
**SAN FRANCISCO ENHANCED INFRASTRUCTURE
FINANCING DISTRICT NO. 3 (3333/3700
CALIFORNIA STREET)**

Infrastructure Financing Plan

January 8, 2026

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INTRODUCTION

1. ***EIFD and Project Areas.*** This Infrastructure Financing Plan (“IFP”) has been prepared at the direction of the Enhanced Infrastructure Financing District Public Financing Authority No. 1 (“PFA”), in its capacity as the governing body of the San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) (“EIFD”), under Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (“EIFD Law”).

Initially, the EIFD will consist of four project areas. Upon further subdivision of certain properties within the Subject Property (as defined below), the EIFD is expected to consist of six project areas (each, a “Project Area” and, collectively, the “Project Areas”), as follows:

Table 1. Project Areas at Formation.

Project Areas, at Formation of EIFD	Project Areas After Subdivision	APNs at Formation ¹	APN Square Feet	FY 2025/26 Assessed Value
Project Area A	Project Area 1 Project Area 2 Project Area 3	1032-003	447,360	\$106,486,964 ¹
Project Area 4	No change	1015-052 1015-053	32,619	\$4,421,700 \$5,014,728
Project Area 5	No change	1016-001 1016-002 1016-003 1016-004 1016-005 1016-006 1016-007 1016-008 1016-009	109,390	\$6,741,792 \$10,539,252 \$7,085,124 \$1,768,680 \$884,340 \$884,340 \$442,170 \$442,170 \$884,340
Project Area 6	No change	1017-027 1017-028	68,949	\$1,206,864 \$8,817,390
EIFD Total			658,318	\$155,619,854

¹The property's taxable value will reflect the property's gross value of \$106,486,964, without regard to any exemptions related to a recently-terminated lease with the University of California, San Francisco. At formation of the EIFD, the assessed value of all Project Areas will be \$155,619,854.

2. ***Purpose of the EIFD and the Project Areas.*** The EIFD’s sole purpose is to provide financing for the public capital facilities and other projects (whether publicly- or privately-owned) of communitywide significance, including affordable housing and other Facilities (as defined on Exhibit C hereto) in connection with the development of two projects described in Section B below (collectively, the “Projects”): (a) the 3333 California Street Project and (b) the 3700 California Street Project.

The purpose of the Project Areas is to establish for each Project Area a separate 45-year time period for the allocation of certain property tax revenues to the EIFD. See Section D.7(b) below.

3. **Requirements of the IFP.** As required by Sections 53398.59 through 53398.74 of the EIFD Law, this IFP includes the following information:

- (a) A legal description and map of the EIFD and each current Project Area which includes all of the territory designated by the Board of Supervisors of the City and County of San Francisco (“City”) in its Resolution No. 533-24, adopted on November 5, 2024, and approved by the Mayor on November 14, 2024 (“Resolution of Intention”). See Section A below.
- (b) A description of the public facilities and other forms of development or financial assistance that are proposed in the area of the EIFD, including those to be provided by the private sector, those to be provided by governmental entities without assistance under the EIFD Law, those public improvements and other facilities (whether publicly- or privately-owned) to be financed with assistance from the EIFD, and those to be provided jointly. The description includes the proposed location, timing, and costs of the development and financial assistance. See Section B below.
- (c) A finding that the development and financial assistance are of communitywide significance and provide significant benefits to an area larger than the area of the EIFD. See Section C below.
- (d) A financing section, which contains all of the following information (see Section D below):
 - (i) A specification of the maximum portion of the incremental tax revenue of the City proposed to be committed to the EIFD for each year during which the EIFD will receive incremental tax revenue.
 - (ii) A projection of the amount of tax revenues expected to be received by the EIFD in each year during which the EIFD will receive tax revenues.
 - (iii) A plan for financing the public facilities and other projects (whether publicly- or privately-owned) to be assisted by the EIFD, including a detailed description of any intention to incur debt.
 - (iv) A limit on the total number of dollars of taxes that may be allocated to the EIFD pursuant to this IFP.
 - (v) A date on which the EIFD will cease to be in effect and all tax allocations to the EIFD will end and a date on which the EIFD’s authority to repay indebtedness with incremental tax revenues received under the EIFD Law will end. Because the EIFD will include Project Areas, there is a separate and unique time limit for each Project Area that does not exceed 45 years from the end of the first fiscal year in which the applicable Project Area has actually received one hundred thousand dollars (\$100,000) in annual Allocated Tax Revenue (as defined in this IFP) under the EIFD Law.
 - (vi) An analysis of the costs to the City of providing facilities and services to the area of the EIFD while the area is being developed and after the area is

developed. The plan includes an analysis of the tax, fee, charge, and other revenues expected to be received by the City as a result of expected development in the area of the EIFD.

- (vii) An analysis of the projected fiscal impact of the EIFD and the associated development upon the City.
- (viii) The goals the EIFD proposes to achieve for each project financed as described in this IFP.

4. ***Not a Transit Priority Project.*** Because the Projects do not qualify for the Transit Priority Project Program pursuant to California Government Code Section 65470, the EIFD Law does not require this IFP to include a plan for financing any potential costs that may be incurred by reimbursing the developer of a project that is located entirely within the boundaries of the EIFD and qualifies for the Transit Priority Project Program.

5. ***No Existing Dwelling Units.*** Because no dwelling units exist within the territory of the EIFD as of the date of adoption of this IFP by the PFA, the EIFD Law does not require this IFP to include a plan for the replacement of dwelling units or the relocation of persons or families.

6. ***Funding for the EIFD.*** The EIFD will be funded solely from a portion of the property tax revenues described herein that would otherwise be distributed to the City, including amounts that would be deposited in the General Fund and amounts that would be deposited in Park, Recreation, and Open Space Fund, the Children's Fund, and the Library Preservation Fund. No other taxing agency's revenues will be affected by or available to the EIFD. Consequently, this IFP will discuss the tax increment of the City only.

7. ***Base Year Assessed Values.*** The Base Year (as defined herein) for the EIFD is Fiscal Year 2025-26.

A. LEGAL DESCRIPTION AND MAP

1. *General Description of Property in the EIFD.*

a. **3333 California Street Project.** Laurel Heights Partners LLC, a Delaware limited liability company ("3333 California Street Developer"), owns and operates an approximately 10.25-acre site in the City bounded by California Street to the north, Presidio Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel Street and Mayfair Drive to the west, currently comprised of an approximately 455,000 gross square foot office building, an approximately 14,000 gross square foot annex building, surface and subsurface parking areas, and landscaping or landscaped open space ("3333 California Street Project Site").

The 3333 California Street Developer proposes a mixed-use development on the 3333 California Street Project Site that is currently contemplated to include residential, non-residential, parking, open space, child care, and related uses ("3333 California Street Project"), including (i)

approximately 744 Residential Units,¹ including approximately 124 on-site affordable senior Residential Units, (ii) approximately 38,094 square feet of retail/restaurant/commercial use in buildings along California Street, (iii) an approximately 13,933 gross square foot space for child care use, and (iv) approximately 52 percent of the overall lot area (approximately 236,000 square feet - excluding green roofs) as open area, with portions to be developed with a combination of public open space, common open space (some of which would be open to the public), and private open space for residents. The proposed project may include approximately 2.87 acres of publicly accessible landscaped open space with multi-purpose plazas, lawns, pathways, and streetscape improvements.

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

The 3700 California Street Developer proposed, and the City approved, a modification to existing entitlements that allows a mixed-use development ("3700 California Street Project") on the 3700 California Street Project Site that is currently contemplated to include demolition of five of the six existing hospital buildings on the 3700 California Street Project Site, adaptive re-use and expansion of the Marshal Hale hospital building at 3698 California Street to residential and institutional use; retention of the existing nine-unit residential building at 401 Cherry Street (this building is not included in the boundaries of the EIFD and shall be referred to herein as the "Non-EIFD Apartments"); construction of approximately 19 new buildings that may contain approximately 492 Residential Units, 15 single-family homes and 4 multi-family residential buildings, not including the 9 units in the existing 401 Cherry building that are currently expected to be retained, 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.

The 3333 California Street Project Site and the 3700 California Street Project Site (other than the Non-EIFD Apartments) are referred to herein collectively as the "Subject Property."

The boundaries of the EIFD are coterminous with the boundaries of the Subject Property.

2. ***No Overlap with Former Redevelopment Project Area(s)***. The boundaries of the proposed EIFD do not include any portion of a former redevelopment project area that was created pursuant to Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code.

3. ***Legal Description and Map***. Please refer to Exhibit A for a legal description of the property in the Project Areas and Exhibit B for a map of the EIFD and the Project Areas.

4. ***Future Amendments of Project Area A Boundaries - New Project Areas***. The PFA

¹ As used in this IFP, the term "Residential Unit" shall mean a dwelling for sale or for rent, including but not limited to apartments, townhomes, flats, condominiums, apartments, or loft units and individual units within a senior or assisted living facility.

has determined that (1) at formation there are four identified Project Areas, (2) following the formation of the EIFD and adoption of this IFP, the 3333 California Street Developer intends from time to time to subdivide the legal parcels constituting Project Area A, and (3) following one or more subdivisions of the legal parcels constituting Project Area A, Project Areas 1, 2, and 3 will be created and ultimately replace Project Area A.

The creation of each new Project Area and the corresponding replacement of a part of Project Area A shall occur automatically upon (1) subdivision of the legal parcels constituting Project Area A that creates the new Project Area and (2) the assignment of tax rate areas to such new Project Area by the California State Board of Equalization, without any public hearing or vote of the property owners or residents in the EIFD, and shall not require approval by the PFA or the Board of Supervisors of the City.

Each time that Project Areas are created through the subdivision of Project Area A as described in the previous paragraph, the Executive Director of the EIFD will replace the then-existing maps and legal descriptions in this IFP with updated maps and legal descriptions for the Project Areas created at that time, as appropriate, add a notation in the Index of Adoption and Amendments, then deliver the updated IFP to the Secretary of the PFA. To establish a public record of the creation and ultimate replacement of Project Areas, (1) the PFA shall acknowledge receipt of the updated IFP at its next public meeting following the date of the creation of the new Project Area, (2) the Executive Director shall cause the updated IFP that reflects the new Project Areas to be filed with the San Francisco Assessor, (3) the Executive Director of the PFA shall post the updated IFP on the EIFD’s website, and (4) the Executive Director shall send the updated IFP to the Clerk of the Board of Supervisors with a cover letter that explains the changes that were made and asks the Clerk to file the updated IFP in the legislative file for the Board of Supervisors resolution that approved the original IFP.

The following Table 2 summarizes the 6 Project Areas following subdivision of Project Area A:

Table 2. Project Areas After Subdivision

Project Area¹	Square Feet	FY 2025/26 Assessed Value²	Est. Date of Project Area Formation³
Project Area 1 (41.44% of A)	185,386	\$44,128,198	FY 25/26
Project Area 2 (39.70% of A)	177,602	\$42,275,325	FY 25/26
Project Area 3 (18.86% of A)	84,372	\$20,083,441	FY 25/26
Project Area 4	32,619	\$9,436,428	FY 25/26
Project Area 5	109,390	\$29,672,208	FY 25/26
Project Area 6	68,949	\$10,024,254	FY 25/26
EIFD Total	658,318	\$155,619,854	

¹ The percentage of land area allocated to each proposed Project Area of Project Area A are estimates only; the actual percentage will be determined after the Project Area boundaries are determined.

² The FY 2025/26 assessed values of future Project Areas 1, 2, and 3 will not change even if the final square footage of those Project Areas is different than estimated in Table 2.

³ Actual Project Area formation dates for each of Project Areas 1, 2 and 3 will be subject to the timing of (1) subdivision of the legal parcels constituting Project Area A that creates the new Project Area and (2) the assignment of tax rate areas to such new Project Area by the California State Board of Equalization.

5. *Future Amendments of Project Area Boundaries - Tax Rate Areas.* In addition, the PFA is aware that it may need to make other changes to the boundaries of one or more Project Areas in the future in order to conform the Project Areas described in this IFP to the final development parcels established by the recordation of one or more final subdivision maps for the Subject Property so that the California State Board of Equalization can assign tax rate areas to all of the development parcels comprising the Project Areas. Accordingly, the PFA reserves the right, and nothing in this IFP limits the ability of the PFA, to amend the boundaries of one or more Project Areas by resolution, following the provision of a 30-day mailed notice describing the amendment to the City (the only affected taxing entity under this EIFD) and all property owners and residents within the EIFD, and without any public hearing or vote of the property owners or residents in the EIFD, to the extent necessary to provide for the assignment of tax rate areas, as long as (i) an independent fiscal consultant determines that the amendment will not impair the EIFD's ability to pay debt service on its Bonds (as defined in the following paragraph) then outstanding or, in and of itself, reduce the debt service coverage on any Bonds then outstanding below the amount required to issue parity debt and (ii) the amendment does not remove land from the EIFD. For the avoidance of doubt, the authority to change the boundaries of the Project Areas, pursuant to this IFP applies to (i) the initial Project Areas and (ii) each new Project Area established pursuant to Section A.4 above or through annexation of property to the EIFD in the future, if any, in each case as amended or expanded as described in this IFP or permitted by the EIFD Law. Upon completion of an amendment of the boundaries of one or more Project Areas as described in this paragraph and, if necessary, the assignment of tax rate areas to such amended Project Areas by the California State Board of Equalization, the PFA will replace the then-existing maps and legal descriptions in this IFP with updated maps and legal descriptions, as appropriate, and a notation will be added to the Index of Adoption and Amendments. To establish a public record of the amendment of the boundaries of the Project Areas, (1) the Executive Director shall cause the amended IFP to be filed with the San Francisco Assessor, (2) the Executive Director shall post the amended IFP on the EIFD's website, and (3) the Executive Director shall send the amended IFP to the Clerk of the Board of Supervisors with a cover letter that explains the changes that were made and asks the Clerk to file the amended IFP in the legislative file for the Board of Supervisors resolution that approved the original IFP.

For the avoidance of doubt, as long as they do not alter the Project Area boundaries, (i) the filing of any condominium map and the creation of condominium lots therefrom and/or (ii) any vertical or horizontal subdivision of legal parcels within the Project Area (including, without limitation, the creation or modification of airspace parcels) shall not be considered an amendment of the Project Area boundaries and shall not require any public hearing or vote of the property owners or residents in the EIFD, and shall not require approval by the PFA.

For purposes of this IFP, "Bonds" means (A) tax increment bonds that are payable from Allocated Tax Revenue and (B) if a community facilities district ("CFD") is formed by the City to provide financing for the Facilities, any special tax bonds that are issued by or for the CFD and are payable from Allocated Tax Revenue.

The PFA does not expect any of the amendments of the Project Area boundaries described in the previous paragraph to impact the base year value for any such Project Area.

B. DESCRIPTION OF FACILITIES AND DEVELOPMENT OR FINANCIAL ASSISTANCE

This section of the IFP describes the proposed land uses in the EIFD, reflects assumptions and projections, and is intended for illustrative purposes only. Actual results may vary, and the descriptions do not constitute limitations on the use of the Allocated Tax Revenue (as described in this IFP).

1. *Anticipated Future Private Development in the EIFD.*

Description of the Projects. The proposed Projects are summarized in Table 3 below.

Table 3. Anticipated Development Program – San Francisco EIFD No. 3 (3333/3700 California Street)¹

	Residential Units	Retail and Childcare Building Area (SF)	Anticipated Construction Period (Calendar Years) ⁽²⁾
3333 California Street			
Residential Units			
Market Rate Residential Units	619		2026-2031
Affordable Senior Housing Units	<u>125</u>		2027-2030
Subtotal, Residential Units	744		
Non Residential			
Retail Space		38,094	2027-2030
Childcare Center		<u>13,933</u>	2027-2030
		52,027	
3700 California Street		-	
Residential Units			
Market Rate Residential Units	298	-	2026-2029
Market Rate Senior Housing and/or Institutional Units	<u>232</u>	-	2026-2028
Subtotal, Residential Units	530		
		-	-
Combined Total Residential Units	1,274		2026-2031

¹ All development descriptions, numbers, and dates in this Table 3 are estimates and are subject to change as development progresses.

² The construction schedule has been provided by the Developers.

Table 4 below summarizes the proposed Projects by Project Area (after subdivision of Project Area A).

Table 4. Anticipated Development Program by Project Area - San Francisco EIFD No. 3 (after Subdivision of Project Area A)¹

Project Area	Commercial Space		Market Rate Residential Units	Market Rate Senior Residential Units	Affordable Senior Residential Units	Public Facilities	Anticipated Construction Period
		Sq. ft.				Sq. ft.	Calendar Years
3333 California Street Project Areas							
#1			269	-	-	-	2026-2029
#2			212	-	125		2027-2030
#3	Retail Space Childcare Center	38,094 13,933	138	-	-	-	2027-2030
Subtotal, 3333 California. Street		52,027	619	-	125	-	
3700 California Street Project Areas							
#4			49	-	-		2027-2029
#5			249	-	-	-	2026-2028
#6			0	232	-	-	2026-2028
Subtotal, 3700 California Street			298	232	-	-	

¹ Construction schedule has been provided by the Developers; all development descriptions, numbers, and dates in this Table 4 are estimates and are subject to change as development progresses.

THE TYPE OF DEVELOPMENT AND THE NUMBER OF RESIDENTIAL UNITS AND SQUARE FOOTAGE OF RETAIL/COMMERCIAL SPACE SET FORTH IN TABLES 3 AND 4 ARE BASED ON CURRENT PROJECTIONS PROVIDED BY THE DEVELOPERS; ACTUAL DEVELOPMENT MAY, AND LIKELY WILL, VARY. NOTHING IN THIS IFP SHALL LIMIT THE ABILITY OF THE DEVELOPERS TO REVISE THE SCOPE AND TIMING OR COMPOSITION OF THE USES WITHIN THE PROJECTS, AND ANY CHANGE IN THE NATURE OF THE PROJECTS WILL NOT REQUIRE AN AMENDMENT OF THIS IFP.

Development Agreement and Financing Plan. The City, acting by and through its Planning Department, and the 3333 California Street Developer entered into a Development Agreement dated as of September 11, 2020, and recorded in the Official Records on September 11, 2020, as Document No. 2020015925 (“Original Development Agreement”), and a Memorandum of Minor Modification of Development Agreement (Amendment No. 1) dated as of June 5, 2024, and recorded in the Official Records on June 26, 2024, as Document No. 2024048267 (“Amendment No. 1”), and a proposed Second Amendment to Development Agreement, dated as of April 30, 2025, and recorded in the Official Records on May 7, 2025 as Document No. 2025034503 (“Amendment No. 2” and together with Amendment No. 1 and the Original Development Agreement, the “3333 California Street Development Agreement”).

The 3333 California Street Development Agreement includes a Financing Plan as Exhibit O (“Development Agreement Financing Plan”). The Development Agreement Financing Plan describes certain terms of this IFP and the priorities for use of the Allocated Tax Revenue (as set forth in this IFP), and provides for execution of the EIFD Acquisition and Financing Agreement described below.

Certain terms used in this IFP but not defined herein have the meanings given to them in the Development Agreement Financing Plan. If a term that is defined in the Development Agreement Financing Plan is used in this IFP with respect to the 3700 California Street Project, it shall have the meaning given such term in the Development Agreement Financing Plan even though the 3700 California Street Project is not subject to the Development Agreement.

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

EIFD Acquisition and Financing Agreement. Upon formation of the EIFD, the City, the EIFD, and the Developers will enter into an Acquisition and Financing Agreement related to the EIFD (“EIFD Acquisition and Financing Agreement”). The EIFD Acquisition and Financing Agreement will describe (1) the conditions under which the City will acquire Acquisition Facilities (as defined in the EIFD Acquisition and Financing Agreement) or reimburse the Actual Costs (as defined in the EIFD Acquisition and Financing Agreement) of the Developers for construction of the Privately-Owned Facilities (as defined in the EIFD Acquisition and Financing Agreement), (2) the circumstances in which the EIFD may finance Privately-Owned Facilities at the request of the Developers, including issuing Bonds to finance construction of Privately-Owned Facilities constructed by parties other than the Developers, (3) the EIFD’s use of Bond proceeds, Allocated Tax Revenue, and Conditional Tax Revenue to finance the City’s payment obligations and other authorized purposes, and (4) the items described in Section 3.1(g) of the Development Agreement Financing Plan. The Acquisition Facilities and Privately-Owned Facilities are the Facilities referenced in this IFP and described in Exhibit C hereto.

