall lot area (approximately 236,000 square feet –  
8        excluding green roofs) as open area, with portions to be developed with a combination of  
9        public open space, common open space (some of which would be open to the public) and  
10       private open space for residents; the proposed 3333 California Street Project would include  
11       2.87 acres of publicly accessible landscaped open space with multi-purpose plazas, lawns,  
12       pathways and streetscape improvements (collectively, the “3333 California Street Project”);  
and

13       WHEREAS, On September 5, 2019, by Motion No. 20512, the Planning Commission  
14       certified as adequate, accurate and complete the Final Environmental Impact Report (“3333  
15       California Street FEIR”) for the 3333 California Street Project pursuant to the California  
16       Environmental Quality Act (California Public Resources Code Section 21000 et seq.)  
17       (“CEQA”); a copy of Planning Commission Motion No. 20512 is on file with the Clerk of the  
18       Board of Supervisors in File No. 190947; also, on September 5, 2019, by Motion No. 20513,  
19       the Planning Commission adopted findings, including a rejection of alternatives and a  
20       statement of overriding considerations (“3333 California Street CEQA Findings”) and a  
21       Mitigation Monitoring and Reporting Program (“3333 California Street MMRP”); these Motions  
22       are on file with the Clerk of the Board of Supervisors in File No. 190947; in Ordinance No.  
23       276-19, adopted by the Board of Supervisors on November 19, 2019, and signed by the  
24       Mayor on November 27, 2019, the Board of Supervisors declared that it had reviewed the  
25

3333 California Street FEIR and related documents, and adopted as its own and incorporated  
1 by reference as though fully set forth therein the 3333 California Street CEQA Findings,  
2 including the statement of overriding considerations, and the 3333 California Street MMRP,  
3 and adopted the supplemental 3333 California Street CEQA findings on file with the Clerk of  
4 the Board of Supervisors in File No. 190845; and

5 WHEREAS, On November 19, 2024, the Board of Supervisors adopted Resolution No.  
6 271-24, which the Mayor signed on November 25, 2024, pursuant to which the Board of  
7 Supervisors (i) approved Amendment No. 2, (ii) found that, on October 10, 2024, the San  
8 Francisco Planning Department issued an addendum to the 3333 California Street FEIR  
9 ("3333 California Street FEIR Addendum") finding that Amendment No. 2 would not change  
10 the conclusions in the 3333 California Street FEIR and Amendment No. 2 would not result in  
11 any new or more severe environmental impacts than were previously identified in the 3333  
12 California Street FEIR (a copy of the 3333 California Street FEIR Addendum is on file with the  
13 Clerk of the Board of Supervisors in File No. 240797) and (iii) found that the 3333 California  
14 Street FEIR and the 3333 California Street FEIR Addendum are adequate for their use for the  
15 actions taken by Resolution No. 271-24 and that, pursuant to CEQA Guidelines Section  
16 15162, no additional environmental review is required; and

17 WHEREAS, CALIFORNIA 3700, LLC, a Delaware limited liability company ("3700  
18 California Street Developer" and, together with the 3333 California Street Developer, the  
19 "Developers") owns 14 parcels on a 4.9-acre site located in the City on California Street  
20 between Maple Street and Cherry Street ("3700 California Street Project Site"); and

21 WHEREAS, The 3700 California Street Developer proposed, and the City approved, a  
22 modification to existing entitlements that allows a mixed-use development on the 3700  
23 California Street Project Site that will include demolition of five of the six existing hospital  
24 buildings on the 3700 California Street Project Site, including a five-story accessory parking  
25

garage; demolition of a two-level, below-grade parking structure; renovation and adaptive reuse of a portion of the Marshal Hale hospital building at 3698 California Street to residential and institutional use; retention and renovation of the existing nine-unit residential building at 401 Cherry Street; construction of approximately 19 new buildings that may contain approximately 492 dwelling units, including 15 single-family homes and four multi-family residential buildings (exclusive of the nine units in the existing 401 Cherry Street building that are not included in the boundaries of the EIFD), and approximately 74 institutional units for assisted living and memory care; and construction of approximately 45,500 square feet of residential and 8,400 square feet of institutional shared onsite amenity space and approximately 70,700 square feet of private and common open space areas for residents (collectively, the "3700 California Street Project"); and

WHEREAS, The City and the 3700 California Street Developer have not executed a development agreement related to the 3700 California Street Project; and