Total Cost of the 3333 California Street Project and Related Improvements. The 3333 California Street Developer estimates that the total cost of the 3333 California Street Project will be approximately \$1,000,000,000 (2025 dollars), of which nearly \$747,000,000 (2025

dollars) is estimated to be attributable to development of the private elements of the project not being financed by the EIFD (“3333 California Street Privately-Financed Elements”). The Privately-Financed Elements will be paid, or caused to be paid, by the 3333 California Street Developer without assistance from the EIFD. The following elements of the 3333 California Street Project and the associated work to prepare the 3333 California Street Project for these portions of the work constitute Facilities that are eligible for financing by the EIFD:

- The demolition, abatement, stabilization and/or rehabilitation of existing structures necessary to enable development of the 3333 California Street Project, which is expected to cost approximately \$30 million (2025 dollars).
- Acquisition Facilities (including, without limitation, streets, streetscapes, sidewalks, open space, and utilities), which are expected to cost approximately \$20 million (2025 dollars)
- 3333 California Street Privately-Owned Facilities, including without limitation:
 - Privately-owned parks/open space and streetscapes that will be open to the public, which are expected to cost approximately \$98 million (2025 dollars)
 - Privately-owned affordable housing units, which are expected to cost the 3333 California Street Project approximately \$105 million (2025 dollars)

Total Cost of the 3700 California Street Project and Related Improvements. The 3700 California Street Developer estimates that the total cost of the 3700 California Street Project will be approximately \$800,000,000 (2025 dollars), of which nearly \$702,000,000 (2025 dollars) is currently estimated to be attributable to development of the private elements of the project not being financed by the EIFD (“3700 California Street Privately-Financed Elements”). The 3700 California Street Privately-Financed Elements will be paid, or caused to be paid, by the 3700 California Street Developer without assistance from the EIFD. The following elements of the 3700 California Street Project and the associated work to prepare the 3700 California Street Project site for these portions of the work constitute Facilities that are eligible for financing by the EIFD:

- The demolition, abatement, stabilization and/or rehabilitation of existing structures necessary to enable development of the 3700 California Street Project, which is expected to cost approximately \$36 million (2025 dollars).
- Acquisition Facilities (including, without limitation, streets, streetscapes, sidewalks and utilities), which are expected to cost approximately \$31 million (2025 dollars)
- 3700 California Street Privately-Owned Facilities, including, without limitation:
 - Privately-owned affordable housing units, all of which will be funded and located outside the boundaries of the EIFD, which is expected to cost the 3700 California Street Project approximately \$31 million (2025 dollars)

2. *Facilities and Other Forms of Development or Financial Assistance to be Provided by the Private Sector.*

The Facilities that will be constructed, or caused to be constructed, by the Developers are described in Exhibit C. Under the EIFD Law, the facilities financed by the EIFD must be in addition to those provided in the territory of the EIFD before the EIFD was created. The additional facilities may not supplant facilities already available within that territory when the EIFD was created but may supplement, rehabilitate, upgrade, or make more sustainable those facilities.

All affordable housing financed by the EIFD, whether on-site or off-site, will be restricted by recorded covenants or restrictions to occupancy at affordable housing costs by persons of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the California Health and Safety Code, for rent or purchase, for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units.

All of the Facilities are authorized to be financed by the EIFD, but some Facilities may not be financed by the EIFD. See "*Facilities and Other Projects Costs to be Financed by the EIFD*" below.

To the extent they are not financed by the EIFD (or through other forms of public finance, including the CFD that may be formed by the City to provide financing for the Facilities), the costs of the Facilities will be borne by the Developers, except as set forth immediately below.

3. *Public Facilities and Other Forms of Development or Financial Assistance to be Provided by Governmental Entities without Assistance from the EIFD.* Affordable housing to be constructed as a condition of development of the Projects is currently expected to be financed using multiple sources of public and private debt and equity, which, in addition to assistance from the EIFD, may include (but are not limited to) federal tax credits, qualified private activity bonds, voter-approved general obligation bonds, affordable housing and jobs/housing impact fees, and other local, state and federal affordable housing resources. The EIFD may provide financing for the Actual Costs of affordable housing constructed, or caused to be constructed, by the Developers, either directly, indirectly, on-site or off-site or through payment of in-lieu fees in accordance with, and subject to the limitations set forth in, the EIFD Acquisition and Financing Agreement. The affordable housing that is financed by the EIFD may be built within or outside the EIFD boundaries. For the avoidance of doubt, whenever the IFP refers to the EIFD financing fees it means that the EIFD funds will be applied to pay the actual costs of the eligible Facilities and the Developers will be provided with a corresponding credit against their obligation to pay such fees. The EIFD Acquisition and Financing Agreement will establish a process by which the Developers may deposit funds with the City in satisfaction of an obligation to pay a fee, but the Developers' funds will be deemed a Deposit (as defined in the EIFD Acquisition and Financing Agreement) that may be returned to the Developers when EIFD funds are available.

4. *Facilities and Other Projects Costs to be Financed by the EIFD.* The EIFD is projected to use Allocated Tax Revenue (as defined in Section D below) to finance on a pay-go basis and issue Bonds or other debt that is payable from Allocated Tax Revenue to finance approximately \$285 million (estimated in 2025 dollars) in Actual Costs of Facilities, including public capital facilities (estimated to be approximately \$51 million in 2025 dollars), privately-owned parks, open spaces, streets, and streetscapes (estimated to be approximately \$98 million

in 2025 dollars), and privately-owned affordable housing costs (estimated to be approximately \$136 million in 2025 dollars).

The Facilities will be partially initially funded by capital invested by the Developers, which may be repaid by public financing sources such as Allocated Tax Revenue and CFD special taxes and/or Bond proceeds supported by Allocated Tax Revenue and/or CFD special taxes.

In accordance with City policy, the EIFD may only finance infrastructure projects that have an identified source of funding for ongoing maintenance and operations. City policy provides that this commitment could be in the form of a General Fund appropriation or through public-private financing mechanisms, such as a property owner association or a community benefit district agreeing to maintain a public park, or through formation of a supplemental property tax assessment district, like a CFD. In satisfaction of this policy, the 3333 California Street Developer agreed in the Development Agreement Financing Plan to establish a CFD to authorize Contingent Services Special Taxes that may be levied only upon satisfaction of certain conditions to finance the costs of the maintenance, repair, and replacement of the privately-maintained portions of the Publicly Accessible Private Improvements and Streetscape Improvements (both as defined in the 3333 California Development Agreement) located within the 3333 California Street Project from the Contingent Services Special Taxes. Before it provides financing for Facilities that constitute infrastructure projects that are subject to the policy, the EIFD will confirm that the 3333 California Street Developer has established the CFD that authorizes the Contingent Services Special Taxes on the 3333 California Street Project pursuant to the 3333 California Development Agreement. Capitalized terms used in this paragraph have the meanings given them in the 3333 California Development Agreement.

Table 5. Estimated Costs of Facilities to be Financed by EIFD

Facilities	Estimated Improvement Costs (\$millions)	Estimated Timing (Calendar Years)	Location
Demolition, abatement, stabilization, rehabilitation	\$30,000,000	2026-2031	3333 California Street Project
Parks/Open Space	\$12,000,000	2026 - 2031	3333 California Street Project
Streets	\$20,000,000	2026 - 2031	3333 California Street Project
Site Work	\$60,000,000	2026 - 2031	3333 California Street Project
Utilities	\$26,000,000	2026 - 2031	3333 California Street Project
Affordable Housing	\$105,000,000	2027 - 2030	3333 California Street Project
Demolition, abatement, stabilization, rehabilitation	\$36,000,000	2026-2029	3700 California Street Project
Streets, Sidewalks, & Utilities	\$31,000,000	2026 - 2029	3700 California Street Project
Affordable Housing (off-site)	\$31,000,000	2027 - 2030	3700 California Street Project
Total	\$351,000,000		

The obligation to provide financing for the Facilities to the extent that Allocated Tax Revenue is available as set forth in the EIFD Acquisition and Financing Agreement constitutes debt of the EIFD under the EIFD Law.

See Section D.7(c) below for a summary of other capital sources projected to be available to finance the Facilities.

5. *Facilities and Other Forms of Development or Financial Assistance to be Jointly Provided.* There are no public facilities that will be jointly provided by the private and governmental entities.

6. *Administrative Costs to be Financed by the EIFD.* The EIFD may finance any other expenses incidental to the formation, administration (including preparation of annual reports and audits required by the EIFD Law and communicating with landowners and residents) and implementation of the EIFD and to the construction, completion, inspection, and acquisition of the Facilities, including, but not limited to, the costs of creation and administration of the EIFD; costs of issuance of Bonds (including costs incurred by counsel to the Developers) or other debt of the EIFD or of any other public agency (including a community facilities district) that finances authorized Facilities, and payment of debt service thereon; costs incurred by the City or the EIFD in connection with the division of taxes pursuant to Government Code section 53398.75; and legal costs. See Section D below.

The City will pay to the EIFD, be deemed to have paid to the EIFD or advance to third parties on behalf of the EIFD such amounts as the City deems necessary for the EIFD's administrative expenses and overhead. The funds paid by the City to the EIFD, deemed to have been paid to the EIFD or advanced to third parties (including the Developers) on behalf of the EIFD for administrative expenses and overhead shall constitute an advance and shall be repaid by the EIFD.

C. FINDING OF COMMUNITYWIDE SIGNIFICANCE

All of the Facilities (including the Acquisition Facilities and the Privately-Owned Facilities) to be financed by the EIFD have communitywide significance and provide significant benefits to the EIFD and the surrounding community. Those Facilities that are not physically located within the boundaries of the EIFD have a tangible connection to the work of the EIFD, including, but not limited to, any affordable housing financed by the EIFD that is located outside the EIFD boundaries.

The formation of the EIFD will enable the development of the Projects. The City has determined that the Projects will provide clear benefits to the public and neighboring communities, including: (i) affordable housing in excess of the number of units required pursuant to existing City ordinances, regulations, and policies; (ii) workforce obligations, including significant training, employment, and economic development opportunities, related to the development and operation of the combined Projects; (iii) construction and maintenance of publicly accessible open space, totaling approximately 2.87 acres, including a series of contiguous, integrated parks, plazas, and green/landscaped spaces; (iv) delivery of child care spaces; and (v) measures to prioritize and promote travel by walking, biking, and transit for new residents, tenants, employees, and visitors, and Streetscape Improvements, all as set forth in greater detail in the 3333 California Street Development Agreement.

D. FINANCING

1. **Introduction.** Section 53398.75(a) of the EIFD Law authorizes this IFP to include a provision that taxes, if any, levied upon taxable property in the area included within the EIFD each year by or for the benefit of the State of California, or any affected taxing entity, after the effective date of the resolution adopted pursuant to the EIFD Law to create the EIFD, shall be divided, subject to the provisions of Section 53993, as follows:

(1) That portion of the taxes that would be produced by the rate upon which the tax is levied each year by or for each of the affected taxing entities upon the total sum of the assessed value of the taxable property in the EIFD as shown upon the assessment roll used in connection with the taxation of the property by the affected taxing entity, last equalized prior to the effective date of the resolution adopted pursuant to Section 53398.69 to create the EIFD, shall be allocated to, and when collected shall be paid to, the respective affected taxing entities as taxes by or for the affected taxing entities on all other property are paid.

(2) That portion of the levied taxes each year specified in the adopted infrastructure financing plan for the city or county and each affected taxing entity that has agreed to participate pursuant to Section 53398.68 in excess of the amount specified in paragraph

(1) shall be allocated to, and when collected shall be paid into a special fund of, the EIFD for all lawful purposes of the EIFD. Unless and until the total assessed valuation of the taxable property in the EIFD exceeds the total assessed value of the taxable property in the EIFD as shown by the last equalized assessment roll referred to in paragraph (1), all of the taxes levied and collected upon the taxable property in the EIFD shall be paid to the respective affected taxing entities. When the EIFD ceases to exist pursuant to the adopted infrastructure financing plan, all moneys thereafter received from taxes upon the taxable property in the district shall be paid to the respective affected taxing entities as taxes on all other property are paid.

Section 53398.63(d)(5)(B) of the EIFD Law provides for creation of project areas, and provides for tax allocations to an enhanced infrastructure financing district from each project area to continue for a period not later than 45 years from the date the project area has actually received an allocation of at least one hundred thousand dollars (\$100,000) in annual incremental tax revenues. Section 53398.63(d)(5)(B) also requires an infrastructure financing plan, where a district is divided into project areas, to include a date on which the infrastructure financing plan will cease to be in effect and all tax allocations to the district will end and a date on which the district's authority to repay indebtedness with incremental tax revenues received under the EIFD Law will end, not to exceed 45 years from the date the district or the applicable project area has actually received one hundred thousand dollars (\$100,000) in annual incremental tax revenues.

Pursuant to Section 53398.63(d)(5)(B), the City intends to establish a separate tax rate area for each Project Area and to calculate tax increment on a Project Area-by-Project Area basis. Each Project Area will have a separate and unique time limit as set forth in Section D.6 below.

In compliance with Sections 53398.75(a) and 53398.63(d)(5)(B) of the EIFD Law, this IFP provides as follows:

(1) That portion of the taxes that would be produced by the levy of the 1% ad valorem property tax rate upon the total sum of the assessed value of the taxable property in the EIFD as shown upon the last equalized assessment roll prior to the effective date of the resolution adopted by the PFA to create the EIFD (i.e., the assessment roll for tax year 2025-26), shall be allocated to, and when collected shall be paid to, the respective affected taxing entities as taxes by or for the affected taxing entities on all other property are paid.

(2) The City's tax revenues in excess of the amount specified in paragraph (1) are hereby allocated to, and when collected by the EIFD shall be paid into a special fund of, the EIFD for the purposes specified in this IFP. Unless and until the total assessed valuation of the taxable property in the EIFD exceeds the total assessed value of the taxable property in the EIFD as shown by the last equalized assessment roll referred to in paragraph (1), all of the taxes levied and collected upon the taxable property in the EIFD shall be paid to the respective affected taxing entities. Notwithstanding the calculation of the Allocated Tax Revenue and the Conditional Tax Revenue on a Project Area-by-Project Area basis, the total amount of the Allocated Tax Revenue and the Conditional Tax Revenue for a tax year may not exceed the amount determined pursuant to this paragraph (2) for such tax year.

(3) When the 45-year period expires for a Project Area (which is referred to as the Project Area's Termination Date, as defined herein), (a) all tax allocations to the EIFD from the

expired Project Area shall end, (b) the IFP will cease to be in effect with respect to such expired Project Area, and (c) when calculating the Allocated Tax Revenue and the Conditional Tax Revenue, the amount of taxes described in paragraph (1) above shall no longer include the taxes generated in the expired Project Area.

2. **Definitions.** Subject to Section 53398.75(a) as described in the preceding Section D.1, and except to the extent provided in Section D.5 below, the City has made an irrevocable allocation of Allocated Tax Revenue to the EIFD, and a conditional allocation of Conditional Tax Revenue to the EIFD, in each case for the purpose of financing the Facilities and other related Actual Costs. The Conditional Tax Revenue may only be used to (i) provide additional coverage on the Bonds issued by the EIFD, (ii) pay debt service on Bonds issued by the EIFD, and (iii) replenish debt service reserve funds for such Bonds issued by the EIFD to the extent that Allocated Tax Revenue is not available for those purposes. *The Conditional Tax Revenue is not available to pay debt (as defined in the EIFD Law) that does not constitute Bonds, and it is not available to pay Bonds issued by or for a CFD.*

If the Conditional Tax Revenue is ever used to pay debt service on Bonds or replenish debt service reserve funds for such Bonds, then in future fiscal years after first paying or setting aside Allocated Tax Revenue needed to pay EIFD administration expenses, to pay debt service due during such fiscal year on Bonds issued by the EIFD, and to replenish any debt service reserve fund for Bonds, the EIFD shall repay the City out of Allocated Tax Revenue for any Conditional Tax Revenue used to pay debt service on Bonds or replenish debt service reserve funds for such Bonds in an amount equal to the Conditional Tax Revenue used to pay debt service on Bonds or replenish debt service reserve funds for such Bonds plus interest through the date of repayment at an interest rate equal to the rate of interest on the United States Treasury bond with a 10-year maturity on the date of the first use of Conditional Tax Revenue plus 300 basis points, and such interest rate shall remain fixed for the remainder of the term of this IFP.

This IFP uses the following terms to describe the property tax revenues allocated to the EIFD by the City:

“Allocated Tax Revenue” means 58.252419% of the City Share of Increment.²

“Base Year” means, for each Project Area, the fiscal year in which the assessed value of taxable property in the Project Area was last equalized prior to the effective date of the resolution

² For the benefit of eligible development projects, like the Projects, the City IFD Guidelines provide that the maximum incremental property tax revenue that may be allocated to an enhanced infrastructure financing district is 50% of the total incremental property tax revenue (including 50% of the VLF revenues, as defined below), and that the City may allocate all or a portion of the remaining 50% of the annual incremental property tax revenue (including the remaining 50% of the VLF revenues) on a conditional basis to provide debt service coverage for the district’s bonds or other debt. For purposes of this IFP, the City is not allocating VLF revenues to the EIFD, and instead the City is allocating 58.252419% of the City Share of Increment, which represents (i) 50% of the City Share of Increment plus (ii) an amount estimated to be equal to 50% of the VLF revenues. All of the VLF revenues will be deposited in the City general fund and none of the VLF revenue is allocated to the EIFD. For purposes of this footnote, “VLF revenues” means, for each Project Area, that portion of the ad valorem property tax revenue allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code that corresponds to the Incremental Assessed Property Value of property within the Project Area according to the formula set forth in California Revenue & Taxation Code Section 97.70 as of the date hereof.

adopted pursuant to Section 53398.69 to create the EIFD. The Base Year for each of the 6 Project Areas is fiscal year 2025-26. Upon subdivision of the parcels constituting Project Area A and the creation of new Project Areas as described in Section A.4, the Base Year assessed value for Project Area A will be allocated to each of newly-created Project Areas 1, 2 and 3 as shown in Table 2.

“City Share of Increment” means 64.588206% of Gross Tax Increment.

“Conditional Tax Revenue” means the 41.747581% of the City Share of Increment that does not constitute Allocated Tax Revenue.

“Gross Tax Increment” means, for each Project Area, 100% of the revenue produced by the application of the 1% ad valorem tax rate to the Incremental Assessed Property Value of property within the Project Area.

“Incremental Assessed Property Value” means, in any fiscal year, for each Project Area, the difference between the assessed value of the taxable property within the Project Area for that fiscal year and the assessed value of the taxable property within the Project Area in the Base Year, to the extent that the difference is a positive number. Incremental Assessed Property Value shall be measured on a Project Area by Project Area basis, and not on an aggregate EIFD basis.

3. **Allocated Tax Revenue.** Subject to Section D.1 above, as shown in Table 6 below, the City has agreed to irrevocably allocate Allocated Tax Revenue to the EIFD, except to the extent provided in Section D.5 below and subject to the maximum amounts specified below (see Section D.7(d) - *“Limit on Total Dollars Allocated to the EIFD”*). It is anticipated that the Allocated Tax Revenue will be utilized to finance the Facilities on both a “pay-as-you-go” (“pay-go”) basis and to pay debt service on Bonds or other debt permitted by the EIFD Law. As used in this IFP, “finance” includes not only using Allocated Tax Revenue (or Conditional Tax Revenue to the extent provided herein) to pay debt service on the Bonds and other debt of the EIFD, as applicable, but also using Allocated Tax Revenue on a pay-go basis to pay for eligible Actual Costs.

Table 6. Summary of Ad Valorem Tax Revenues Allocated to the EIFD

Gross Tax Increment, as a % of Incremental Assessed Property Value	1.000000%
City Share of Increment	64.588206%
Allocated Tax Revenue = 58.252419% of the City Share of Increment	37.624193%
Conditional Tax Revenue = 41.747581% of the City Share of Increment	26.964013%

(a) **City Share of Increment.** The following table shows the distribution of the 1% ad valorem property tax rate among taxing entities in the City, including the areas in the EIFD. *No taxing entity other than the City is allocating property tax revenue to the EIFD.*

Table 7 - Distribution of 1% Property Tax Rate Among Taxing Agencies

	Amount Available	Allocated Tax Revenue	Conditional Tax Revenue
City Portion			
City General Fund Portion	55.588206%	32.381475%	23.206731%
City Special Fund Portion	<u>9.000000%</u>	<u>5.242718%</u>	<u>3.757282%</u>
City Share of Increment	64.588206%	37.624193%	26.964013%
Other Taxing Agencies			
Education Revenue Augmentation Fund	25.330113%	0.000000%	0.000000%
San Francisco Unified School District	7.698857%	0.000000%	0.000000%
San Francisco Community College Fund	1.444422%	0.000000%	0.000000%
San Francisco County Office of Education	0.097335%	0.000000%	0.000000%
Bay Area Rapid Transit District	0.632528%	0.000000%	0.000000%
Bay Area Air Quality Management District	<u>0.208539%</u>	<u>0.000000%</u>	<u>0.000000%</u>
Total, Other Taxing Agencies	35.411794%	0.000000%	0.000000%
Total, All Taxing Agencies	100.000000%	37.624193%	26.964013%

4. **Conditional Tax Revenue.** The City has agreed to allocate the remaining 41.747581% of the City Share of Increment not constituting Allocated Tax Revenue on a conditional basis; the Conditional Tax Revenue is only available to (i) provide coverage for the Bonds issued by the EIFD and (ii) pay debt service on Bonds (but not other debt) issued by the EIFD, including replenishing debt service reserve funds for such Bonds, to the extent that Allocated Tax Revenue is not available for that purpose. For the avoidance of doubt, Conditional Tax Revenue is not available to provide coverage for any Bonds issued by the CFD or pay debt service on (or replenish debt service reserve funds related to) Bonds issued by the CFD, even if they are payable from Allocated Tax Revenue.

5. **Contingent Allocation.** The annual allocation of Allocated Tax Revenue to the EIFD by the City is contingent upon the EIFD's use of such increment to pay for the Actual Costs of Facilities, projects, or services, and to accomplish other authorized purposes, including to pay debt service on Bonds and other debt issued to accomplish such purposes. Subject to the final sentence of this paragraph, the annual allocation of Allocated Tax Revenue to the EIFD by the City shall be subject to this condition, and in no event may future allocations of tax revenues be accelerated. For the avoidance of doubt, nothing in this IFP is intended to require the Allocated Tax Revenue to be immediately spent on such authorized purposes; rather Allocated Tax Revenue may be accumulated and spent for authorized purposes over a period of time.

Similarly, the annual allocation of Conditional Tax Revenue to the EIFD by the City is contingent upon the EIFD's use of such increment to pay debt service on Bonds (including replenishing debt service reserve funds and providing adequate coverage for such Bonds) that finance the Actual Costs of Facilities and other authorized costs. The annual allocation of

Conditional Tax Revenue to the EIFD by the City shall be subject to this condition, and in no event may future allocations of tax revenues be accelerated.

6. *Commencement of Allocation of Allocated Tax Revenue.* The date that Allocated Tax Revenue is allocated to the EIFD for a Project Area shall be referred to herein as the “Commencement Date.” The Commencement Date for each Project Area is determined separately, and there is no requirement that the Commencement Date for each Project Area be the same.

Determined separately for each Project Area:

(i) the Commencement Date for Project Areas 4, 5 and 6 shall be the first day of the fiscal year in which the applicable Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year, and

(ii) the Commencement Date for Project Areas 1, 2 and 3 shall be the first day of the fiscal year in which both of the following have occurred with respect to the applicable Project Area: (1) a portion of Project Area A has been subdivided and, as applicable, Project Area 1, 2 or 3 has been established pursuant to Section A.4 of this IFP, and (2) the applicable Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

It is understood that Project Areas 1, 2 and 3 may be created at different times as Project Area A is subdivided from time to time.

Prior to the issuance of any Bonds by the EIFD, and notwithstanding any other provision of this IFP, the allocation of Allocated Tax Revenue and Conditional Tax Revenue under this IFP may be permanently terminated by the adoption by the Board of Supervisors of a termination resolution only if the first tax increment-producing building in the EIFD that was constructed, or caused to be constructed, by the 3333 California Street Developer or the 3700 California Street Developer (regardless of Project Area) has not received a certificate of occupancy for new construction or expansion of a building constituting permanent new development (not including rehabilitation, relocation, or other work that does not constitute permanent new development) before the tenth anniversary of the adoption by the PFA of the resolution establishing the EIFD (herein, the “Optional Termination for Cause”). For purposes of this paragraph, “certificate of occupancy” means the first certificate, including any temporary certificate of occupancy, issued by the City to confirm that a building or a portion of a building has met all of the building codes and can be occupied for residential or non-residential use. To provide clarity, the Optional Termination for Cause provisions set forth above shall no longer be applicable upon the first to occur of the (i) date that the first tax increment-producing building in any Project Area of the EIFD that was constructed or caused to be constructed by the 3333 California Street Developer or the 3700 California Street Developer receives a certificate of occupancy for new construction or expansion of a building constituting permanent new development (not including rehabilitation, relocation, or other work that does not constitute permanent new development) or (ii) date of the first issuance of Bonds. Within sixty (60) days of the occurrence of either (i) or (ii) in the preceding sentence, the Director of the Controller’s Office of Public Finance shall confirm in writing to the Developers that the Optional Termination for Cause provisions set forth in this Section D.6 are no longer applicable to the EIFD and that the allocation of Allocated Tax Revenue and

Conditional Tax Revenue under this IFP is no longer subject to Optional Termination for Cause pursuant to this Section D.6.

Any Allocated Tax Revenue received by the EIFD prior to the earlier of (i) the Optional Termination for Cause or (ii) the written confirmation by the Director of the Controller's Office of Public Finance to the Developers that the Optional Termination For Cause provisions are no longer applicable to the EIFD as described in the previous paragraph, shall accumulate and may be used by the PFA exclusively to pay administrative expenses and for no other purpose. If the Director of the Controller's Office of Public Finance provides written confirmation to the Developers that the Optional Termination For Cause provisions are no longer applicable to the EIFD, any accumulated Allocated Tax Revenue received by the EIFD that was not used for administrative expenses shall be available to the Developers for financing Facilities.

If the Optional Termination for Cause occurs, any accumulated Allocated Tax Revenue received by the EIFD that was not used for administrative expenses shall be returned by the PFA to the City and used for any lawful purpose.

7. *Requirements of the EIFD Law.*

(a) **Maximum Portion of Incremental Tax Revenue Dedicated to the EIFD**

Subject to Section 53398.75(a) of the EIFD Law as described in Section D.1 above, and except to the extent provided in Section D.5 above, the City is allocating to the EIFD 100% of the Allocated Tax Revenue for each year during which the EIFD will receive Allocated Tax Revenue for the purpose of financing the Facilities and paying related administrative costs.

In addition, subject to Section 53398.75(a) of the EIFD Law as described in Section D.1 above, and except to the extent provided in Section D.5 above, the City has agreed to allocate to the EIFD 100% of the Conditional Tax Revenue for each year during which the EIFD will receive Conditional Tax Revenue. However, the Conditional Tax Revenue is only available to meet debt service coverage requirements for Bonds issued by the EIFD, pay debt service on Bonds issued by the EIFD and replenish debt service reserve funds for such Bonds issued by the EIFD to the extent that Allocated Tax Revenue is not available to pay debt service or replenish debt service reserve funds. To the extent the Conditional Tax Revenue is held by a trustee or fiscal agent, the interest earnings on such Conditional Tax Revenue shall accrue for the benefit of the City rather than the EIFD or the owners of Bonds issued by the EIFD.

(b) **Projection of EIFD Tax Revenues by Year**

Set forth in the following Table 8 is the projected annual Allocated Tax Revenue based on the projected assessed value growth by Project Area. The annual projection of Allocated Tax Revenue by project area is presented in Exhibit D.

The Allocated Tax Revenue is projected to total approximately \$477.3 million across all Project Areas over the 45-year term of each Project Area.

The Conditional Tax Revenue is projected to total approximately \$342.1 million across all Project Areas over the 45-year term of each Project Area.

The projections in this IFP are based on available data at the time of IFP preparation for purposes of planning and illustration. Actual results will likely differ depending on numerous factors including, but not limited to: (i) actual construction and administration costs; (ii) actual construction and absorption schedules for both residential and commercial components; (iii) the final development program; (iv) economic factors such as rents, vacancy and interest rates; and (v) property valuation assessments.

In addition, because the commencement years and final years for the allocation of tax increment are dependent on the timing of generation and receipt of tax increment within each Project Area, the commencement and final years for each Project Area shown in the following tables are estimates only; actual dates for each Project Area will likely differ.

Table 8. Projected Aggregate Annual Incremental Tax Revenues to be Allocated to EIFD

Aggregate - All Project Areas, Post Subdivision								
EIFD Year	Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) ¹ (\$000)	City Share of Increment (64.588206%) ¹ (\$000)	Allocated Tax Revenue to EIFD (58.252419% of City Share of Increment), conditioned on Project Area allocation exceeding \$100,000 ² (\$000)	Admin Fee Estimate = \$200,000 per year, inflated (\$000)	Allocated Tax Revenue Minus Admin Fee(s) (\$000)	Conditional Tax Revenue Available for Bond Debt service If Necessary (41.747581% of City Share of Increment) ²
	2026/27	\$3,112	\$31	\$20	\$0	\$0	\$0	\$0
	2027/28	\$5,890	\$59	\$38	\$0	\$0	\$0	\$0
	2028/29	\$9,120	\$91	\$59	\$0	\$0	\$0	\$0
1	2029/30	\$401,473	\$4,015	\$2,593	\$2,570	\$225	\$2,345	\$1,842
2	2030/31	\$1,047,091	\$10,471	\$6,763	\$4,221	\$232	\$3,990	\$3,025
3	2031/32	\$1,422,316	\$14,223	\$9,186	\$5,372	\$239	\$5,134	\$3,850
4	2032/33	\$1,740,013	\$17,400	\$11,238	\$6,578	\$246	\$6,332	\$4,714
5	2033/34	\$1,779,189	\$17,792	\$11,491	\$6,726	\$253	\$6,473	\$4,820
6	2034/35	\$1,819,176	\$18,192	\$11,750	\$6,877	\$261	\$6,616	\$4,929
7	2035/36	\$1,859,988	\$18,600	\$12,013	\$7,031	\$269	\$6,762	\$5,039
8	2036/37	\$1,901,644	\$19,016	\$12,282	\$7,189	\$277	\$6,912	\$5,152
9	2037/38	\$1,944,161	\$19,442	\$12,557	\$7,349	\$285	\$7,064	\$5,267
10	2038/39	\$1,987,556	\$19,876	\$12,837	\$7,513	\$294	\$7,220	\$5,385
11	2039/40	\$2,031,848	\$20,318	\$13,123	\$7,681	\$303	\$7,378	\$5,504
12	2040/41	\$2,077,056	\$20,771	\$13,415	\$7,852	\$312	\$7,540	\$5,627
13	2041/42	\$2,123,198	\$21,232	\$13,713	\$8,026	\$321	\$7,705	\$5,752
14	2042/43	\$2,170,294	\$21,703	\$14,018	\$8,204	\$331	\$7,873	\$5,879
15	2043/44	\$2,218,363	\$22,184	\$14,328	\$8,385	\$340	\$8,045	\$6,010
16	2044/45	\$2,267,425	\$22,674	\$14,645	\$8,571	\$351	\$8,220	\$6,142
17	2045/46	\$2,317,501	\$23,175	\$14,968	\$8,760	\$361	\$8,399	\$6,278
18	2046/47	\$2,368,612	\$23,686	\$15,298	\$8,953	\$372	\$8,581	\$6,417
19	2047/48	\$2,420,780	\$24,208	\$15,635	\$9,150	\$383	\$8,767	\$6,558
20	2048/49	\$2,474,025	\$24,740	\$15,979	\$9,352	\$395	\$8,957	\$6,702
21	2049/50	\$2,528,371	\$25,284	\$16,330	\$9,557	\$407	\$9,150	\$6,849
22	2050/51	\$2,583,840	\$25,838	\$16,689	\$9,767	\$419	\$9,348	\$6,999
23	2051/52	\$2,640,456	\$26,405	\$17,054	\$9,981	\$431	\$9,549	\$7,153
24	2052/53	\$2,698,242	\$26,982	\$17,427	\$10,199	\$444	\$9,755	\$7,309
25	2053/54	\$2,757,221	\$27,572	\$17,808	\$10,422	\$458	\$9,964	\$7,469
26	2054/55	\$2,817,420	\$28,174	\$18,197	\$10,649	\$471	\$10,178	\$7,632
27	2055/56	\$2,878,863	\$28,789	\$18,594	\$10,881	\$485	\$10,396	\$7,798
28	2056/57	\$2,941,576	\$29,416	\$18,999	\$11,118	\$500	\$10,618	\$7,968
29	2057/58	\$3,005,584	\$30,056	\$19,413	\$11,360	\$515	\$10,845	\$8,142
30	2058/59	\$3,070,916	\$30,709	\$19,834	\$11,607	\$530	\$11,077	\$8,318
31	2059/60	\$3,137,598	\$31,376	\$20,265	\$11,859	\$546	\$11,313	\$8,499
32	2060/61	\$3,205,657	\$32,057	\$20,705	\$12,116	\$563	\$11,554	\$8,683
33	2061/62	\$3,275,124	\$32,751	\$21,153	\$12,379	\$580	\$11,799	\$8,872
34	2062/63	\$3,346,026	\$33,460	\$21,611	\$12,647	\$597	\$12,050	\$9,064
35	2063/64	\$3,418,393	\$34,184	\$22,079	\$12,920	\$615	\$12,305	\$9,260
36	2064/65	\$3,492,256	\$34,923	\$22,556	\$13,199	\$633	\$12,566	\$9,460
37	2065/66	\$3,567,646	\$35,676	\$23,043	\$13,484	\$652	\$12,832	\$9,664
38	2066/67	\$3,644,593	\$36,446	\$23,540	\$13,775	\$672	\$13,103	\$9,872
39	2067/68	\$3,723,131	\$37,231	\$24,047	\$14,072	\$692	\$13,380	\$10,085
40	2068/69	\$3,803,292	\$38,033	\$24,565	\$14,375	\$713	\$13,662	\$10,302
41	2069/70	\$3,885,109	\$38,851	\$25,093	\$14,684	\$734	\$13,950	\$10,523
42	2070/71	\$3,968,617	\$39,686	\$25,633	\$15,000	\$756	\$14,243	\$10,750
43	2071/72	\$4,053,852	\$40,539	\$26,183	\$15,322	\$779	\$14,543	\$10,980
44	2072/73	\$4,140,847	\$41,408	\$26,745	\$15,650	\$802	\$14,848	\$11,216
45	2073/74	\$4,229,641	\$42,296	\$27,318	\$15,986	\$826	\$15,159	\$11,457
46	2074/75	\$3,292,539	\$32,925	\$21,266	\$9,650	\$851	\$8,798	\$6,916
47	2075/76	\$1,675,570	\$16,756	\$10,822	\$5,550	\$877	\$4,673	\$3,977
48	2076/77	\$737,945	\$7,379	\$4,766	\$2,776	\$903	\$1,873	\$1,990
Cumulative Total, EIFD Term			\$1,269,102	\$819,690	\$477,347	\$23,503	\$453,844	\$342,099

¹ Represents aggregate Gross Tax Increment and City Share of Increment figures without consideration for Commencement Date.

² The Commencement Date for the Allocated Tax Revenue and Conditional Tax Revenue is determined separately for each Project Area based upon the conditions set forth in Section D.6 of this IFP. Figures reflect the sum of Allocated Tax Revenue or Conditional Tax Revenue projections for each Project Area, as shown in the Exhibit D tables.

(c) **Plan for Financing Facilities**

(i) *Facilities.* Multiple capital sources will be needed to pay for the Facilities to be financed by the EIFD. The currently contemplated capital sources related to the Facilities to be financed by the EIFD include:

- developer capital to be advanced by the Developers of the Projects;
- proceeds from Bonds secured by and payable from the Allocated Tax Revenue and the Conditional Tax Revenue to be issued by the EIFD;
- proceeds from other debt (as defined in the EIFD Law) secured by and payable from the Allocated Tax Revenue to be issued by the EIFD;
- Allocated Tax Revenue not utilized in the payment of debt service on Bonds or other debt, utilized on a pay-go basis;
- proceeds of CFD bonds and other CFD debt issued by the City, if any;
- proceeds of special taxes levied by the City on the taxable property in a CFD, if any;
- with regard to affordable housing, federal tax credits, qualified private activity bonds, voter-approved general obligation bonds, affordable housing and jobs/housing impact fees, and other local, state and federal affordable housing resources; and
- other capital sources, including commercial construction loans, grants, and loans from governmental agencies, among others.

(ii) *Bonds.* The EIFD intends to issue Bonds as provided in the EIFD Law, and such Bonds may be taxable or tax-exempt, and may be current-interest Bonds, capital appreciation Bonds, fixed-rate Bonds, or variable-rate Bonds. At this time, it is contemplated that Bonds may be issued by the EIFD or by the CFD. In the case of Bonds issued by a CFD, if any, Allocated Tax Revenue may be used to pay debt service on such obligations. In the case of Bonds issued by the EIFD, Allocated Tax Revenue will be used to pay debt service. The type of bond to be issued will be determined based on market conditions at the time of issuance.

The EIFD shall consider authorizing the issuance of Bonds only upon the written request of the 3333 California Street Developer and if the EIFD has received a copy of a Board of Supervisors resolution authorizing such Bonds. The Development Agreement Financing Plan provides that (i) such EIFD Bonds must be consistent with sound municipal financing practices and Section 3.4(g) of the Development Agreement Financing Plan after consultation with the City Controller's Office of Public Finance, (ii), the City must be assured, to its reasonable satisfaction, based on actual and projected reasonably foreseeable economic conditions that could have an impact on the assessed value of the property in the EIFD, that the Bonds are structured in a manner that (A) mitigates any potential material risk that the EIFD could default in the payment of debt service on the Bonds and (B) provides reasonable assurance to the City that that the Conditional Tax Revenue would likely be available to the City's General Fund and unlikely to be needed to pay debt service on the Bonds or replenish debt

service reserve funds for the Bonds and (iii) the City may implement other bond structure elements that it determines are consistent with sound municipal financing practices and Section 3.4(g), including requiring one or more debt service reserve funds.

The EIFD must conclude (after consultation with the Controller's Office of Public Finance) that the Bonds will have a debt service coverage ratio and term that maximizes the proceeds of the Bonds but is consistent with sound municipal financing practices and the limitations on the EIFD's receipt of Allocated Tax Revenue described in Sections D.7(d) ("*Limit on Total Dollars Allocated to the EIFD*") and D.7(e) ("*Termination Date*") below.

When Bonds are issued by the EIFD (or the CFD if the CFD Bonds are secured by Allocated Tax Revenue), the EIFD shall comply with the provisions of the EIFD Acquisition and Financing Agreement, including consulting with the City's Office of Public Finance as to the timing, parameters, and terms of any Bonds.

At the written request of the 3333 California Street Developer, the EIFD shall consider the issuance of one or more series of federally taxable Bonds to finance the Actual Cost (as defined in the EIFD Acquisition and Financing Agreement) of Facilities that cannot be financed on a federally tax-exempt basis. In addition, the EIFD shall issue federally taxable EIFD Bonds in the circumstances required by Section 3.6(e) of the Development Agreement Financing Plan.

The EIFD will not issue any Bonds until, for each Taxable Parcel (defined in the Development Agreement Financing Plan as a parcel that is subject to the ad valorem property tax within the boundaries of a Project Area) that the underwriter of the Bonds has utilized for purposes of sizing the Bonds, (i) the applicable Developer has exhausted all of its appeal rights with respect to the Baseline Assessed Value or (ii) the applicable Developer has notified the City and the EIFD in writing that, with respect to the Taxable Parcel, (A) the Developer is aware of its right to appeal the Taxable Parcel's Baseline Assessed Value that was established following the Taxable Parcel's recent improvement/sale, (B) the Developer has either availed itself of that right or decided not pursue any further appeals with respect to the Baseline Assessed Value arising out of the recent improvement/sale and (C) the Developer does not waive any right to appeal future assessed valuations of the Taxable Parcel. The written notice submitted by the Developer pursuant to the previous sentence must be satisfactory in form and substance to the City's Controller and the Executive Director of the EIFD. "Baseline Assessed Value" means, as applicable, (1) the initial assessed value of a parcel in the EIFD in the first Fiscal Year in which the assessed value reflects the full cash value of the initial improvements constructed on the parcel for which the City has issued an initial certificate of occupancy, or (2) following the valuation set forth in the preceding clause (1), the initial assessed value of a parcel in the EIFD in the first Fiscal Year in which the assessed value reflects any change in ownership or later improvements.

Allocated Tax Revenue will be used exclusively to finance the following in the priority listed below:

(A) to pay EIFD administrative costs;

(B) to pay debt service on Bonds or other debt and to replenish any reserve funds associated with Bonds;

(C) to repay the City for any expenditures of Conditional Tax Revenue actually spent on debt service on Bonds or to replenish any reserve funds for the Bonds; and

(D) to accumulate over time and, from time to time at the Developers' request, to pay directly or reimburse the Developers for the Actual Costs of Facilities.

(iii) *Anticipated Financing Plan.* Nothing in this IFP shall obligate the EIFD or the City to provide any moneys or funding sources other than the Allocated Tax Revenue and the Conditional Tax Revenue to the extent set forth herein, and neither the EIFD nor the City makes any representation that such moneys or funding sources will be available.

(d) **Limit on Total Dollars Allocated to the EIFD**

(i) *Allocated Tax Revenue.* After providing an allowance for variations in future inflation, it has been determined that the total nominal dollar amount of Allocated Tax Revenue to be allocated to the EIFD from the Project Areas over the life of the EIFD shall not exceed \$955,000,000, which reflects a contingency factor of approximately 100% over the projections presented in Table 8 and Exhibit D to account for potential changes in the escalation rates of assessed values and the Actual Costs of the Facilities.

The City intends for Allocated Tax Revenue in excess of the authorized uses described in this IFP to be returned to the City and used for any lawful purposes of the City. The EIFD would begin returning excess Allocated Tax Revenue to the City beginning in the fiscal year after the Facilities have been fully-financed (including any financing provided by the EIFD), the Bonds and all related costs have been paid in full, the City has been repaid for any Conditional Tax Revenue as described above, and the EIFD has paid all amounts required by the EIFD Acquisition and Financing Agreement. Excess tax increment shall consist of any Allocated Tax Revenue that is not required for the purposes set forth in this IFP and the EIFD Acquisition and Financing Agreement, including (i) debt service on Bonds and other Bond-related obligations (such as replenishment of debt service reserve funds), (ii) payments required on other debt of the EIFD, (iii) reimbursement of the City for the EIFD's use of Conditional Tax Revenue, (iv) pay-go payments for Facilities, and (v) EIFD administrative expenses. The EIFD shall provide the City an annual accounting of the status of the financing of the approved Facilities and the amount of any excess Allocated Tax Revenue. For the avoidance of doubt, nothing in this IFP is intended to require the Allocated Tax Revenue to be immediately spent on such authorized purposes; rather Allocated Tax Revenue may be accumulated and spent for

authorized purposes over a period of time. The accumulation of Allocated Tax Revenue for authorized purposes shall not be construed as excess Allocated Tax Revenue subject to return to the City.