WHEREAS, On February 27, 2020, by Motion No. 20671, the Planning Commission certified as adequate, accurate, and complete for the existing entitlements of the 3700 California Street Project the Final Environmental Impact Report ("3700 California Street FEIR") for the 3700 California Street Project pursuant to CEQA; a copy of Planning Commission Motion No. 20671 is on file with the Clerk of the Board of Supervisors in File No. 240816; also, on February 27, 2020, by Motion No. 20677, the Planning Commission adopted findings ("3700 California Street CEQA Findings") and a Mitigation Monitoring and Reporting Program ("3700 California Street MMRP") for the 3700 California Street Project; these Motions are on file with the Clerk of the Board of Supervisors in File No. 240816; the Planning Commission also declared in its Motion No. 20672, on February 27, 2020, that it had reviewed and considered the 3700 California Street FEIR and related documents, and adopted and

24

25

incorporated by reference as though fully set forth therein, the 3700 California Street MMRP  
1 and the 3700 California Street CEQA Findings; and

2 WHEREAS, Subsequent to certification of the 3700 California Street FEIR, the 3700  
3 California Street Project was revised, and, on April 10, 2025, the San Francisco Planning  
4 Department issued an addendum to the 3700 California Street FEIR ("3700 California Street  
5 FEIR Addendum") in which the Planning Department concluded that the revised 3700  
6 California Street Project would not cause new significant impacts not identified in the 3700  
7 California Street FEIR, no new mitigation measures would be necessary to reduce significant  
8 impacts, and no supplemental environmental review is required beyond the 3700 California  
9 Street FEIR Addendum; and

10 WHEREAS, On May 1, 2025, by Motion No. 21731, the Planning Commission  
11 approved a conditional use application for the 3700 California Street Project to modify the  
12 prior February 27, 2020 approvals and incorporated by reference the 3700 California Street  
13 CEQA Findings contained in Motion No. 20677; and

14 WHEREAS, The 3333 California Street Project and 3700 California Street Project are  
15 both being developed by Prado Group, Inc.; and

16 WHEREAS, The 3333 California Street Project Site and the 3700 California Street  
17 Project Site are collectively referred to in this Resolution as the "3333/3700 California Street  
18 Project Sites"; and

19 WHEREAS, The 3333 California Street Project and the 3700 California Street Project  
20 are collectively referred to in this Resolution as the "3333/3700 California Street Projects"; and

21 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of  
22 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy  
23 of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors  
24 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San  
25

Francisco (“Guidelines”) that describe minimum threshold criteria and strategic criteria for the  
1 City to consider when evaluating the proposed formation of an infrastructure financing district;  
2 and

3 WHEREAS, On February 27, 2023, the Capital Planning Committee adopted an  
4 interpretative supplement to the Guidelines (“Interpretive Supplement”) to provide guidance to  
5 City staff and the development community about application of the Guidelines, and pursuant  
6 to Resolution No. 113-24, which was adopted by the Board of Supervisors on March 19, 2024,  
7 and signed by the Mayor on March 21, 2024, and a copy of which is in File No. 240139, the  
8 Board of Supervisors ratified the Guidelines; and

9 WHEREAS, Under the minimum threshold criteria set forth in the Guidelines, the  
10 maximum incremental property tax revenue that may be allocated to an infrastructure  
11 financing district is 50% of the total incremental property tax revenue, although the City  
12 may allocate all or a portion of the remaining 50% of the incremental property tax revenue  
13 on a conditional basis to provide debt service coverage for the infrastructure financing  
14 district's bonds or other debt; and

16 WHEREAS, Under the Guidelines, the “incremental property tax revenue” that can  
17 be allocated by the City to an infrastructure financing district includes: (1) “general property  
18 tax increment,” i.e., property tax revenue annually allocated to the City and generated by  
19 the levy of the 1% ad valorem tax rate upon the increased assessed values of taxable  
20 property in the infrastructure financing district above the values shown upon the  
21 assessment roll that was last equalized before the formation of the IFD and (2) “MVILF tax  
22 increment,” i.e., that portion of any ad valorem property tax revenue annually allocated to  
23 the City pursuant to Revenue and Taxation Code Section 97.70 and that corresponds to the  
24

increase in the assessed valuation of taxable property; and

1            WHEREAS, The 3333/3700 California Street Projects will provide significant public  
2        benefits to the City, including the conversion of two vacant buildings into significant new  
3        housing units to contribute to the City's housing supply, including affordable housing, as well  
4        as the construction and maintenance of new privately-owned publicly accessible open space  
5        and pedestrian pathways, transportation demand management measures, street and  
6        infrastructure improvements, and on-site childcare facilities, but the 3333/3700 California  
7        Street Projects have significant public infrastructure obligations that must be completed before  
8        the 3333/3700 California Street Projects' residential units and community benefits can be  
9        constructed; and

11            WHEREAS, The 3333/3700 California Street Projects are eligible for financial  
12        assistance from an infrastructure financing district under the Guidelines; and