(ii) *Conditional Tax Revenue.* After providing an allowance for variations in future inflation, it has been determined that the total nominal dollar amount of Conditional Tax Revenue to be conditionally allocated to the EIFD from the Project Areas over the life of the EIFD shall not exceed \$684,000,000, which reflects a contingency factor of approximately 100% over the projections presented in Table 8 and Exhibit D to account for potential changes in the escalation rates of assessed values and the Actual Costs of the Facilities.

The EIFD cash flow projection used to calculate these limits is set forth in Exhibit D.

(e) **Termination Date**

Each Project Area will have a unique date (“Termination Date”) on which this IFP will cease to be in effect with respect to such Project Area, all allocations of Allocated Tax Revenue to the EIFD from such Project Area will end and the EIFD’s authority to repay Bonds and other debt with Allocated Tax Revenue from such Project Area under the EIFD Law will end. For each Project Area, the Termination Date will be the final day of the fiscal year that occurs 45 years after the Commencement Date for such Project Area. The Termination Date shall be calculated separately for each Project Area.

Exhibit D includes projections of the first fiscal year in which the EIFD expects to receive \$100,000 of Allocated Tax Revenue from each Project Area and the final year in which the Allocated Tax Revenue and the Conditional Tax Revenue would be allocated to the EIFD from each Project Area.

(f) **Analysis of Costs to Provide Facilities and Services**

Exhibit E provides a summary that details the projected fiscal expenditures by the City for facilities and services to the EIFD while the area is being developed and after the area is developed.

(g) **Fiscal Impact Analysis**

Exhibit E of the IFP provides a summary of the estimated impact of the EIFD and the Projects on the City’s fiscal revenues.

(h) **Developer Reimbursement for Transit Priority Project**

The EIFD is not intended to finance any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of the EIFD and qualifies for the Transit Priority Project Program, pursuant to California Government Code Section 65470. The Projects do not qualify as a Transit Priority Project.

E. REMOVAL OF DWELLING UNITS AND REPLACEMENT HOUSING PLAN

Because no dwelling units exist within the territory of the EIFD as of the date of adoption of this IFP by the PFA, the EIFD Law does not require this IFP to include a plan for the replacement of dwelling units or the relocation of persons or families. (It should be noted that the Non-EIFD Apartments are not within the boundaries of the EIFD.)

F. GOALS OF THE EIFD

The City's goal in proposing establishment of the EIFD was to help address a shortfall in financing for the provision of Facilities of communitywide significance that provide significant benefits and promote economic development and the construction of housing (including affordable housing) within the boundaries of the EIFD or the surrounding community.

G. FUTURE AMENDMENTS OF THIS INFRASTRUCTURE FINANCING PLAN

1. *Amendments related to the 3333 California Street Development Agreement and the Financing Plan.*

The provisions of the 3333 California Street Development Agreement, the Development Agreement Financing Plan and the EIFD Acquisition and Financing Agreement, as they may be amended from time to time, are incorporated in this IFP as if fully set forth herein, and any such amendments of the 3333 California Street Development Agreement, the Development Agreement Financing Plan and the EIFD Acquisition and Financing Agreement shall not require an amendment of this IFP. Nothing in this IFP shall prevent any amendment to the 3333 California Street Development Agreement, the Development Agreement Financing Plan and the EIFD Acquisition and Financing Agreement.

2. *Amendments of Project Area Boundaries Related to Subdivision of Project Area A.*

See Section A for a discussion of future amendments of the boundaries of the EIFD and Project Areas related to subdivision of the parcels constituting Project Area A.

3. *Amendments of Project Area Boundaries Related to Tax Rate Areas.*

See Section A for a discussion of future amendments of the boundaries of the EIFD and Project Areas for purposes of coordinating tax rate areas.

4. *Approval by the City and the Developers.*

Other than amendments described in 1-3, inclusive, above, any amendment of this IFP shall require written approval by (i) the Board of Supervisors of the City and (ii) the 3333 California Street Developer and the 3700 California Street Developer.

H. DEFAULTS AND REMEDIES

In the event that the EIFD defaults under its obligations under the EIFD Acquisition and Financing Agreement, and an Event of Default (as defined in the EIFD Acquisition and Financing Agreement) occurs, the City and the Developers may exercise all legal and equitable remedies available, including but not limited to, filing proceedings to obtain injunctive relief or compel specific performance of the IFP and the EIFD Acquisition and Financing Agreement; provided however, the City, the Developers and the EIFD have determined that, to the extent permitted under applicable law, the exclusive remedy should be an action for injunctive relief or specific performance of the IFP and the EIFD Acquisition and Financing Agreement. The EIFD acknowledges and agrees that a failure of the EIFD to timely perform any duty, obligation, or covenant under the IFP, including the application of the Allocated Tax Revenue and Conditional Tax Revenue in accordance with the IFP and the application of such Allocated Tax Revenue to fund the Facilities in accordance with the EIFD Acquisition and Financing Agreement, will cause irreparable harm to the Developers that cannot be fully compensated by monetary damages and shall entitle the Developers to seek injunctive relief or specific performance. In addition, the City shall also be entitled to all legal and equitable remedies, including, but not limited to, injunctive relief to compel the EIFD to perform its duties, obligations, or covenants under the IFP and the EIFD Acquisition and Financing Agreement.

Due to the unique nature of the IFP and the Projects and because time is of the essence in the performance of obligations under the IFP, the City and the EIFD have waived in the EIFD Acquisition and Financing Agreement the procedural protections of the Government Claims Act, California Government Code Section 810 et seq, in connection with any dispute related to or arising out of the IFP or the EIFD Acquisition and Financing Agreement, including those procedures requiring the filing of an administrative claim within the applicable statute of limitation.

Except as expressly limited by this IFP or the EIFD Acquisition and Financing Agreement, the rights and remedies of the parties to the EIFD Acquisition and Financing Agreement regarding the enforcement of the IFP shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other remedies contained in the EIFD Acquisition and Financing Agreement for the same breach by the applicable party. The City and Developers may pursue remedies simultaneously on the same matter. In addition, the remedies provided in the EIFD Acquisition and Financing Agreement regarding the enforcement of the IFP do not limit the remedies provided in other agreements (such as the 3333 California Street Development Agreement).

Exhibit A - Legal Description

Project Area A

THE LAND REFERRED TO HEREIN BELOW IS SITUATED SAN FRANCISCO, IN THE COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:

BEGINNING at a point on the Southerly line of California Street, said point being the Easterly extremity of the curve with a 15 foot radius joining the Easterly line of Laurel Street with the Southerly line of California Street, as shown on "Map of Laurel Heights, filed July 28, 1947, in Map Book "P", at Pages 55 and 56, Official Records of the City and County of San Francisco; running thence North 80°54' East 707.375 feet along the Southerly line of California Street to the Southwesterly boundary of the property of the Standard Oil Company of California; thence South 52°36' 29.74 seconds East along said boundary 232.860 feet; thence Southwesterly along the arc of a curve to the right whose tangent deflects 54°14' 30.74 seconds to the right from the preceding course, radius 425 feet, central angle 34°15'59", a distance of 254.176 feet; thence South 35°54' West tangent to the preceding curve 380.066 feet; thence Southwesterly along the arc of a curve to the right, tangent to the preceding course, radius 65 feet, central angle 37°18' a distance of 42.316 feet to tangency with the Northwesterly line of Euclid Avenue; thence South 73°12' West along said line of Euclid Avenue 312.934 feet; thence leaving said line of Euclid Avenue, and running Southwesterly, Westerly, and Northwesterly along the arc of a curve to the right, tangent to the preceding course, radius 20 feet, central angle 100°48' 01.51", a distance of 35.186 feet; thence Northwesterly along the arc of a reverse curve to the left, parallel to and concentric with and radially distant 6 feet Northeasterly from the Northeasterly line of Laurel Street, as shown on said map of Laurel Heights, radius 4033 feet, central angle 5°31' 20.27", a distance of 388.710 feet; thence Northwesterly along the arc of a compound curve to the left, radius 120 feet, central angle 71°12' 55.45", a distance of 149.153 feet; thence Northwesterly along the arc of a reverse curve to the right, radius 60 feet, central angle 73°38' 14.21", a distance of 77.113 feet to tangency with the Easterly line of Laurel Street; thence North 9°06' West along said line of Laurel Street 127.290 feet to the beginning of the above mentioned curve joining the Easterly line of Laurel Street with Southerly line of California Street; thence Northwesterly, Northerly, and Northeasterly along the arc of a curve to the right, radius 15 feet 90°00', a distance of 23.562 feet to tangency with the Southerly line of California Street and the point of beginning.

APN: Lot 003, Block 1032

Project Area 4

PARCEL 1: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 34 FEET AND 1 INCH WESTERLY FROM THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF SACRAMENTO STREET 100 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 134 FEET AND 1 INCH TO THE WESTERLY LINE OF CHERRY STREET; THENCE AT A RIGHT ANGLE NORTHERLY ALONG SAID LINE OF CHERRY STREET 50 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 34 FEET AND 1 INCH; THENCE AT A RIGHT ANGLE NORTHERLY 82 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 052, BLOCK 1015

PARCEL 2: BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF CALIFORNIA STREET WITH THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF CALIFORNIA STREET 33 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 48 FEET; THENCE AT A RIGHT ANGLE EASTERLY 33 FEET TO THE WESTERLY LINE OF CHERRY STREET; THENCE AT A RIGHT ANGLE SOUTHERLY ALONG SAID LINE OF CHERRY STREET 48 FEET TO THE POINT OF BEGINNING.

BEING PART OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 3: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 33 FEET WESTERLY FROM THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 107 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; AND THENCE AT A RIGHT ANGLE SOUTHERLY 107 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 4: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 58 FEET WESTERLY FROM THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 107 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 107 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING PORTION OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 5: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 83 FEET WESTERLY FROM THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY AND ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 107 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 107 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PART OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 6: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 108 FEET WESTERLY FROM THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING PART OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 7: BEGINNING AT A POINT ON THE WESTERLY LINE OF CHERRY STREET, DISTANT THEREON 48 FEET NORTHERLY FROM THE NORTHERLY LINE OF CALIFORNIA STREET; RUNNING THENCE NORTHERLY ALONG SAID LINE OF CHERRY STREET 59 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 33 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 59 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 33 FEET TO THE POINT OF BEGINNING.

BEING A PART OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 8: BEGINNING AT A POINT ON THE WESTERLY LINE OF CHERRY STREET, DISTANT THEREON 107 FEET AND 7-1/8 INCHES NORTHERLY FROM THE NORTHERLY LINE OF CALIFORNIA STREET; RUNNING THENCE NORTHERLY ALONG THE WESTERLY LINE OF CHERRY STREET, 25 FEET; THENCE AT A RIGHT ANGLE WESTERLY 108 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 25 FEET; AND THENCE AT A RIGHT ANGLE EASTERLY 108 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 053, BLOCK 1015 PORTION

PARCEL 9: BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF SACRAMENTO STREET WITH THE WESTERLY LINE OF CHERRY STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF SACRAMENTO STREET 34 FEET, 1 INCH;

THENCE AT A RIGHT ANGLE SOUTHERLY 82 FEET; THENCE AT A RIGHT ANGLE
EASTERLY 34 FEET, 1 INCH TO THE WESTERLY LINE OF CHERRY STREET; THENCE AT A
RIGHT ANGLE NORTHERLY ALONG SAID LINE OF CHERRY STREET 82 FEET TO THE
POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 847.

APN: LOT 001, BLOCK 1015

Project Area 5

BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF SACRAMENTO STREET AND THE WESTERLY LINE OF MAPLE STREET, RUNNING THENCE SOUTHERLY ALONG SAID LINE OF MAPLE STREET 265 FEET AND 2-1/4 INCHES TO THE NORTHERLY LINE OF CALIFORNIA STREET, THENCE WESTERLY ALONG SAID CALIFORNIA STREET 412 FEET AND 6 INCHES TO THE EASTERLY LINE OF CHERRY STREET; THENCE NORTHERLY ALONG SAID LINE OF CHERRY STREET 265 FEET AND 2-1/4 INCHES TO THE SOUTHERLY LINE OF SACRAMENTO STREET; THENCE EASTERLY ALONG SAID SACRAMENTO STREET 412 FEET AND 6 INCHES TO THE POINT OF BEGINNING.

BEING ALL OF WESTERN ADDITION BLOCK NO. 846.

APN: LOTS 001 THROUGH 009, BLOCK 1016

Project Area 6

PARCEL 1: BEGINNING AT THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF CALIFORNIA STREET WITH THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE NORTHERLY ALONG THE EASTERLY LINE OF MAPLE STREET 132 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 110 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 1-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 87 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES TO THE NORTHERLY LINE OF CALIFORNIA STREET; THENCE AT A RIGHT ANGLE WESTERLY ALONG SAID NORTHERLY LINE OF CALIFORNIA STREET 197 FEET AND 6 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 2: BEGINNING AT THE POINT OF INTERSECTION OF THE SOUTHERLY LINE OF SACRAMENTO STREET WITH THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF SACRAMENTO STREET 34 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 102 FEET AND 8-1/4 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 34 FEET AND 6 INCHES TO THE EASTERLY LINE OF MAPLE STREET; THENCE AT A RIGHT ANGLE NORTHERLY ALONG SAID LINE OF MAPLE STREET 102 FEET AND 8-1/4 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 3: BEGINNING AT A POINT ON THE EASTERLY LINE OF MAPLE STREET, DISTANT THEREON 102 FEET AND 8-1/4 INCHES SOUTHERLY FROM THE SOUTHERLY LINE OF SACRAMENTO STREET; RUNNING THENCE SOUTHERLY ALONG SAID LINE OF MAPLE STREET 29 FEET AND 10-7/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 112 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 25 FEET; THENCE AT A RIGHT ANGLE WESTERLY 78 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 4 FEET AND 10-7/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 34 FEET AND 6 INCHES TO THE POINT OF BEGINNING.

BEING A PART OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 4: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 34 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF SACRAMENTO STREET 28 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 107 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 28 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 107 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 5: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 62 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY AND ALONG SAID SOUTHERLY LINE OF SACRAMENTO STREET 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 107 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 107 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 6: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 87 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF SACRAMENTO STREET 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 107 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 107 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PART OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 7: BEGINNING AT A POINT ON THE EASTERLY LINE OF MAPLE STREET, DISTANT THEREON 132 FEET AND 6 INCHES NORTHERLY FROM THE NORTHERLY LINE OF CALIFORNIA STREET; RUNNING THENCE NORTHERLY ALONG SAID EASTERLY LINE OF MAPLE STREET 1-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 110 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 1-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 110 FEET TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 8: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 112 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF SACRAMENTO STREET 52 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 52 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 9: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 165 FEET EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG THE SOUTHERLY LINE OF SACRAMENTO STREET 27 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 27 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PART OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 10: BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SACRAMENTO STREET, DISTANT THEREON 192 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF SACRAMENTO STREET 27 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 27 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PART OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 028, BLOCK 1017 PORTION

PARCEL 11: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 197 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 027, BLOCK 1017 PORTION

PARCEL 12: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 222 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 027, BLOCK 1017 PORTION

PARCEL 13: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 247 FEET AND 6 INCHES EASTERLY FROM THE EASTERLY LINE OF MAPLE STREET; RUNNING THENCE EASTERLY ALONG SAID LINE OF CALIFORNIA STREET 25 FEET; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE WESTERLY 25 FEET; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 027, BLOCK 1017 PORTION

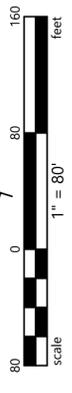
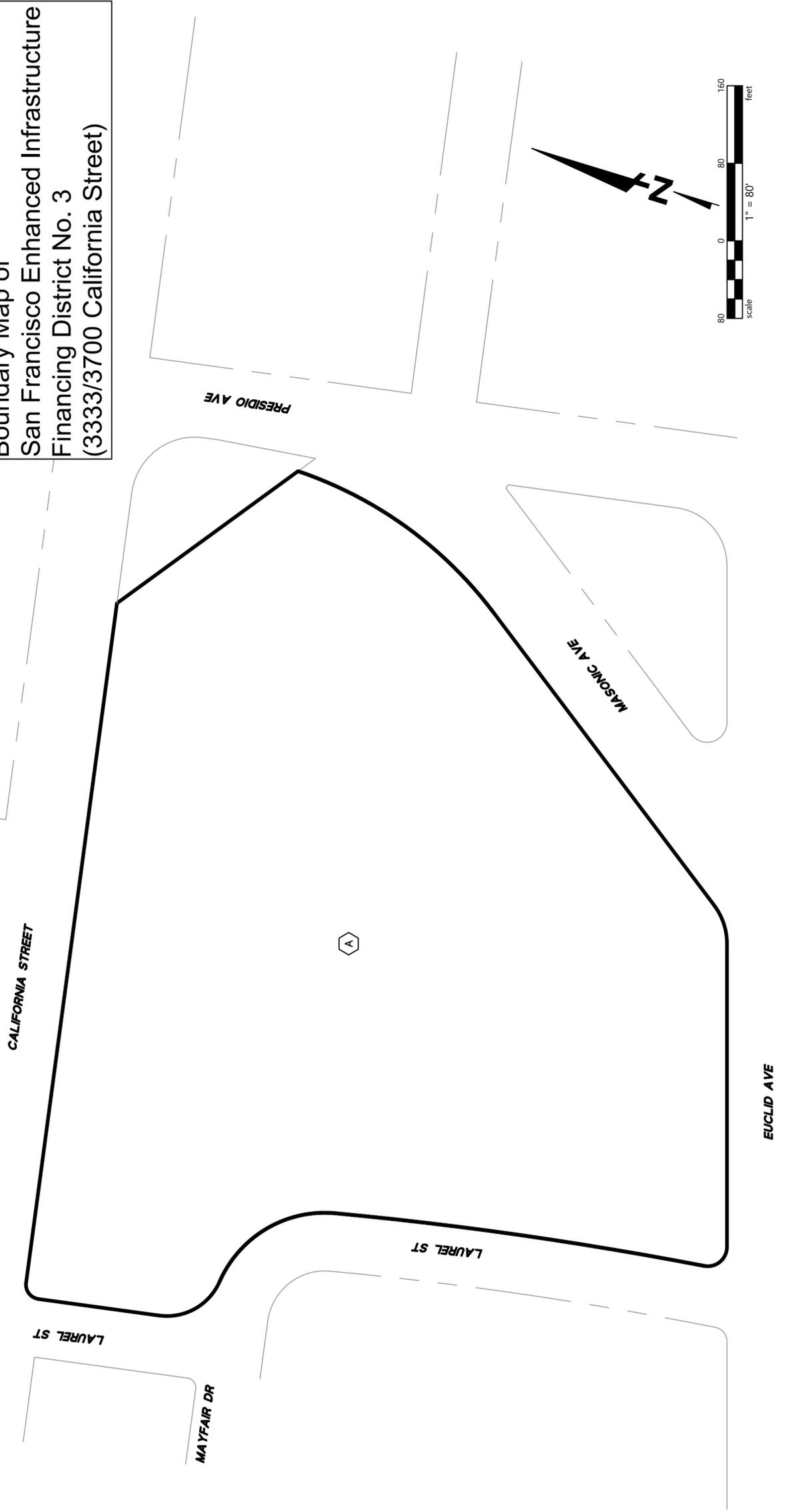
PARCEL 14: BEGINNING AT A POINT ON THE NORTHERLY LINE OF CALIFORNIA STREET, DISTANT THEREON 112 FEET AND 6 INCHES WESTERLY FROM THE WESTERLY LINE OF SPRUCE STREET; RUNNING THENCE WESTERLY ALONG SAID LINE OF CALIFORNIA STREET 27 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE NORTHERLY 132 FEET AND 7-1/8 INCHES; THENCE AT A RIGHT ANGLE EASTERLY 27 FEET AND 6 INCHES; THENCE AT A RIGHT ANGLE SOUTHERLY 132 FEET AND 7-1/8 INCHES TO THE POINT OF BEGINNING.

BEING A PORTION OF WESTERN ADDITION BLOCK NO. 833.

APN: LOT 027, BLOCK 1017 PORTION

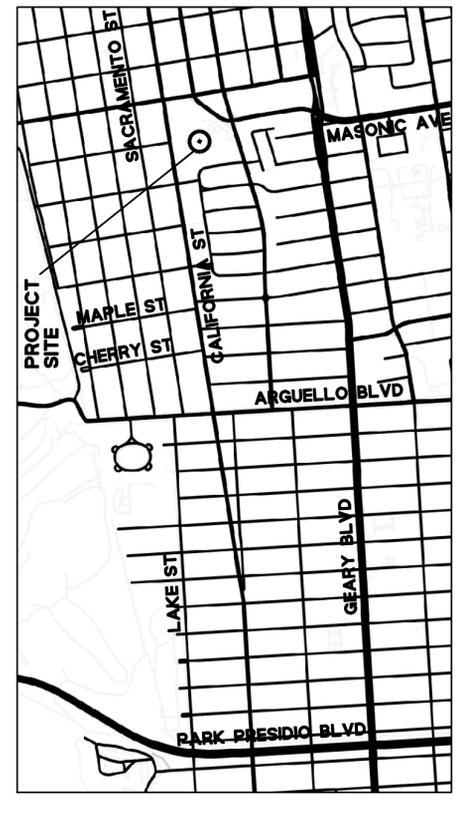
Exhibit B - Site Map

**Boundary Map of
San Francisco Enhanced Infrastructure
Financing District No. 3
(3333/3700 California Street)**



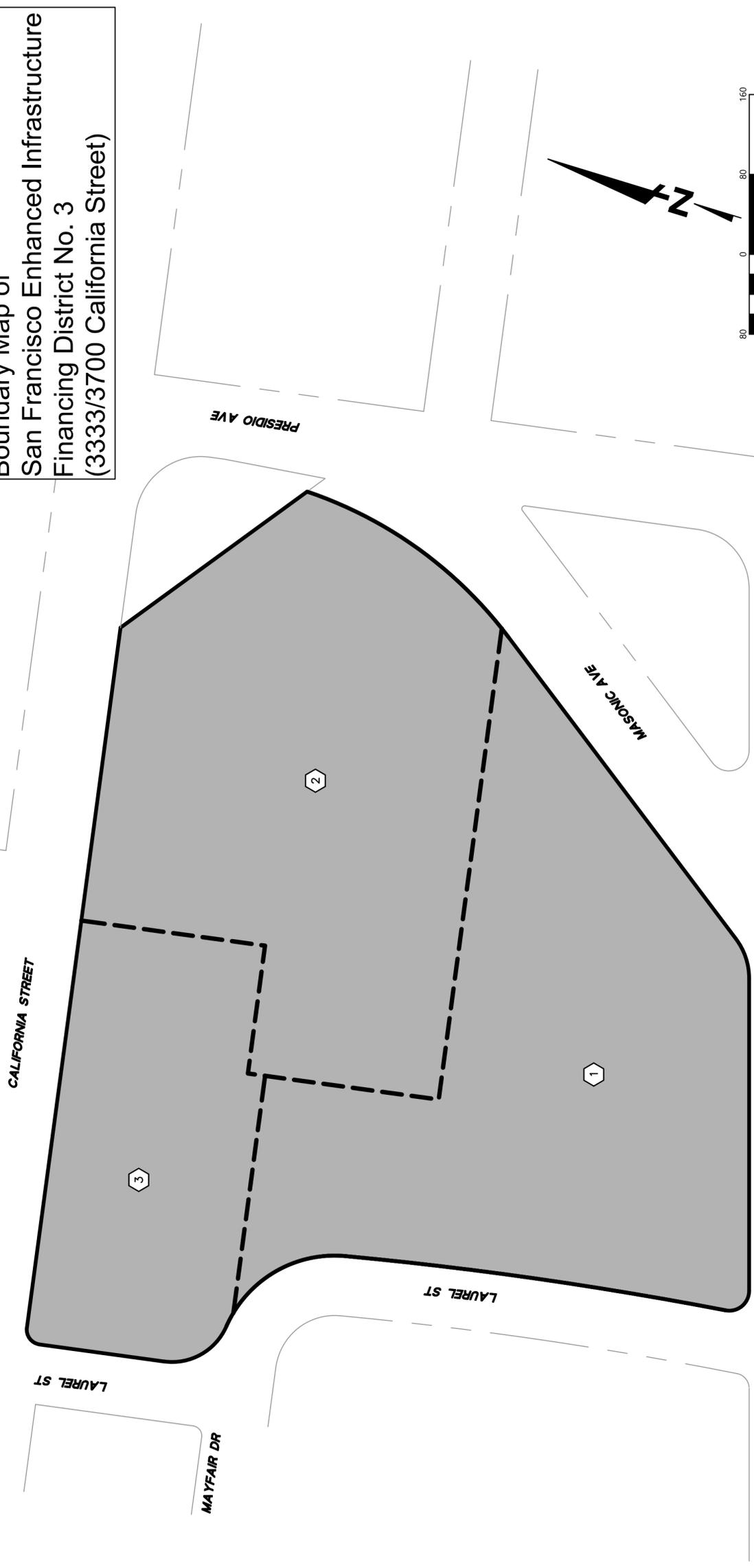
PROJECT AREA SUMMARY		
PROJECT AREA AT FORMATION	APN	PROJECT AREA AFTER PLANNED DEVELOPMENT
(A)	1031-003	(1) (2) (3)

- LEGEND**
- DISTRICT BOUNDARY
 - NON-PROJECT AREA BOUNDARY (ROW)
 - PROJECT AREA DESIGNATION



VICINITY MAP - NOT TO SCALE

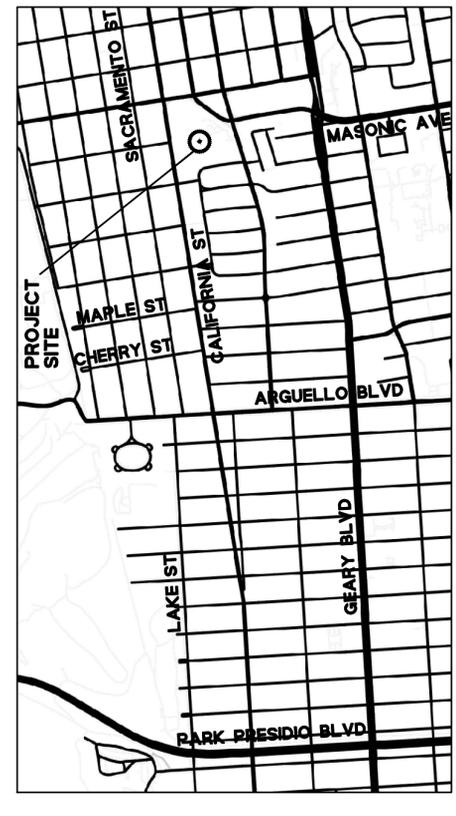
**Boundary Map of
San Francisco Enhanced Infrastructure
Financing District No. 3
(3333/3700 California Street)**



PROJECT AREA SUMMARY		
PROJECT AREA	APN	KEYNOTE
1	1031-003 (P)	1
2	1031-003 (P)	2
3	1031-003 (P)	3

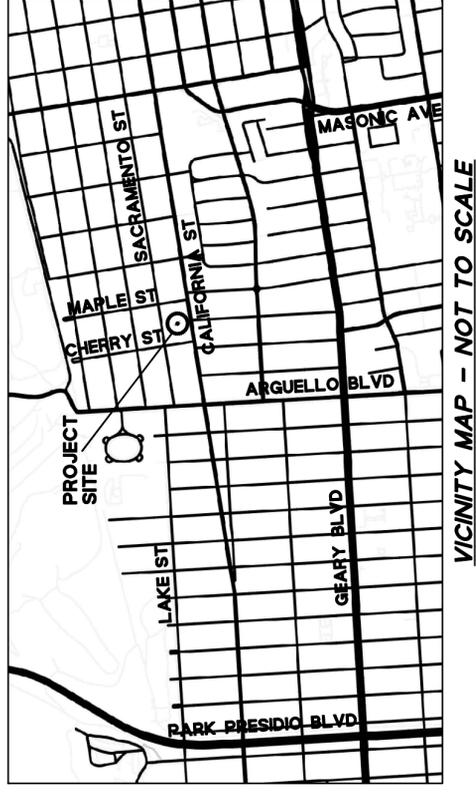
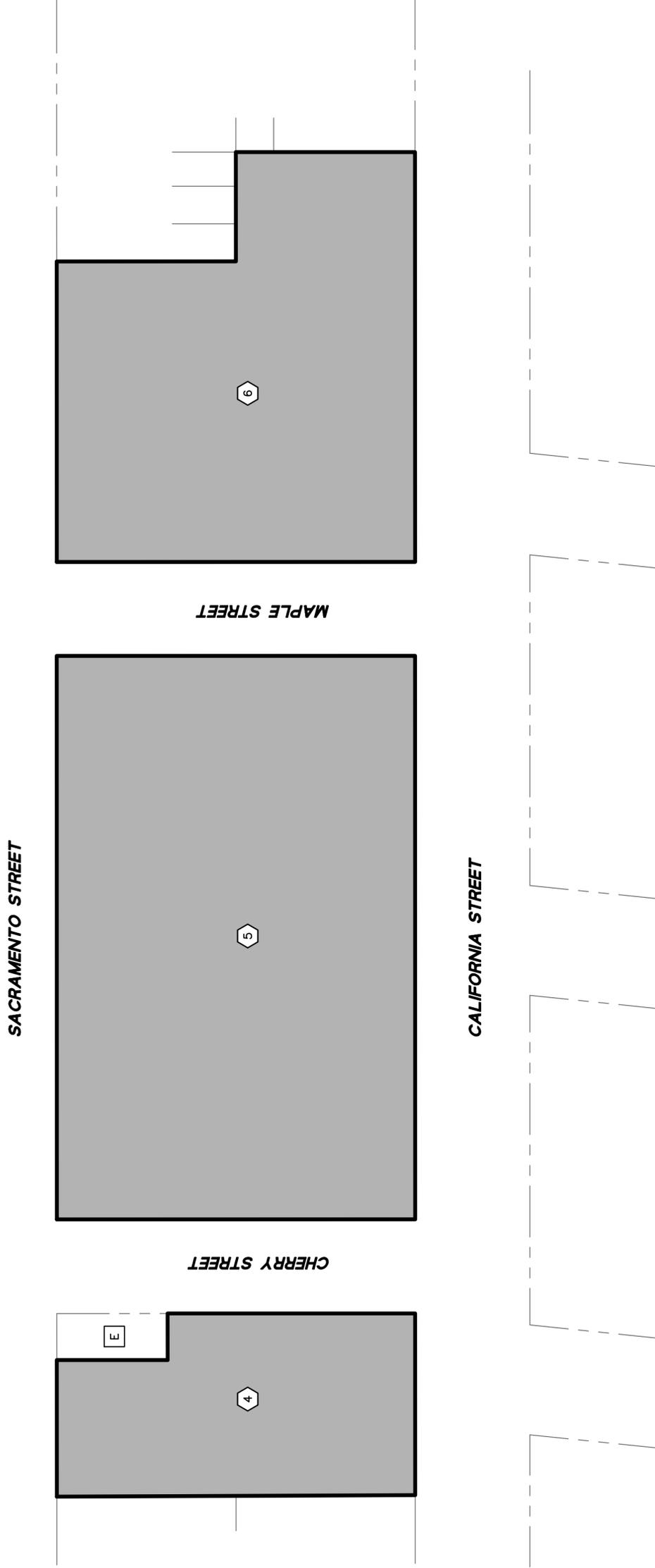
(P) = PORTION OF ASSESSOR'S PARCEL

- LEGEND**
- DISTRICT BOUNDARY
 - NON-PROJECT AREA BOUNDARY (ROW)
 - PROJECT AREA LIMITS
 - PROJECT AREA DESIGNATION
 - PLANNED DEVELOPMENT PROJECT AREA BOUNDARIES



VICINITY MAP - NOT TO SCALE

Boundary Map of
 San Francisco Enhanced Infrastructure
 Financing District No. 3
 (3333/3700 California Street)



PROJECT AREA SUMMARY		
PROJECT AREA	EXISTING APN	KEYNOTE
4	1015-052, 1015-053	4
5	1016-001, 1016-002, 1016-003, 1016-004, 1016-005, 1016-006, 1016-007, 1016-008, 1016-009	5
6	1017-027, 1017-028	6
		E

Note: 401 Cherry (APN 1015-001) is excluded from the district.

- LEGEND**
- DISTRICT BOUNDARY
 - NON-PROJECT AREA BOUNDARY (ROW)
 - PROJECT AREA DESIGNATION
 - PLANNED DEVELOPMENT PROJECT AREA BOUNDARIES

Exhibit C -Facilities Eligible for Financing by the EIFD

DESCRIPTION OF FACILITIES

Subject to any limitation in this IFP and the EIFD Acquisition and Financing Agreement the EIFD shall be authorized to finance all or a portion of the costs of the purchase, site preparation, construction, expansion, improvement, seismic retrofit or rehabilitation of the public capital facilities or other projects (whether publicly- or privately-owned) of communitywide significance that are (i) authorized by Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law"), (ii) for the 3333 California Street Project, required or permitted by the 3333 California Street Development Agreement, or the Approvals (as defined in the 3333 California Street Development Agreement), and (iii) for the 3700 California Street Project, required or permitted by the plan documents or the Conditions of Approval ("Facilities"), including, but not limited to, the actual costs of those facilities and projects of communitywide significance described below and those costs described below.

The Facilities may be owned by a public agency (including, but not limited to, the City) or privately-owned as permitted by the EIFD Law.

Facilities may be physically located within or outside the boundaries of the EIFD; any Facilities that are located outside the boundaries of the EIFD must have a tangible connection to the work of the EIFD. Section C of this IFP ("Finding of Communitywide Significance") includes a finding that any Facilities financed by the EIFD that are located outside the boundaries of the EIFD, including, but not limited to, any affordable housing, will have a tangible connection to the work of the EIFD.

Capitalized terms used herein but not defined herein have the meanings given them in the EIFD Acquisition and Financing Agreement.

For the avoidance of doubt, whenever the IFP refers to the EIFD providing financing for fees it means that the EIFD funds in a corresponding amount will be applied to pay the actual costs of eligible Facilities and the Developers will be provided with a corresponding credit against their obligation to pay such fees. Section 6.4 of the EIFD Acquisition and Financing Agreement provides further detail about the financing of fees.

The Facilities for the 3333 California Street Project and the 3700 California Street Project include, but are not limited, the following:

1. Public improvements constructed or caused to be constructed by the 3333 California Street Developer and/or the 3700 California Street Developer, including, but not limited to, site work, streets, utilities, street trees, landscaping, and Streetscape Improvements (as defined in the Development Agreement) and costs associated with the demolition and/or rehabilitation of existing and historic buildings or components thereof.

2. Privately-owned community improvements constructed or caused to be constructed by the 3333 California Street Developer and/or the 3700 California Street Developer, including, but not limited to, utilities, parks and open space including any interim uses, pedestrian paths, alleys, storm drain facilities, stormwater capture and processing systems, utility facilities serving the Facilities, Streetscape Improvements (if privately owned), and other “purple pipe” requirements, SFMTA employee restrooms, Muni bus shelters, community or recreation facilities, tenant improvements, and Publicly Accessible Private Improvements (as defined in the Development Agreement).
3. Affordable Housing. The acquisition, construction, or rehabilitation of the Walnut Affordable Housing Building, including, subject to the provisions of the EIFD Acquisition and Financing Agreement (including, but not limited to, Section 6.4), any Gap Fees and affordable housing in-lieu fees paid by the Projects to construct housing units in accordance with this IFP and the EIFD Law. The EIFD shall require, by recorded covenants or restrictions, that housing units built with financial assistance from the EIFD shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units and that any in-lieu fees paid for off-site housing shall have similar covenants and restrictions.
4. Parking. Parking (which may be publicly- or privately-owned) that directly serves other Facilities (including, but not limited to, affordable housing and childcare facilities). To the extent that only a portion of the parking directly serves other Facilities, then the costs of the parking that may be financed by the EIFD shall be calculated based on the square footage of the parking that directly serves other Facilities.
5. Childcare Facilities.
6. Rideshare improvements, including without limitation, improvements under the Transportation Demand Management Plan.
7. TDM Measures, as defined in the Transportation Demand Management Plan.
8. The demolition, abatement, stabilization and/or rehabilitation of existing structures necessary to enable development of the Projects. For the avoidance of doubt, because demolition, abatement, stabilization and/or rehabilitation of the existing improvements is a prerequisite to the construction and delivery of the Projects, including the creation of housing that funds the affordable housing (in-lieu or constructed) and the Facilities, all such activities and associated costs shall be considered as a cost of the Facilities.
9. Contributions for the construction of any required tenant improvements of the Walnut Child Care Parcel and associated parking, as defined in the Development Agreement, or any other community facilities located at or near the Project.

10. Subject to the provisions of the EIFD Acquisition and Financing Agreement (including, but not limited to, Section 6.4), the 3700 California Affordable Housing In-Lieu Fees used to construct housing units in accordance with this IFP and the EIFD Law. The EIFD shall require, by recorded covenants or restrictions, that housing units built with financial assistance from the EIFD shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units.
11. To the extent they are used to pay Actual Costs of Qualified EIFD Improvements, and subject to the provisions of the EIFD Acquisition and Financing Agreement (including, but not limited to, Section 6.4), the Jobs Housing Linkage Fee, the AWSS Community Benefit Fee, fees imposed by the City on the Projects after EIFD formation and fees imposed by the City on the Projects prior to EIFD formation that are modified by the City after EIFD formation.

In the event of a conflict or ambiguity between this Exhibit C and Exhibit A of the Resolution of Intention, this Exhibit C shall control.

OTHER EXPENSES

The EIFD may also finance any of the following:

1. Costs described in Government Code Sections 53398.53, 53398.56, 53398.57 and 53398.58, including, but not limited to, the reimbursement for any costs advanced to file and prosecute an action or proceeding pursuant Government Code Sections 53398.57 and 53398.58.
2. Costs incurred in connection with the division of taxes pursuant to Government Code Section 53398.75.
3. Expenses related to bonds and other debt of the EIFD, including underwriters' discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.
4. Administrative fees of the City, the EIFD and the bond trustee or fiscal agent related to the bonds and other debt of the EIFD.
5. Reimbursement of costs related to the formation of the EIFD (and any Project Areas) advanced by the City, the landowner(s) in the EIFD, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, the landowner(s) in the EIFD or any party related to any of the foregoing, for Facilities, fees or other purposes or costs of the EIFD.
6. Costs otherwise incurred in order to carry out the authorized purposes of the EIFD; and any other expenses incidental (including administrative and legal costs) to the EIFD and to the Project construction, expansion, improvement, seismic retrofit, rehabilitation, completion, inspection, or acquisition of the Facilities.

Exhibit D - Annual Estimates of Tax Increment to be Allocated to the EIFD

Exhibit D-1. Project Area 1: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Aggregate - Project Area 1					
Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue (58.252419% of City Share of Increment) (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment)
(Commencement Yr.)					
2026/27	\$883	\$9	\$6	\$0	\$0
2027/28	\$1,783	\$18	\$12	\$0	\$0
2028/29	\$2,701	\$27	\$17	\$0	\$0
2029/30	\$3,638	\$36	\$23	\$0	\$0
2030/31	\$347,959	\$3,480	\$2,247	\$1,309	\$938
2031/32	\$356,062	\$3,561	\$2,300	\$1,340	\$960
2032/33	\$364,333	\$3,643	\$2,353	\$1,371	\$982
2033/34	\$372,774	\$3,728	\$2,408	\$1,403	\$1,005
2034/35	\$381,390	\$3,814	\$2,463	\$1,435	\$1,028
2035/36	\$390,184	\$3,902	\$2,520	\$1,468	\$1,052
2036/37	\$399,160	\$3,992	\$2,578	\$1,502	\$1,076
2037/38	\$408,322	\$4,083	\$2,637	\$1,536	\$1,101
2038/39	\$417,672	\$4,177	\$2,698	\$1,571	\$1,126
2039/40	\$427,216	\$4,272	\$2,759	\$1,607	\$1,152
2040/41	\$436,957	\$4,370	\$2,822	\$1,644	\$1,178
2041/42	\$446,900	\$4,469	\$2,886	\$1,681	\$1,205
2042/43	\$457,047	\$4,570	\$2,952	\$1,720	\$1,232
2043/44	\$467,405	\$4,674	\$3,019	\$1,759	\$1,260
2044/45	\$477,977	\$4,780	\$3,087	\$1,798	\$1,289
2045/46	\$488,767	\$4,888	\$3,157	\$1,839	\$1,318
2046/47	\$499,780	\$4,998	\$3,228	\$1,880	\$1,348
2047/48	\$511,021	\$5,110	\$3,301	\$1,923	\$1,378
2048/49	\$522,494	\$5,225	\$3,375	\$1,966	\$1,409
2049/50	\$534,204	\$5,342	\$3,450	\$2,010	\$1,440
2050/51	\$546,156	\$5,462	\$3,528	\$2,055	\$1,473
2051/52	\$558,356	\$5,584	\$3,606	\$2,101	\$1,506
2052/53	\$570,807	\$5,708	\$3,687	\$2,148	\$1,539
2053/54	\$583,516	\$5,835	\$3,769	\$2,195	\$1,573
2054/55	\$596,487	\$5,965	\$3,853	\$2,244	\$1,608
2055/56	\$609,726	\$6,097	\$3,938	\$2,294	\$1,644
2056/57	\$623,239	\$6,232	\$4,025	\$2,345	\$1,681
2057/58	\$637,031	\$6,370	\$4,114	\$2,397	\$1,718
2058/59	\$651,109	\$6,511	\$4,205	\$2,450	\$1,756
2059/60	\$665,477	\$6,655	\$4,298	\$2,504	\$1,794
2060/61	\$680,142	\$6,801	\$4,393	\$2,559	\$1,834
2061/62	\$695,110	\$6,951	\$4,490	\$2,615	\$1,874
2062/63	\$710,388	\$7,104	\$4,588	\$2,673	\$1,915
2063/64	\$725,981	\$7,260	\$4,689	\$2,731	\$1,958
2064/65	\$741,897	\$7,419	\$4,792	\$2,791	\$2,000
2065/66	\$758,142	\$7,581	\$4,897	\$2,852	\$2,044
2066/67	\$774,722	\$7,747	\$5,004	\$2,915	\$2,089
2067/68	\$791,645	\$7,916	\$5,113	\$2,978	\$2,135
2068/69	\$808,917	\$8,089	\$5,225	\$3,043	\$2,181
2069/70	\$826,547	\$8,265	\$5,339	\$3,110	\$2,229
2070/71	\$844,541	\$8,445	\$5,455	\$3,178	\$2,277
2071/72	\$862,907	\$8,629	\$5,573	\$3,247	\$2,327
2072/73	\$881,652	\$8,817	\$5,694	\$3,317	\$2,377
2073/74	\$900,785	\$9,008	\$5,818	\$3,389	\$2,429
2074/75	\$920,313	\$9,203	\$5,944	\$3,463	\$2,482
Cumulative Total, EIFD	\$920,313	\$266,822	\$172,336	\$100,356	\$71,922