13            WHEREAS, Under Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California  
14        Government Code (commencing with Section 53398.50, and herein referred to as the "EIFD  
15        Law"), the Board of Supervisors is authorized to initiate the process to establish an enhanced  
16        infrastructure financing district (including project areas therein) and approve an infrastructure  
17        financing plan allocating tax revenues to such enhanced infrastructure financing district; and

18            WHEREAS, Pursuant to Resolution No. 553-24, adopted by the Board of Supervisors  
19        on November 5, 2024, and signed by the Mayor on November 14, 2024 ("Resolution of  
20        Intention"), the Board of Supervisors declared its intention to establish San Francisco  
21        Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700  
22        California Street EIFD") over the 3333/3700 California Street Project Sites, including project  
23        areas (each, "Project Area"; collectively, "Project Areas") pursuant to the EIFD Law, to finance  
24

(i) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of  
1 certain real or other tangible property with an estimated useful life of 15 years or longer that  
2 are public capital facilities or other projects of communitywide significance that provide  
3 significant benefits to the 3333/3700 California Street EIFD or the surrounding community,  
4 including any directly-related planning and design work and (ii) the costs described in  
5 Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable), all as more  
6 fully described in Exhibit A attached to the Resolution of Intention; and

7        WHEREAS, Under the EIFD Law, the 3333/3700 California Street EIFD shall be a  
8 legally constituted governmental entity separate and distinct from the City and its sole purpose  
9 shall be to finance public capital facilities and projects of communitywide significance; and

10        WHEREAS, The Board of Supervisors established the Enhanced Infrastructure  
11 Financing District Public Financing Authority No. 1 (“EIFD Public Financing Authority No. 1”)  
12 pursuant to Ordinance No. 44-23, which was adopted on April 4, 2023, and signed by the  
13 Mayor on April 7, 2023 (“Ordinance Establishing PFA”), which Ordinance established Article  
14 XLVIII of Chapter 5 of the Administrative Code to govern the EIFD Public Financing Authority  
15 No. 1; and

16        WHEREAS, Pursuant to Ordinance No. 210-24, which was passed by the Board of  
17 Supervisors on July 23, 2024, and signed by the Mayor on August 1, 2024, Article XLVIII of  
18 Chapter 5 of the Administrative Code was amended to provide for the EIFD Public Financing  
19 Authority No. 1 to act as the governing body of multiple enhanced infrastructure financing  
20 districts on such terms and conditions as the Board of Supervisors shall determine in the  
21 resolution of intention for such districts; and

22        WHEREAS, In the Resolution of Intention, the Board of Supervisors designated the  
23 EIFD Public Financing Authority No. 1 to act as the governing board of the 3333/3700  
24 California Street EIFD; and

1        WHEREAS, The EIFD Public Financing Authority No. 1 is responsible for causing  
2        preparation of the infrastructure financing plan for the 3333/3700 California Street EIFD  
3        ("3333/3700 California Street IFP"), which will describe, among other things, the allocation by  
4        the City to the 3333/3700 California Street EIFD of certain incremental property tax revenue  
5        for the purpose of financing public capital facilities or other specified projects of  
6        communitywide significance that provide significant benefits to the 3333/3700 California Street  
7        EIFD or the surrounding community and the issuance by the 3333/3700 California Street EIFD  
8        of bonds and other debt; and

9        WHEREAS, On July 17, 2025, pursuant to Resolution No. 2025-03, the EIFD Public  
10      Financing Authority No. 1 directed the Executive Director of the EIFD Public Financing  
11      Authority No. 1 to work with the necessary City staff and professionals to prepare a draft of  
12      the 3333/3700 California Street IFP and make such 3333/3700 California Street IFP available  
13      to interested parties as required by the EIFD Law; and

14       WHEREAS, On September 11, 2025, the EIFD Public Financing Authority No. 1 held a  
15      public meeting at which the draft 3333/3700 California Street IFP was presented; and

16       WHEREAS, The Executive Director of the EIFD Public Financing Authority No. 1 has  
17      proposed certain changes to the draft 3333/3700 California Street IFP, and such modified  
18      draft 3333/3700 California Street IFP is on file with the Secretary of the Board and is posted  
19      on the EIFD Public Financing Authority No. 1's website; and

20       WHEREAS, On the date hereof, the EIFD Public Financing Authority No. 1 held a  
21      public hearing on the modified draft 3333/3700 California Street IFP, which public hearing was  
22      properly noticed (pursuant to a written notice that, among other things, notifies interested  
23      persons that revisions to the 3333/3700 California Street IFP were proposed and available for  
24      review on the EIFD Public Financing Authority No. 1's website) and held in accordance with  
25      all applicable law; and