Administrative Fees are projected at a district-wide level in Table 7. The Commencement Date for the allocation of Allocated Tax Revenue and Conditional Tax Revenue shall be the first day of the fiscal year in which the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-2. Project Area 2: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Aggregate - Project Area 2					
Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue (58.252419% of City Share of Increment) (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment)
<i>(Commencement Yr.)</i>					
2026/27	\$846	\$8	\$5	\$0	\$0
2027/28	\$1,708	\$17	\$11	\$0	\$0
2028/29	\$2,588	\$26	\$17	\$0	\$0
2029/30	\$3,485	\$35	\$23	\$0	\$0
2030/31	\$4,400	\$44	\$28	\$0	\$0
2031/32	\$280,805	\$2,808	\$1,814	\$1,057	\$757
2032/33	\$287,482	\$2,875	\$1,857	\$1,082	\$775
2033/34	\$294,297	\$2,943	\$1,901	\$1,107	\$794
2034/35	\$301,252	\$3,013	\$1,946	\$1,133	\$812
2035/36	\$308,352	\$3,084	\$1,992	\$1,160	\$831
2036/37	\$315,598	\$3,156	\$2,038	\$1,187	\$851
2037/38	\$322,994	\$3,230	\$2,086	\$1,215	\$871
2038/39	\$330,543	\$3,305	\$2,135	\$1,244	\$891
2039/40	\$338,248	\$3,382	\$2,185	\$1,273	\$912
2040/41	\$346,112	\$3,461	\$2,235	\$1,302	\$933
2041/42	\$354,139	\$3,541	\$2,287	\$1,332	\$955
2042/43	\$362,332	\$3,623	\$2,340	\$1,363	\$977
2043/44	\$370,693	\$3,707	\$2,394	\$1,395	\$1,000
2044/45	\$379,228	\$3,792	\$2,449	\$1,427	\$1,023
2045/46	\$387,939	\$3,879	\$2,506	\$1,460	\$1,046
2046/47	\$396,830	\$3,968	\$2,563	\$1,493	\$1,070
2047/48	\$405,905	\$4,059	\$2,622	\$1,527	\$1,094
2048/49	\$415,168	\$4,152	\$2,681	\$1,562	\$1,119
2049/50	\$424,621	\$4,246	\$2,743	\$1,598	\$1,145
2050/51	\$434,271	\$4,343	\$2,805	\$1,634	\$1,171
2051/52	\$444,119	\$4,441	\$2,868	\$1,671	\$1,198
2052/53	\$454,171	\$4,542	\$2,933	\$1,709	\$1,225
2053/54	\$464,431	\$4,644	\$3,000	\$1,747	\$1,252
2054/55	\$474,903	\$4,749	\$3,067	\$1,787	\$1,281
2055/56	\$485,591	\$4,856	\$3,136	\$1,827	\$1,309
2056/57	\$496,501	\$4,965	\$3,207	\$1,868	\$1,339
2057/58	\$507,635	\$5,076	\$3,279	\$1,910	\$1,369
2058/59	\$519,000	\$5,190	\$3,352	\$1,953	\$1,399
2059/60	\$530,600	\$5,306	\$3,427	\$1,996	\$1,431
2060/61	\$542,439	\$5,424	\$3,504	\$2,041	\$1,463
2061/62	\$554,523	\$5,545	\$3,582	\$2,086	\$1,495
2062/63	\$566,857	\$5,669	\$3,661	\$2,133	\$1,528
2063/64	\$579,446	\$5,794	\$3,743	\$2,180	\$1,562
2064/65	\$592,295	\$5,923	\$3,826	\$2,228	\$1,597
2065/66	\$605,409	\$6,054	\$3,910	\$2,278	\$1,632
2066/67	\$618,795	\$6,188	\$3,997	\$2,328	\$1,669
2067/68	\$632,457	\$6,325	\$4,085	\$2,380	\$1,705
2068/69	\$646,401	\$6,464	\$4,175	\$2,432	\$1,743
2069/70	\$660,634	\$6,606	\$4,267	\$2,486	\$1,781
2070/71	\$675,161	\$6,752	\$4,361	\$2,540	\$1,821
2071/72	\$689,988	\$6,900	\$4,457	\$2,596	\$1,860
2072/73	\$705,121	\$7,051	\$4,554	\$2,653	\$1,901
2073/74	\$720,568	\$7,206	\$4,654	\$2,711	\$1,943
2074/75	\$736,333	\$7,363	\$4,756	\$2,770	\$1,985
2075/76	\$752,424	\$7,524	\$4,860	\$2,831	\$2,029
2076/77	\$0	\$0	\$0	\$0	\$0
Cumulative Total, EIFD	\$752,424	\$217,256	\$140,322	\$81,692	\$58,546

Administrative Fees are projected at a district-wide level in Table 7. The Commencement Date for the allocation of Allocated Tax Revenue and Conditional Tax Revenue shall be the first day of the fiscal year in which the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-3. Project Area 3: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Aggregate - Project Area 3					
Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue (58.252419% of City Share of Increment) (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment)
(Commencement Yr.)					
2026/27	\$402	\$4	\$3	\$0	\$0
2027/28	\$811	\$8	\$5	\$0	\$0
2028/29	\$1,229	\$12	\$8	\$0	\$0
2029/30	\$1,656	\$17	\$11	\$0	\$0
2030/31	\$2,090	\$21	\$14	\$0	\$0
2031/32	\$2,534	\$25	\$16	\$0	\$0
2032/33	\$288,088	\$2,881	\$1,861	\$1,084	\$777
2033/34	\$294,457	\$2,945	\$1,902	\$1,108	\$794
2034/35	\$300,957	\$3,010	\$1,944	\$1,132	\$812
2035/36	\$307,592	\$3,076	\$1,987	\$1,157	\$829
2036/37	\$314,364	\$3,144	\$2,030	\$1,183	\$848
2037/38	\$321,276	\$3,213	\$2,075	\$1,209	\$866
2038/39	\$328,331	\$3,283	\$2,121	\$1,235	\$885
2039/40	\$335,531	\$3,355	\$2,167	\$1,262	\$905
2040/41	\$342,881	\$3,429	\$2,215	\$1,290	\$925
2041/42	\$350,382	\$3,504	\$2,263	\$1,318	\$945
2042/43	\$358,038	\$3,580	\$2,313	\$1,347	\$965
2043/44	\$365,853	\$3,659	\$2,363	\$1,376	\$986
2044/45	\$373,829	\$3,738	\$2,414	\$1,407	\$1,008
2045/46	\$381,970	\$3,820	\$2,467	\$1,437	\$1,030
2046/47	\$390,279	\$3,903	\$2,521	\$1,468	\$1,052
2047/48	\$398,760	\$3,988	\$2,576	\$1,500	\$1,075
2048/49	\$407,416	\$4,074	\$2,631	\$1,533	\$1,099
2049/50	\$416,251	\$4,163	\$2,688	\$1,566	\$1,122
2050/51	\$425,268	\$4,253	\$2,747	\$1,600	\$1,147
2051/52	\$434,472	\$4,345	\$2,806	\$1,635	\$1,172
2052/53	\$443,866	\$4,439	\$2,867	\$1,670	\$1,197
2053/54	\$453,455	\$4,535	\$2,929	\$1,706	\$1,223
2054/55	\$463,241	\$4,632	\$2,992	\$1,743	\$1,249
2055/56	\$473,230	\$4,732	\$3,057	\$1,780	\$1,276
2056/57	\$483,425	\$4,834	\$3,122	\$1,819	\$1,304
2057/58	\$493,831	\$4,938	\$3,190	\$1,858	\$1,332
2058/59	\$504,452	\$5,045	\$3,258	\$1,898	\$1,360
2059/60	\$515,292	\$5,153	\$3,328	\$1,939	\$1,389
2060/61	\$526,356	\$5,264	\$3,400	\$1,980	\$1,419
2061/62	\$537,650	\$5,376	\$3,473	\$2,023	\$1,450
2062/63	\$549,176	\$5,492	\$3,547	\$2,066	\$1,481
2063/64	\$560,941	\$5,609	\$3,623	\$2,110	\$1,513
2064/65	\$572,949	\$5,729	\$3,701	\$2,156	\$1,545
2065/66	\$585,205	\$5,852	\$3,780	\$2,202	\$1,578
2066/67	\$597,714	\$5,977	\$3,861	\$2,249	\$1,612
2067/68	\$610,482	\$6,105	\$3,943	\$2,297	\$1,646
2068/69	\$623,513	\$6,235	\$4,027	\$2,346	\$1,681
2069/70	\$636,814	\$6,368	\$4,113	\$2,396	\$1,717
2070/71	\$650,390	\$6,504	\$4,201	\$2,447	\$1,754
2071/72	\$664,247	\$6,642	\$4,290	\$2,499	\$1,791
2072/73	\$678,389	\$6,784	\$4,382	\$2,552	\$1,829
2073/74	\$692,825	\$6,928	\$4,475	\$2,607	\$1,868
2074/75	\$707,558	\$7,076	\$4,570	\$2,662	\$1,908
2075/76	\$722,596	\$7,226	\$4,667	\$2,719	\$1,948
2076/77	\$737,945	\$7,379	\$4,766	\$2,776	\$1,990
Cumulative Total, EIFD	\$737,945	\$216,303	\$139,706	\$81,349	\$58,300

Administrative Fees are projected at a district-wide level in Table 7. The Commencement Date for the allocation of Allocated Tax Revenue and Conditional Tax Revenue shall be the first day of the fiscal year in which the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-4. Project Area 4: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Aggregate - Project Area 4					
Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue (58.252419% of City Share of Increment) (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment)
<i>(Commencement Yr.)</i>					
2026/27	\$189	\$2	\$1	\$0	\$0
2027/28	\$381	\$4	\$2	\$0	\$0
2028/29	\$578	\$6	\$4	\$0	\$0
2029/30	\$778	\$8	\$5	\$0	\$0
2030/31	\$75,932	\$759	\$490	\$286	\$205
2031/32	\$77,696	\$777	\$502	\$292	\$210
2032/33	\$79,497	\$795	\$513	\$299	\$214
2033/34	\$81,335	\$813	\$525	\$306	\$219
2034/35	\$83,211	\$832	\$537	\$313	\$224
2035/36	\$85,126	\$851	\$550	\$320	\$230
2036/37	\$87,080	\$871	\$562	\$328	\$235
2037/38	\$89,075	\$891	\$575	\$335	\$240
2038/39	\$91,111	\$911	\$588	\$343	\$246
2039/40	\$93,189	\$932	\$602	\$351	\$251
2040/41	\$95,309	\$953	\$616	\$359	\$257
2041/42	\$97,474	\$975	\$630	\$367	\$263
2042/43	\$99,684	\$997	\$644	\$375	\$269
2043/44	\$101,939	\$1,019	\$658	\$384	\$275
2044/45	\$104,241	\$1,042	\$673	\$392	\$281
2045/46	\$106,590	\$1,066	\$688	\$401	\$287
2046/47	\$108,988	\$1,090	\$704	\$410	\$294
2047/48	\$111,435	\$1,114	\$720	\$419	\$300
2048/49	\$113,933	\$1,139	\$736	\$429	\$307
2049/50	\$116,483	\$1,165	\$752	\$438	\$314
2050/51	\$119,085	\$1,191	\$769	\$448	\$321
2051/52	\$121,741	\$1,217	\$786	\$458	\$328
2052/53	\$124,452	\$1,245	\$804	\$468	\$336
2053/54	\$127,219	\$1,272	\$822	\$479	\$343
2054/55	\$130,044	\$1,300	\$840	\$489	\$351
2055/56	\$132,926	\$1,329	\$859	\$500	\$358
2056/57	\$135,868	\$1,359	\$878	\$511	\$366
2057/58	\$138,871	\$1,389	\$897	\$522	\$374
2058/59	\$141,936	\$1,419	\$917	\$534	\$383
2059/60	\$145,065	\$1,451	\$937	\$546	\$391
2060/61	\$148,258	\$1,483	\$958	\$558	\$400
2061/62	\$151,517	\$1,515	\$979	\$570	\$409
2062/63	\$154,843	\$1,548	\$1,000	\$583	\$418
2063/64	\$158,238	\$1,582	\$1,022	\$595	\$427
2064/65	\$161,704	\$1,617	\$1,044	\$608	\$436
2065/66	\$165,240	\$1,652	\$1,067	\$622	\$446
2066/67	\$168,850	\$1,689	\$1,091	\$635	\$455
2067/68	\$172,535	\$1,725	\$1,114	\$649	\$465
2068/69	\$176,296	\$1,763	\$1,139	\$663	\$475
2069/70	\$180,134	\$1,801	\$1,163	\$678	\$486
2070/71	\$184,052	\$1,841	\$1,189	\$692	\$496
2071/72	\$188,051	\$1,881	\$1,215	\$708	\$507
2072/73	\$192,132	\$1,921	\$1,241	\$723	\$518
2073/74	\$196,298	\$1,963	\$1,268	\$739	\$529
2074/75	\$200,550	\$2,005	\$1,295	\$755	\$541
2075/76	\$0	\$0	\$0	\$0	\$0
2076/77	\$0	\$0	\$0	\$0	\$0
Cumulative Total, EIFD	\$200,550	\$58,172	\$37,572	\$21,879	\$15,680

Administrative Fees are projected at a district-wide level in Table 7. The Commencement Date for the allocation of Allocated Tax Revenue and Conditional Tax Revenue shall be the first day of the fiscal year in which the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-5. Project Area 5: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Aggregate - Project Area 5					
Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue (58.252419% of City Share of Increment) (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment)
<i>(Commencement Yr.)</i>					
2026/27	\$593	\$6	\$4	\$0	\$0
2027/28	\$1,199	\$12	\$8	\$0	\$0
2028/29	\$1,816	\$18	\$12	\$0	\$0
2029/30	\$391,504	\$3,915	\$2,529	\$1,473	\$1,056
2030/31	\$400,208	\$4,002	\$2,585	\$1,506	\$1,079
2031/32	\$409,092	\$4,091	\$2,642	\$1,539	\$1,103
2032/33	\$418,160	\$4,182	\$2,701	\$1,573	\$1,128
2033/34	\$427,415	\$4,274	\$2,761	\$1,608	\$1,152
2034/35	\$436,862	\$4,369	\$2,822	\$1,644	\$1,178
2035/36	\$446,504	\$4,465	\$2,884	\$1,680	\$1,204
2036/37	\$456,345	\$4,563	\$2,947	\$1,717	\$1,230
2037/38	\$466,389	\$4,664	\$3,012	\$1,755	\$1,258
2038/39	\$476,641	\$4,766	\$3,079	\$1,793	\$1,285
2039/40	\$487,105	\$4,871	\$3,146	\$1,833	\$1,313
2040/41	\$497,785	\$4,978	\$3,215	\$1,873	\$1,342
2041/42	\$508,685	\$5,087	\$3,286	\$1,914	\$1,372
2042/43	\$519,812	\$5,198	\$3,357	\$1,956	\$1,402
2043/44	\$531,168	\$5,312	\$3,431	\$1,998	\$1,432
2044/45	\$542,758	\$5,428	\$3,506	\$2,042	\$1,463
2045/46	\$554,588	\$5,546	\$3,582	\$2,087	\$1,495
2046/47	\$566,663	\$5,667	\$3,660	\$2,132	\$1,528
2047/48	\$578,987	\$5,790	\$3,740	\$2,178	\$1,561
2048/49	\$591,566	\$5,916	\$3,821	\$2,226	\$1,595
2049/50	\$604,405	\$6,044	\$3,904	\$2,274	\$1,630
2050/51	\$617,510	\$6,175	\$3,988	\$2,323	\$1,665
2051/52	\$630,885	\$6,309	\$4,075	\$2,374	\$1,701
2052/53	\$644,536	\$6,445	\$4,163	\$2,425	\$1,738
2053/54	\$658,470	\$6,585	\$4,253	\$2,477	\$1,775
2054/55	\$672,691	\$6,727	\$4,345	\$2,531	\$1,814
2055/56	\$687,207	\$6,872	\$4,439	\$2,586	\$1,853
2056/57	\$702,022	\$7,020	\$4,534	\$2,641	\$1,893
2057/58	\$717,144	\$7,171	\$4,632	\$2,698	\$1,934
2058/59	\$732,578	\$7,326	\$4,732	\$2,756	\$1,975
2059/60	\$748,332	\$7,483	\$4,833	\$2,816	\$2,018
2060/61	\$764,410	\$7,644	\$4,937	\$2,876	\$2,061
2061/62	\$780,821	\$7,808	\$5,043	\$2,938	\$2,105
2062/63	\$797,572	\$7,976	\$5,151	\$3,001	\$2,151
2063/64	\$814,668	\$8,147	\$5,262	\$3,065	\$2,197
2064/65	\$832,118	\$8,321	\$5,374	\$3,131	\$2,244
2065/66	\$849,928	\$8,499	\$5,490	\$3,198	\$2,292
2066/67	\$868,106	\$8,681	\$5,607	\$3,266	\$2,341
2067/68	\$886,660	\$8,867	\$5,727	\$3,336	\$2,391
2068/69	\$905,598	\$9,056	\$5,849	\$3,407	\$2,442
2069/70	\$924,927	\$9,249	\$5,974	\$3,480	\$2,494
2070/71	\$944,655	\$9,447	\$6,101	\$3,554	\$2,547
2071/72	\$964,791	\$9,648	\$6,231	\$3,630	\$2,601
2072/73	\$985,344	\$9,853	\$6,364	\$3,707	\$2,657
2073-74	\$1,006,321	\$10,163	\$6,500	\$3,786	\$2,713
2074/75	\$0	\$0	\$0	\$0	\$0
2075/76	\$0	\$0	\$0	\$0	\$0
2076/77	\$0	\$0	\$0	\$0	\$0
Cumulative Total, EIFD	\$1,006,321	\$294,535	\$190,235	\$110,803	\$79,409

Administrative Fees are projected at a district-wide level in Table 7. The Commencement Date for the allocation of Allocated Tax Revenue and Conditional Tax Revenue shall be the first day of the fiscal year in which the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-6. Project Area 6: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Aggregate - Project Area 6					
Fiscal Year <i>(Commencement Yr.)</i>	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue (58.252419% of City Share of Increment) (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment)
2026/27	\$200	\$2	\$1	\$0	\$0
2027/28	\$405	\$4	\$3	\$0	\$0
2028/29	\$614	\$6	\$4	\$0	\$0
2029/30	\$291,656	\$2,917	\$1,884	\$1,097	\$786
2030/31	\$297,891	\$2,979	\$1,924	\$1,121	\$803
2031/32	\$304,254	\$3,043	\$1,965	\$1,145	\$820
2032/33	\$310,749	\$3,107	\$2,007	\$1,169	\$838
2033/34	\$317,379	\$3,174	\$2,050	\$1,194	\$856
2034/35	\$324,145	\$3,241	\$2,094	\$1,220	\$874
2035/36	\$331,051	\$3,311	\$2,138	\$1,246	\$893
2036/37	\$338,100	\$3,381	\$2,184	\$1,272	\$912
2037/38	\$345,294	\$3,453	\$2,230	\$1,299	\$931
2038/39	\$352,638	\$3,526	\$2,278	\$1,327	\$951
2039/40	\$360,133	\$3,601	\$2,326	\$1,355	\$971
2040/41	\$367,783	\$3,678	\$2,375	\$1,384	\$992
2041/42	\$375,591	\$3,756	\$2,426	\$1,413	\$1,013
2042/43	\$383,560	\$3,836	\$2,477	\$1,443	\$1,034
2043/44	\$391,694	\$3,917	\$2,530	\$1,474	\$1,056
2044/45	\$399,996	\$4,000	\$2,584	\$1,505	\$1,079
2045/46	\$408,470	\$4,085	\$2,638	\$1,537	\$1,101
2046/47	\$417,119	\$4,171	\$2,694	\$1,569	\$1,125
2047/48	\$425,947	\$4,259	\$2,751	\$1,603	\$1,149
2048/49	\$434,957	\$4,350	\$2,809	\$1,636	\$1,173
2049/50	\$444,153	\$4,442	\$2,869	\$1,671	\$1,198
2050/51	\$453,539	\$4,535	\$2,929	\$1,706	\$1,223
2051/52	\$463,120	\$4,631	\$2,991	\$1,742	\$1,249
2052/53	\$472,898	\$4,729	\$3,054	\$1,779	\$1,275
2053/54	\$482,878	\$4,829	\$3,119	\$1,817	\$1,302
2054/55	\$493,065	\$4,931	\$3,185	\$1,855	\$1,330
2055/56	\$503,462	\$5,035	\$3,252	\$1,894	\$1,358
2056/57	\$514,074	\$5,141	\$3,320	\$1,934	\$1,386
2057/58	\$524,905	\$5,249	\$3,390	\$1,975	\$1,415
2058/59	\$535,961	\$5,360	\$3,462	\$2,017	\$1,445
2059/60	\$547,244	\$5,472	\$3,535	\$2,059	\$1,476
2060/61	\$558,761	\$5,588	\$3,609	\$2,102	\$1,507
2061/62	\$570,516	\$5,705	\$3,685	\$2,147	\$1,538
2062/63	\$582,514	\$5,825	\$3,762	\$2,192	\$1,571
2063/64	\$594,760	\$5,948	\$3,841	\$2,238	\$1,604
2064/65	\$607,259	\$6,073	\$3,922	\$2,285	\$1,637
2065/66	\$620,016	\$6,200	\$4,005	\$2,333	\$1,672
2066/67	\$633,037	\$6,330	\$4,089	\$2,382	\$1,707
2067/68	\$646,327	\$6,463	\$4,175	\$2,432	\$1,743
2068/69	\$659,891	\$6,599	\$4,262	\$2,483	\$1,779
2069/70	\$673,736	\$6,737	\$4,352	\$2,535	\$1,817
2070/71	\$687,867	\$6,879	\$4,443	\$2,588	\$1,855
2071/72	\$702,290	\$7,023	\$4,536	\$2,642	\$1,894
2072/73	\$717,011	\$7,170	\$4,631	\$2,698	\$1,933
2073/74	\$732,037	\$7,320	\$4,728	\$2,754	\$1,974
2074/75	\$0	\$0	\$0	\$0	\$0
2075/76	\$0	\$0	\$0	\$0	\$0
2076/77	\$0	\$0	\$0	\$0	\$0
Cumulative Total, EIFD	\$732,037	\$216,009	\$139,517	\$81,267	\$58,242

Administrative Fees are projected at a district-wide level in Table 8. The Commencement Date for the allocation of Allocated Tax Revenue and Conditional Tax Revenue shall be the first day of the fiscal year in which the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit E -3333/3700 California Street Fiscal Impact Analysis

Report

3333/3700 California St Fiscal Impact Analysis

The Economics of Land Use



Prepared for Use by:
City and County of San Francisco

Prepared by:
Economic & Planning Systems, Inc.

August 14, 2025

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Introduction

This report describes the methodology and results of the Fiscal Impact Analysis (FIA) of the redevelopment of 3333 and 3700 California Street on the City and County of San Francisco's (CCSF) General Fund budget. The project at 3333 California Street (3333) is the redevelopment of the University of California San Francisco Laurel Heights campus, and the project at 3700 California Street (3700) is the redevelopment of the former California Pacific Medical Center. Economic & Planning Systems, Inc. (EPS) prepared this FIA under contract with Prado Group, Inc., the Project Sponsor. CCSF staff requested the FIA to satisfy the requirements of EIFD Law. Section 53398.63 of the EIFD Law requires that an Infrastructure Financing Plan be prepared that contains the following:

- An analysis of the projected fiscal impact of the district and the associated development upon each affected taxing entity; and
- An analysis of the cost to the city or county of providing facilities and services to the area of the district while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city or county as a result of expected development in the area of the district.

Collectively, the redevelopment of 3333 and 3700 California streets are referred to throughout this memorandum as the "Project." As shown in **Summary Table 1**, the proposed Project envisions 1,274 residential dwelling units, approximately 38,100 square feet of retail, and 14,000 square feet of childcare space. The residential program at 3333 will include 125 units of affordable senior housing, while the residential program at 3700 will include 232 units of luxury senior continuum of care housing. The remainder of the housing program is market rate rental apartments.

Summary Table 1: 3333/3700 California St. Redevelopment Program Summary

Item	3333 California St	3700 California St	Total
<u>Commercial Uses</u>			
General Retail	38,094 Sq.Ft.	0 Sq.Ft.	38,094 Sq.Ft.
Childcare	<u>13,933</u> Sq.Ft.	<u>0</u> Sq.Ft.	<u>13,933</u> Sq.Ft.
Commercial Subtotal	52,027 Sq.Ft.	0 Sq.Ft.	52,027 Sq.Ft.
<u>Residential Uses</u>			
Market-Rate Rental			
Jr	44 Units	13 Units	57 Units
1BR	241 Units	98 Units	339 Units
2BR	257 Units	127 Units	384 Units
3BR	61 Units	41 Units	102 Units
4BR	<u>16</u> Units	<u>19</u> Units	<u>35</u> Units
Subtotal	619 Units	298 Units	917 Units
Market-Rate Rental (Senior Continuum of Care)			
Memory Care Jr		24 Units	24 Units
Memory Care 1BR		2 Units	2 Units
Assisted Living Jr		15 Units	15 Units
Assisted Living 1BR		22 Units	22 Units
Assisted Living 2BR		12 Units	12 Units
Independent Living Jr		9 Units	9 Units
Independent Living 1BR		90 Units	90 Units
Independent Living 2BR		<u>58</u> Units	58 Units
Subtotal		232 Units	232 Units
Affordable Rental (Senior) (1)			
Affordable Rental	94 Units		94 Units
Affordable Rental (Special Needs)	<u>31</u> Units		<u>31</u> Units
Subtotal	125 Units		125 Units
Residential Subtotal	744 Units	530 Units	1,274 Units

(1) Distribution of affordable units by income category may vary based on the availability of public funding sources, including grants and tax credits, for affordable housing at the time of development.

Source: Prado Group, Inc.

This FIA evaluates the Project at the development's approximate midpoint as well as upon completion and full stabilization ("buildout"). The analysis quantifies net redevelopment effects on the City's General Fund and reflects data from sources including the City and County of San Francisco (CCSF) Fiscal Year 2024/25 Adopted Operating Budget, Project Environmental Impact Report, and market assumptions provided by Prado Group.

The following **Key Findings** highlight the Project's net fiscal impact, accounting for the current impacts of the existing development. Actual fiscal impacts will depend on a variety of factors that cannot be predicted with certainty, including future changes in City or State budgeting practices, the efficiency of various CCSF departments in providing services, and other factors. The analysis presents impact estimates in constant 2025 dollars.

Key Findings

- At buildout, with approximately 58 percent of the incremental property tax generated by the Project diverted to an EIFD to help fund eligible infrastructure, the Project will generate an ongoing annual net fiscal benefit of approximately \$1.7 million to CCSF's General Fund and MTA Fund.**

This annual General Fund surplus represents the net impact associated with increased tax revenues, after municipal service costs, and will be available to fund additional and improved services elsewhere in the City. The largest revenue source is property tax, which accounts for 42 percent of net new General Fund revenue (before mandated General Fund requirements). The increase in property tax revenue is directly attributable to the incremental assessed value on the CCSF tax roll. **Summary Table 2** presents the results with the proposed EIFD framework, broken out by fund.

Summary Table 2: Summary of Annual Fiscal Impact at Buildout without EIFD (2025\$)

Revenue / Expense Category	Phase 1	Phase 2	Buildout
<u>General Fund</u>			
Annual General Fund Revenues	\$6,003,000	\$3,470,000	\$9,473,000
(Less) General Fund Baseline Requirements	<u>(\$1,721,000)</u>	<u>(\$995,000)</u>	<u>(\$2,716,000)</u>
Annual General Fund Revenues After Baseline Funding	\$4,282,000	\$2,475,000	\$6,757,000
(Less) Annual General Fund Expenditures	<u>(\$3,598,000)</u>	<u>(\$1,769,000)</u>	<u>(\$5,367,000)</u>
Net Annual Impact on General Fund	\$683,000	\$707,000	\$1,390,000
<u>MTA Fund</u>			
MTA General Fund Baseline Funding	\$575,000	\$332,000	\$907,000
(Less) MTA General Fund Expenses	<u>(\$462,000)</u>	<u>(\$140,000)</u>	<u>(\$602,000)</u>
Net Impact on MTA Fund	\$113,000	\$192,000	\$305,000
Total Fiscal Benefit Estimate	\$796,000	\$899,000	\$1,695,000

Note: Totals may not sum due to rounding.

- 2. The FIA relies on real estate valuation assumptions that are consistent with Project underwriting and are reasonably achievable when market conditions are strong enough to warrant development of the various components, but the FIA sensitivity analysis also shows that fiscal impacts on the City remain positive even when assumed values are reduced by approximately 23 percent.** A hypothetical calculation of fiscal impacts under a scenario with reduced assessed values for commercial and market rate rental properties shows that Project values can be lower without resulting in a projected net negative fiscal impact. Reducing these Project value factors downward; the fiscal impact model yields a neutral fiscal impact (including the General Fund and MTA Fund) with 23 percent reduction in the value assumptions.

Assumptions and Methodology

This section describes the methodology and calculations underlying the FIA estimates detailed in **Summary Table 2** above. The calculations are described below, and the tables are attached to this memorandum.

- **Table 1** presents the detailed fiscal impact analysis results *with* the proposed EIFD framework. The table presents fiscal impact results after a reduction of the General Fund property tax revenue and associated mandated transfers, assuming that 58 percent of the base one-percent property tax (including property tax dedicated to CCSF's Children's Service Fund, Library Preservation Fund, and Open Space Acquisition Fund) are devoted to a tax increment district fund for project-related infrastructure.
- **Table 2** presents the fiscal impact results of a phased program. Phases were determined by estimating the midpoint of housing development, assuming both sites are developed concurrently, using approximate construction start dates across both 3333 and 3700 California St.
- **Table 3** provides an overview of the Project program and assumptions related to new employment and calculates service population resulting from the Project.¹

Additional tables that follow detail supporting calculations for the Project with the proposed EIFD framework scenario, including both General Fund revenue calculations and General Fund cost calculations.

¹ This analysis is focused on the CCSF General Fund and relies on cost estimates for the CCSF "service population." The service population is calculated as the number of residents plus 50% of employees, an industry-accepted approach to evaluating per capita demand for municipal services. The 50% weight applied to employees reflects their relatively lower demand for CCSF public services relative to residents.

General Fund Revenue Estimates

- **Table 4** summarizes the CCSF General Fund revenues by line item and the associated estimating factors used in this FIA to quantify new revenues from Project development. Estimating factors have previously been vetted by CCSF staff and consultants for other FIAs focused on EIFD feasibility.
- **Table 5** documents assumptions related to the projected assessed value of the site based on market assumptions provided to EPS by Prado Group, Inc. The affordable senior residential units are assumed to be owned and managed by a non-profit affordable housing operator, and are, therefore, assumed to be tax-exempt.
- **Table 6 and Table 7** show property tax and property tax in lieu of vehicle license fee (VLF) calculations, respectively. The calculations assume that the CCSF's General Fund will capture 64.59 percent of new property tax growth (calculations without the proposed EIFD framework scenario are shown here) and will allocate 58.25 percent of this tax increment revenue to an EIFD for Project infrastructure. Property tax in lieu of VLF revenue is based on the pro rata growth in CCSF assessed value attributable to the Project, over the existing Citywide assessed valuation basis.
- **Table 8** estimates property transfer tax revenue that will be generated to the CCSF General Fund. In 2024, San Francisco approved Proposition C, which amended the Business and Tax Regulations Code to waive property transfer tax for nonresidential space converted to residential use. This analysis estimates the percentage of the property's assessed value exempt during the first transfer will be equal to the percentage of square feet exempt from the first Property Transfer Tax. The analysis assumes 518,000 residential square feet at 3333 California St (56.5 percent) will be exempt from the first Property Transfer Tax and that 85 percent of the space at 3700 California St. will be exempt. The analysis focuses on the 45-year EIFD term, estimating that turnover occurs once every 20 years, and there would be approximately 2 transfers. Exemptions apply to the first property transaction.
- **Table 9** documents the assumptions and calculations supporting household taxable retail spending potential. New households support retail sales with the average expenditure expressed as a weighted sum of household taxable retail spending. The spending estimates differentiate between market rate rental households, renter households at 15 percent of Area Median Income, renter households at 30 percent of Area Median Income, renter households at 50 percent of Area Median Income, and renter households at 60 percent of Area Median Income. The Bureau of Labor Statistics Consumer Expenditure Survey tracks and reports household spending by income and those ratios are used in this analysis. The analysis assumes taxable spending generated by the Senior Rental Housing facility at 3700 California St. is de minimus due to the inclusion of onsite amenities and provision of food and therefore is not included in the household spending estimates.
- **Table 10** relies on household spending derived in **Table 9** to calculate sales tax revenue, and documents additional assumptions and calculations for employee and other on-site taxable spending. Key assumptions include:
 - 75 percent of new residential spending is captured in San Francisco, and

- 20 percent of total taxable sales are redistributed from existing sales in San Francisco, and
- 10 percent of net new on-site taxable spending is made by Project residents to avoid double counting taxable sales. While the Project will likely generate taxable business-to-business sales as well, this possible sales tax revenue could vary substantially depending on specific commercial tenants and is excluded from this analysis. CCSF's General Fund receives one percent of net-new sales (i.e., the local Bradley-Burns Sales and Use Tax).
- **Table 11** estimates gross receipts tax (GRT) revenue. The FIA relies on annual gross revenue generated per employee for unique business categories and average employment per firm to calculate anticipated gross receipts per firm. San Francisco-specific data were derived from sources including IMPLAN and the Census Bureau's Economic Census. This data informs calculations of effective tax rates based on CCSF's updated GRT tax schedules. These revenue data and estimates of effective tax rate are applied to anticipated employment at the Project to estimate GRT. Firms with San Francisco Gross Receipts under \$5 million are exempt from the Gross Receipts Tax. **Table 11** includes EPS assumptions regarding tax exemptions which also reflects potential for sales to have occurred outside of San Francisco. Detailed tax rate calculations can be found in **Appendix Table A-10**.
- **Table 12** estimates CCSF's business registration revenue using many of the same assumptions as used in **Table 11**. CCSF has published a schedule of business registration fees based on a firm's gross receipts, which the analysis applies based on the revenue and firm size estimates for each business category.
- **Table 13** estimates gross receipts revenue on commercial rents. The total rental proceeds are based on rental rates provided by Prado Group, Inc. The analysis assumes retailers within the Project will be formula establishments and therefore would be subject to the commercial rents tax. Non-formula retail would be exempt.
- **Table 14** documents CCSF's other General Fund revenue, which includes revenue from utility users' taxes, access line tax, and commercial rents tax. Revenue is derived on a per-service population or per-employee basis, depending on the revenue stream. For example, the analysis relies on a per-service population approach to estimate utility users' tax revenue since both households and businesses generally pay the tax. The analysis also calculates the 15 percent portion of Commercial Rents Tax (Prop C of June 2018) that accrues to the General Fund, based on total rental proceeds detailed in **Table 13**.
- **Table 15** estimates CCSF's mandated funding requirements from General Fund revenue generated by the Project. The total mandated funding requirement includes defined shares of San Francisco's aggregate discretionary revenue (ADR)- the total General Fund revenue net of transfers, fees, and state and federal subventions – as well as property tax set asides.
- **Table 16** summarizes the CCSF General Fund expenditures by line item and documents the assumptions and calculations to estimate new General Fund costs resulting from providing services to the Project. The FIA relies on a categorization of the likely budgetary response to employment growth for each department, expressed for fiscal modeling purposes in terms of "fixed expenses" and "variable expenses" within the department budget. EPS uses a per-

service population cost approach to estimate department costs. The variable portion of each department budget is used to determine the per-service population cost, and per-service population factors are multiplied by the projected increase in service population generated by the Project. The proposed Project is not expected to generate new capital and technology, overhead, debt service, and other non-departmental expenditure requirements for the General Fund.

- **Table 17** documents the population, employment, and service population assumptions underlying the FIA. The metrics are sourced directly from the California Department of Finance and the US Census Bureau (LEHD Program). EPS calculated San Francisco's service population by adjusting total employment by a factor of 0.5 to reflect the relatively lower municipal service burden attributable to local workers relative to residents.

Appendix Tables

Supporting data and calculations are presented in the appendix tables.

Appendix Table A-1 – Existing Service Population

Appendix Table A-2 – Residential Program and Occupancy

Appendix Table A-3 – Existing Property Assessed Values

Appendix Table A-4 – Market Rate Average Rents

Appendix Table A-5 – Market Rate Assessed Value Calculations

Appendix Table A-6 – Below Market Rate Assessed Value Calculations

Appendix Table A-7 – 2025 HCD Income Limits for San Francisco

Appendix Table A-8 – Bureau of Labor Statistics Consumer Expenditure Survey (Table 1203)

Appendix Table A-9 – Bureau of Labor Statistics Consumer Expenditure Survey (By Age)

Appendix Table A-10 – Gross Receipts Tax Rate Calculations

The Economics of Land Use



Appendix A

Detailed Tables

Table 1
Annual Net Fiscal Impact Summary Detail with Tax Increment (EIFD)
3333/3700 California St EIFD Support; EPS #231038

Item	Annual Fiscal Impact at Project Buildout (2025\$)
<u>General Fund Revenues</u>	
Property Tax	\$3,955,000
Property Tax in Lieu of VLF	\$1,564,000
Property Transfer Tax	\$2,466,000
Sales Tax	\$585,000
Transient Occupancy Tax (TOT)	\$0
Gas Electric Steam Users Tax	-\$70,000
Telephone Users Tax Land & Mobile	\$66,000
Water Users Tax	-\$6,000
Access Line Tax	\$118,000
Parking Tax	\$0
Gross Receipts Tax	\$733,000
Business Registration	\$41,000
Commercial Rents Tax	\$20,000
Subtotal General Revenue	\$9,473,000
(less) General Fund Baseline Requirements	-\$2,716,000
General Fund Revenue After Requirements	\$6,757,000
<u>General Fund Expenditures</u>	
Community Health	\$628,000
Culture & Recreation	\$104,000
General Administration & Finance	\$194,000
General City Responsibilities	\$107,000
Human Welfare & Neighborhood Development	\$901,000
Police	\$1,570,000
Fire	\$1,049,000
Other Public Protection	\$354,000
Public Works, Transportation & Commerce	\$460,000
Total General Fund Expenditures	\$5,367,000
NET Annual General Revenues	\$1,390,000
<u>MTA Fund</u>	
MTA General Fund Baseline Funding	\$907,000
MTA General Fund Expenses	\$602,000
Net Impact on the MTA Fund	\$305,000
Total Fiscal Benefit Estimate	\$1,695,000

Note: Totals may not sum due to rounding.

Table 2
Annual Net Fiscal Impact Summary Phased with Tax Increment (EIFD)
3333/3700 California St EIFD Support; EPS #231038

Item	Phase 1 (1)	Phase 2 (1)	Buildout
<u>General Fund Revenues</u>			
Property Tax	\$2,507,000	\$1,449,000	\$3,955,000
Property Tax in Lieu of VLF	\$991,000	\$573,000	\$1,564,000
Property Transfer Tax	\$1,463,000	\$1,003,000	\$2,466,000
Sales Tax	\$255,000	\$330,000	\$585,000
Transient Occupancy Tax (TOT)	\$0	\$0	\$0
Gas Electric Steam Users Tax	-\$8,000	-\$62,000	-\$70,000
Telephone Users Tax Land & Mobile	\$51,000	\$15,000	\$66,000
Water Users Tax	-\$1,000	-\$5,000	-\$6,000
Access Line Tax	\$79,000	\$39,000	\$118,000
Parking Tax	\$0	\$0	\$0
Gross Receipts Tax	\$640,000	\$93,000	\$733,000
Business Registration	\$25,000	\$16,000	\$41,000
Commercial Rents Tax	\$0	\$20,000	\$20,000
Subtotal General Revenue	\$6,003,000	\$3,470,000	\$9,473,000
(less) General Fund Baseline Requirements	-\$1,721,000	-\$995,000	-\$2,716,000
General Fund Revenue After Requirements	\$4,282,000	\$2,475,000	\$6,757,000
<u>General Fund Expenditures</u>			
Community Health	\$421,000	\$207,000	\$628,000
Culture & Recreation	\$70,000	\$34,000	\$104,000
General Administration & Finance	\$130,000	\$64,000	\$194,000
General City Responsibilities	\$72,000	\$35,000	\$107,000
Human Welfare & Neighborhood Development	\$604,000	\$297,000	\$901,000
Police	\$1,052,000	\$517,000	\$1,570,000
Fire	\$703,000	\$346,000	\$1,049,000
Other Public Protection	\$237,000	\$117,000	\$354,000
Public Works, Transportation & Commerce	\$308,000	\$152,000	\$460,000
Total General Fund Expenditures	\$3,598,000	\$1,769,000	\$5,367,000
NET Annual General Revenues	\$683,000	\$707,000	\$1,390,000
<u>MTA Fund</u>			
MTA General Fund Baseline Funding	\$575,000	\$332,000	\$907,000
MTA General Fund Expenses	\$462,000	\$140,000	\$602,000
Net Impact on the MTA Fund	\$113,000	\$192,000	\$305,000
Total Fiscal Benefit Estimate	\$796,000	\$899,000	\$1,695,000

Note: Totals may not sum due to rounding.

(1) Phasing based on estimated midpoint of unit development and not an official construction timeline.