WHEREAS, In accordance with Government Code Section 53398.66(b)(2), the EIFD

1 Public Financing Authority No. 1 wishes to modify the draft 3333/3700 California Street IFP;  
2 now, therefore, be it

3 RESOLVED, That the EIFD Public Financing Authority No. 1 hereby finds that the  
4 recitals are true and correct; and, be it

5 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby  
6 modifies the draft 3333/3700 California Street IFP in the form on file with the Secretary of the  
7 Board, and such modified draft 3333/3700 California Street IFP shall be the subject of a  
8 protest proceeding at a public hearing to be held by the EIFD Public Financing Authority No. 1  
9 to consider whether the landowners and residents within the 3333/3700 California Street EIFD  
10 wish to present oral and written protests against the adoption of the modified draft 3333/3700  
11 California Street IFP; and, be it

12 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 has reviewed  
13 and considered the 3333 California Street FEIR and 3333 California Street FEIR Addendum,  
14 and finds that the 3333 California Street FEIR and 3333 California Street FEIR Addendum are  
15 adequate for their use for the actions taken by this resolution and incorporates the 3333  
16 California Street FEIR and the 3333 California Street CEQA Findings contained in Ordinance  
17 No. 276-19 and the 3333 California Street FEIR Addendum by this reference and further finds  
18 that, pursuant to CEQA Guidelines Section 15162, no additional environmental review is  
19 required because there are no substantial changes to the 3333 California Street Project  
20 analyzed in the 3333 California Street FEIR and the 3333 California Street FEIR Addendum,  
21 no change in circumstances under which the 3333 California Street Project is being  
22 undertaken, and no new information that was not known and could not have been known  
23 shows that new significant impacts would occur, or that the impacts identified in the 3333  
24 California Street FEIR and the 3333 California Street FEIR Addendum as significant impacts  
25

would be substantially more severe, or that mitigation or alternatives previously found  
1 infeasible are now feasible; and, be it

2 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 has reviewed  
3 and considered the 3700 California Street FEIR and 3700 California Street FEIR Addendum,  
4 and finds that the 3700 California Street FEIR and 3700 California Street FEIR Addendum are  
5 adequate for their use for the actions taken by this resolution and incorporates the 3700  
6 California Street FEIR and the 3700 California Street CEQA Findings contained in Motion No.  
7 20671, 20672, 20677 and 21731 and the 3700 California Street FEIR Addendum by this  
8 reference and further finds that, pursuant to CEQA Guidelines Section 15162 and Section  
9 15164, no additional environmental review is required because there are no substantial  
10 changes to the 3700 California Street Project analyzed in the 3700 California Street FEIR and  
11 the 3700 California Street FEIR Addendum, no change in circumstances under which the  
12 3700 California Street Project is being undertaken, and no new information that was not  
13 known and could not have been known shows that new significant impacts would occur, that  
14 the impacts identified in the 3700 California Street FEIR and the 3700 California Street FEIR  
15 Addendum as significant impacts would be substantially more severe, or that mitigation or  
16 alternatives previously found infeasible are now feasible; and, be it

17 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or  
18 word of this resolution, or any application thereof to any person or circumstance, is held to be  
19 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
20 shall not affect the validity of the remaining portions or applications of this resolution, the EIFD  
21 Public Financing Authority No. 1 hereby declaring that it would have passed this resolution  
22 and each and every section, subsection, sentence, clause, phrase, and word not declared  
23 invalid or unconstitutional without regard to whether any other portion of this resolution or  
24 application thereof would be subsequently declared invalid or unconstitutional; and, be it  
25

1        FURTHER RESOLVED, That the Chair, the Vice Chair, the Executive Director, the  
2        Treasurer and the Secretary are hereby authorized, for and in the name of and on behalf of  
3        the 3333/3700 California Street EIFD, to do any and all things and take any and all actions  
4        which they, or any of them, may deem necessary or advisable in order to effectuate the  
5        purposes of this resolution; provided however that any such actions be solely intended to  
6        further the purposes of this resolution, and are subject in all respects to the terms of the  
6        Resolution; and, be it

7        FURTHER RESOLVED, That all actions authorized and directed by this resolution,  
8        consistent with any documents presented herein, and heretofore taken are hereby ratified,  
9        approved and confirmed by the EIFD Public Financing Authority No. 1; and, be it

10       FURTHER RESOLVED, That this resolution shall take effect upon its adoption.

11       I hereby certify that the forgoing Resolution was adopted on January 8, 2026, by the Board  
12       of the Enhanced Infrastructure Financing District Public Financing Authority No. 1.

13

14

15

---

Chair

16

17

18

19

20

21

22

23

24

25

---

Secretary