Table 3
Project Program and Service Population
3333/3700 California St EIFD Support; EPS #231038

Item	Development Program	Resident or Worker Density Assumptions (1)	Resident Population	Employment	Service Population (2)
<u>Commercial Uses (3333)</u>					
General Retail	38,094 SF	350 SF / Employee		109	54
Childcare (3)	13,933 SF	600 SF / Employee		23	12
Commercial Subtotal	52,027 SF			132	66
<u>Residential Uses</u>					
3333 California St.					
Market-Rate Rental	619 DU	2.62 Residents / HH	1,621		1,621
Affordable Rental	125 DU	1.00 Residents / HH	125		125
On-Site Employment (Senior Special Needs) (4)		1.00 Employees / DU		31	16
Property Management Employment (5)		0.04 Employees / DU		30	15
3700 California St.					
Market-Rate Rental (Blocks A & B)	298 DU	2.85 Residents / HH	849		849
Market-Rate Rental (Senior Continuum of Care)	232 DU	1.50 Residents / HH	348		348
On-Site Employment (Senior Continuum of Care) (6)		1.60 Employees / DU		371	186
Property Management Employment (5)		0.04 Employees / DU		21	11
Residential Subtotal	1,274 DU		2,943	453	3,170

Table 3 continued
Project Program and Service Population
3333/3700 California St EIFD Support; EPS #231038

Item	Development Program	Resident or Worker Density Assumptions (1)	Resident Population	Employment	Service Population (2)
Project Service Population			2,943	585	3,236
Less Existing Site Service Population (7)				(1,340)	(670)
Net Service Population			2,943	(755)	2,566

(1) Household and employment densities will vary by building format and tenancing. Assumptions are generally consistent with the Project's draft EIR and rely on input from Mercy Housing, the affordable housing developer expected to build the affordable senior component of the Project. EPS assumes a residential density of 1.5 residents per household for the Senior Continuum of Care facility, which likely overestimates the resident population in an effort to account for additional public service need associated with senior population. See **Table A-2** for calculations.

(2) Per-person employee burden on City service is weighted at 50 percent of resident burden.

(3) Assumes 100 sq.ft. per child and one staff person for every six children, reflecting typical space and staffing requirements.

(4) EPS assumes that there will be 1 employee for every unit of special needs housing (31 units). The actual figure will depend on the specific needs of residents and services provided.

(5) EPS assumption that residential development has potential to generate property management/ leasing jobs at a rate of 1 employee for every 25 dwelling units.

(6) Based on proposed employment and housing units at Coterie San Francisco.

(7) See **Table A-1**.

Sources: Prado Group, Inc.; Economic & Planning Systems, Inc.

Table 4
FY2024-25 Revenue Budget Summary and Fiscal Impact Estimating Factors
3333/3700 California St EIFD Support; EPS #231038

Item	FY2024-25 Adopted General Fund	Estimating Factors Applied to Calculate Project Revenue
<u>Property Taxes</u>	\$2,469,580,000	
Property Tax in Lieu of VLF	\$373,000,000	% of Citywide Assessed Value
Other Property Taxes (1)	\$2,096,580,000	64.59% of base property tax rate (1%)
<u>Other Local Taxes</u>	\$1,109,170,000	
Sales Tax	\$193,690,000	1.00% of estimated taxable sales
Hotel Room Tax	\$285,170,000	<i>not estimated</i>
Parking Tax	\$86,900,000	<i>not estimated</i>
Property Transfer Tax	\$218,850,000	tax rate schedule
Gas Electric Steam Users Tax	\$60,710,000	\$93 per employee
Telephone Users Tax	\$45,250,000	\$30 per resident/employee
Water Users Tax	\$4,770,000	\$7 per employee
Access Line Tax	\$53,730,000	\$46 per service population
Other Local Taxes	\$160,100,000	<i>not estimated</i>
<u>Business Taxes</u>	\$883,000,000	
Gross Receipts Tax	\$839,000,000	tax rate schedule
Business Registration Fees	\$44,000,000	tax rate schedule
<u>Other Revenues</u>	\$2,170,478,243	
Rents & Concessions	\$14,144,990	<i>not estimated</i>
Fines, Forfeiture, & Penalties	\$3,920,825	<i>not estimated</i>
Interest & Investment Income	\$146,714,561	<i>not estimated</i>
Licenses, Permits, & Franchises	\$31,802,400	<i>not estimated</i>
Intergovernmental	\$1,321,362,653	<i>not estimated</i>
Charges for Services	\$351,423,351	<i>not estimated</i>
Other Revenues	\$19,444,375	<i>not estimated</i>
Transfers In	\$206,499,097	<i>not estimated</i>
Prior Year	\$75,165,991	<i>not estimated</i>
Total Revenues	\$6,632,228,243	

(1) Other Property Taxes includes Excess ERAF, which is determined by a separate formula.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2024/2025 No. 190-24; Economic & Planning Systems, Inc.

Table 5
Project Assessed Value
3333/3700 California St EIFD Support; EPS #231038

Land Use	Program Assumptions	Assessed Value Factor (1)	Total AV at Buildout (2025\$)
<u>Commercial Uses</u>			
3333 California St.			
Retail	38,094 Square Feet	\$1,520 per Sq.Ft.	\$57,902,880
Childcare	<u>13,933</u> Square Feet	\$970 per Sq.Ft.	<u>\$13,515,010</u>
Commercial Subtotal	52,027 Square Feet		\$71,417,890
<u>Residential Uses</u>			
3333 California St.			
Market-Rate Rental	619 DUs	\$1,314,583 per Unit	\$813,727,108
Affordable Rental (2)	<u>125</u> DUs	<i>Tax Exempt</i>	<u>\$0</u>
3333 California St. Subtotal	744 DUs		\$813,727,108
3700 California St.			
Market Rate Rental (A&B)	298 DUs	\$1,547,935 per Unit	\$461,284,776
Market-Rate Rental (Senior Continuum of Care) (3)	232 DUs	\$1,190,000 per Unit	<u>\$276,080,000</u>
3700 California St. Subtotal	530 DUs		\$737,364,776
Total Project Assessed Valuation			\$1,622,509,774
(Less) Existing Assessed Value (4)			\$155,619,854
Total Net New Assessed Value			\$1,466,889,920

(1) Assessed values are provided by Prado Group (2025). See **Table A-4** and **Table A-5**.

(2) Assumes 125 units of affordable senior housing will be owned by a non-profit organization and property tax exempt.

(3) Per unit assessed value for the Senior Continuum of Care element is based on the per unit value of the Coterie Cathedral Hill development, a luxury senior living facility in San Francisco.

(4) See details of existing assessed values at **Table A-3**.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2024/2025 No. 190-24; San Francisco Treasurer & Tax Collector; Related Companies; Prado Group, Inc.; Economic & Planning Systems, Inc.

Table 6
Property Tax Estimate
3333/3700 California St EIFD Support; EPS #231038

Land Use	Assumption / Factor		Total at Buildout (2025\$)
Total Net New Assessed Value			\$1,466,889,920
Property Tax	1.0%	Base Property Tax Rate	\$14,668,899
General Fund Revenue	64.588206%	Allocation to General Fund	\$9,474,379
Tax Increment Allocation	58.252419%	To EIFD	\$5,519,055
Net Revenue to General Fund (1)	41.747581%	To General Fund	\$3,955,324

(1) The City has agreed to allocate the remaining 41.747581% of the City share of increment not constituting Allocated Tax Revenue on a conditional basis; the Conditional Tax Revenue is only available to (i) provide coverage for the EIFD Bonds and (ii) pay debt service on Bonds (but not other debt), issued by the EIFD, including replenishing debt service reserve funds for such Bonds, to the extent that Allocated Tax Revenue is not available for that purpose.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2024/2025 No. 190-24; Economic & Planning Systems, Inc.

Table 7
Property Tax In Lieu of VLF Estimate
3333/3700 California St EIFD Support; EPS #231038

Land Use	Total at Buildout
Existing Citywide Property Tax in Lieu of Vehicle License Fee (VLF) (1)	\$362,629,080
Citywide Assessed Value (2)	\$340,171,657,016
Project Incremental Assessed Value	\$1,466,889,920
Project Net Assessed Value Increase (3)	0.43%
Property Tax In Lieu of VLF Revenue (4)	\$1,563,731
VLF Increase Per \$1B AV	\$1,066,017.91

- (1) FY 2023-24 Citywide VLF recovered per Controller's Office Property Tax Manager.
- (2) FY2023-24 net total assessed value for VLF per Controller's Office Property Tax Manager.
- (3) Calculated by dividing the net new assessed value by citywide assessed value.
- (4) Calculated by multiplying existing property tax in lieu of VLF by percentage increase in net assessed value.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2024/2025 No. 190-24; Economic & Planning Systems, Inc.

Table 8
Property Transfer Tax Estimate
3333/3700 California St EIFD Support; EPS #231038

Land Use	Assessed Value	Tax Rate	Percent Exempt (1)	Transfer 1 - With Prop C Exemption (2)	Transfer 2 (2)	Total Transfer Tax over EIFD Term	Annualized
Proposed Project							
Retail	\$57,902,880	6.00%	0.00%	\$3,474,173	\$3,474,173	\$6,948,346	\$154,408
Childcare	\$13,515,010	6.00%	0.00%	\$810,901	\$810,901	\$1,621,801	\$36,040
3333 California St.							
Market-Rate Rental	\$813,727,108	6.00%	56.51%	\$21,231,170	\$48,823,626	\$70,054,797	\$1,556,773
Affordable Rental (3)	\$9,203,000	0.75%	0.00%	\$69,023	\$69,023	\$138,045	\$3,068
3700 California St.							
Market Rate Rental (A&B)	\$461,284,776	6.00%	85.00%	\$4,151,563	\$27,677,087	\$31,828,650	\$707,303
Market-Rate Rental (Senior)	\$276,080,000	6.00%	85.00%	\$2,484,720	\$16,564,800	\$19,049,520	\$423,323
Project Subtotal							\$2,880,915
(Less) Existing	\$155,619,854	6.00%		\$9,337,191	\$9,337,191	\$18,674,382	\$414,986
Net New Annual Transfer Tax Revenue							\$2,465,928

(1) In 2024, San Francisco approved Proposition C, which amended the Business and Tax Regulations Code to waive property transfer tax for nonresidential space converted to residential use. Through conversations with Prado and the City of San Francisco, this analysis estimates the percent of the property's assessed value exempt during the first transfer. The percent exempt is based on the assumption that 518,000 residential square feet at 3333 California St will be exempt from the first Property Transfer Tax and that 85% of the space at 3700 California St. will be exempt.

(2) Assumes turnover once every 20 years, for a 45 year term this would turn out to be approximately 2 transfers. Assumes the residential portion of development uses the Prop C waiver for the first transfer.

Table 9
Household Income and Retail Spending Potential
3333/3700 California St EIFD Support; EPS #231038

Item	Assumptions	Estimate (2025\$)
<u>Estimated Annual Household Income</u>		
<u>Rental Housing Households (1)</u>		<u>Annual Household Income</u>
3333 California St.		
Market Rate (2)	22% of income spent on rent	\$433,747
Senior Affordable Rental (3)	HCD Income Limits	\$36,044
3700 California St (2)	22% of income spent on rent	\$483,990
<u>Household Taxable Retail Spending (4)</u>		
<u>Households in Rental Housing</u>		<u>Annual Household Taxable Spending</u>
3333 California St.		
Market Rate	14% of income	\$62,190
Senior Affordable Rental	12% of income	\$4,499
3700 California St	14% of income	\$69,394
Weighted Average Household Spending (5)		\$57,330

(1) This analysis assumes that taxable spending at the Senior Rental Housing facility at 3700 California St. is de minimus, due to the inclusion of onsite amenities and provision of food.

(2) Data from developer indicates that households paying rents similar to those anticipated by the project spend an average of about 22% of their annual household income on rent.

(3) Income reflects weighted average household income based on distribution of affordable units by income limit, as listed in **Summary Table 1**. Affordable Rental Incomes estimated using San Francisco Maximum Income By Household Size Matrix for 1 Person. Current analysis uses 30% AMI limit for Special Needs units, though the actual income limits may vary.

(4) See **Table A-8** and **Table A-9** for calculations of the percent of household income spent on taxable goods.

(5) Household incomes are weighted based on the number of units.

Sources: State Board of Equalization; ICSC Research Survey; U.S. Bureau of Labor Statistics; Prado Group.

Table 10
Annual Sales Tax Revenue Estimate
3333/3700 California St EIFD Support; EPS #231038

Item	Assumptions / Factor	Total at Buildout (2025\$)
<u>Household Taxable Spending</u>		
Number of Households		1,042
Annual Household Retail Spending	\$57,330 per household	\$59,737,495
Net New Retail Sales Captured in San Francisco	75% of retail expenditures	\$44,803,121
<u>Additional On-Site Taxable Sales</u>		
New Retail Space (Sq.Ft.) (1)		38,094
Gross Taxable Retail Sales (2)	\$500 taxable sales per square foot	\$19,047,000
Sales Net of Redistributed Sales in City (3)	80% of total taxable sales	\$15,237,600
Adjustment for Resident Spending at 3333	10% of net taxable sales	<u>-\$1,523,760</u>
Net New On-Site Taxable Sales (4)		\$13,713,840
Net New Taxable Retail Sales		\$58,516,961
Total Sales Tax Revenue	1.0% of taxable sales	\$585,170

- (1) New retail space is assumed to be neighborhood retailers such as cafes, clothing stores, and grocers.
(2) Assumption only considers taxable retail sales, excluding likely tax-exempt spending, such as grocery and pharmacy.
(3) Assumes 20% of sales shift from existing retailers in the city.
(4) Reflects on-site sales to project residents and employees equal to 10% of on-site sales.

Sources: State Board of Equalization; HdL; US Bureau of Labor Statistics; Economic & Planning Systems, Inc.

Table 11
Gross Receipts Tax Revenue Estimate (2025\$)
3333/3700 California St EIFD Support; EPS #231038

Industry	Employees	Sales (3)	Effective Tax Rate (4)	Gross Receipts Tax Revenue
Retail (1)	54	\$30,224,168	0.16%	\$49,691
Restaurant	54	<i>n/a</i>	<i>n/a</i>	\$0
Child Care	23	<i>n/a</i>	<i>n/a</i>	\$0
Senior Services (Affordable Housing) (2)	31	<i>n/a</i>	<i>n/a</i>	\$0
Senior Living	371	\$43,247,052	1.34%	\$577,815
Building Services	38	\$6,371,491	0.43%	\$27,407
Leasing Services	13	\$17,891,737	0.44%	\$77,893
Total	585			\$732,806

(1) Total sales, including those not subject to sales tax.

(2) Affordable housing units will be operated by a nonprofit and tax exempt.

(3) Sales data derived from IMPLAN sales output for San Francisco.

(4) See Table **A-10** for detailed tax rate breakdown.

Table 12
Business Registration Revenue Detail (2025\$)
3333/3700 California St EIFD Support; EPS #231038

Land Use	Employees	Employees per Firm (1)	Firms	Business Registration Fee (2)	Business Registration Revenue
Retail	54	17.9	3.0	\$2,000	\$6,080
Restaurant	54	22.5	2.4	\$1,885	\$4,560
Child Care	23	<i>n/a</i>	1.0	\$1,885	\$1,885
Senior Services (Affordable Housing) (3)	31	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
Senior Continuum of Care	371	<i>n/a</i>	1.0	\$20,000	\$20,000
Business Services	38	45.7	0.8	\$2,000	\$1,673
Leasing Services	13	11.5	1.1	\$6,500	\$7,201
Total	585				\$41,399

(1) Employees per firm estimate based on citywide average by NAICS category from 2017 Economic Census data for City of San Francisco. Retail employment reflects "retail trade" businesses and Restaurant employment reflects "Accommodation and food services" businesses. Assumes a single operator for Childcare and Senior Services.

(2) Business registration fees are based on a business's gross receipts in San Francisco from the previous year. See **Table 11** and **Appendix Table A-10** for SF gross receipts estimates. This analysis uses the Business Registration Fee Schedule posted on the City's website for 2025, adjusted proportionally from a nine-month period to a twelve-month period for this estimate.

(3) Affordable housing units will be operated by a nonprofit and tax exempt entity.

Sources: City of San Francisco Business Registration Fees (July 1, 2025 and ending June 30, 2026)

Table 13
Commercial Rental Revenue
3333/3700 California St EIFD Support; EPS #231038

Commercial Use	Development Program	Rentable Square Feet	Rental Rates	Total at Buildout (2025\$)
General Retail (1)	38,094 SF	38,094 SF	\$6.67 per Rentable Sq.Ft.	\$3,047,520
Childcare	13,933 SF	13,933 SF	\$4.25 per Rentable Sq.Ft.	<u>\$710,583</u>
Total Annual Rental Revenue				\$3,758,103
Gross Receipts Tax Revenue (2)			3.5%	\$131,534

(1) Assumes rent from retailers is subject to commercial gross receipts tax. New retail space is assumed to be neighborhood retailers such as cafes, clothing stores, and grocers.

(2) Includes General Fund and restricted revenues.

Source: Prado Group, Inc.

Table 14
Other Revenue Estimates
3333/3700 California St EIFD Support; EPS #231038

Item	Allocation Factor	Project Characteristic (1)	Total at Buildout (2025\$)
Gas Electric Steam Users Tax	\$93 per employee	-755 Employees	(\$70,161)
Telephone Users Tax Land & Mobile	\$30 per resident/employee	2,188 Residents and Employees	\$66,239
Water Users Tax	\$7 per employee	-755 Employees	(\$5,513)
Access Line Tax	\$46 per service population	2,566 Service Population	\$117,976
Commercial Rents Tax (CRT) (2)	0.53% on rental revenue	\$3,758,103 per Year	<u>\$19,730</u>
Subtotal			\$128,271

(1) Reflects net new population projections.

(2) General Fund allocation of CRT is 15% (15% of 3.5% = 0.53%); the remaining 85% (85% of 3.5% = 2.98%) is restricted revenue

Sources: City and County San Francisco Budget and Appropriation Ordinance 2024/2025 No. 190-24; Economic & Planning Systems, Inc.

Table 15
Aggregate Discretionary Revenue (ADR) and Mandated Transfers
3333/3700 California St EIFD Support; EPS #231038

Aggregate Discretionary Revenue (ADR)

Property Tax		\$3,955,324
Property Tax In-Lieu of Vehicle License Fee		\$1,563,731
Property Transfer Tax		\$2,465,928
Transient Occupancy Tax Allocation to General Fund		\$0
Sales Tax		\$585,170
Parking Tax		\$0
Gross Receipts Tax		\$732,806
Business Registration Tax		\$41,399
Gas Electric Steam Users Tax		-\$70,161
Telephone Users Tax Land & Mobile		\$66,239
Water Users Tax		-\$5,513
Access Line Tax		\$117,976
Commercial Rents Tax		\$19,730
Total		\$9,472,630

General Fund Baseline Requirements

MTA Fund	9.5745%	\$906,957
Children's Services	8.7564%	\$829,461
Library Preservation	2.2858%	\$216,525
Street Tree	0.5097%	\$48,282
Early Care and Education Baseline	2.0800%	\$197,031
Housing Trust Fund	1.0933%	\$103,564
Recreation and Parks	1.8258%	\$172,951
Dignity Fund	1.3244%	\$125,456
Student Success Fund	1.2210%	\$115,661
Total Baseline Allocations	28.6709%	\$2,715,888

Sources: CCSF Controller's Office; Economic & Planning Systems, Inc.

Table 16
FY2024-25 Expenditure Budget Summary and Service Cost Estimating Factors
3333/3700 California St EIFD Support; EPS #231038

Item	Allocated General Fund Expenses (FY2024-25)	Percent Variable (1)	Per Capita General Fund Expense	Project Population/ Service Population	Annual Service Cost Total at Buildout
Community Health	\$1,144,476,000	25%	\$245	2,566	\$628,237
Culture & Recreation	\$190,338,000	25%	\$41	2,566	\$104,482
General Administration & Finance	\$352,660,000	25%	\$75	2,566	\$193,586
General City Responsibilities	\$194,821,000	25%	\$42	2,566	\$106,943
Human Welfare & Neighborhood Development	\$1,641,289,000	25%	\$351	2,566	\$900,953
Public Protection					
Police	\$714,913,000	100%	\$612	2,566	\$1,569,749
Fire	\$477,799,000	100%	\$409	2,566	\$1,049,113
Other Public Protection	\$645,024,000	25%	\$138	2,566	\$354,073
Public Works, Transportation & Commerce	<u>\$232,734,000</u>	90%	<u>\$179</u>	2,566	<u>\$459,917</u>
Total Expenditures	\$5,594,054,000		\$2,092		\$5,367,053

(1) Percentage of costs that are service population-dependent, as opposed to fixed costs or costs recovered through fees or charges.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2024/2025 No. 190-24; Economic & Planning Systems, Inc.

Table 17
MTA Fund Fiscal Impact Analysis
3333/3700 California St EIFD Support; EPS #231038

<u>Annual MTA Fund Revenues (1)</u>	
ADR Accruing to the General Fund	\$9,472,630
Baseline Allocation to MTA	9.57%
Fund Revenue Attributable to Project	\$906,957
<u>Annual MTA Fund Expenses (2)</u>	
MTA General Fund Support (3)	\$548,500,000
Variable GF Support (75%)	\$411,375,000
Service Population Citywide (4)	1,494,975
Per-Capita Variable General Fund Support	\$275
Project Service Population (5)	2,188
Annual MTA Fund Expenses	\$602,187
Net Impact on the MTA Fund	\$304,770

(1) MTA revenues are estimated based on the baseline transfer of General Fund monies to MTA attributable to the Project.

(2) MTA expenses estimate the variable General Fund support to the MTA budget that is required to provide services to the Project service population.

(3) MTA 2024-25 budget presentation.

(4) MTA service population calculated as unweighted resident and worker populations combined.

(5) Net new resident and worker population.

Table 18
San Francisco Population, Employment, and Service Population
3333/3700 California St EIFD Support; EPS #231038

Item	Amount	Sources
Housing Units	422,007	DOF Jan 1, 2025 Estimate
Population	842,027	DOF Jan 1, 2025 Estimate
Persons/Household	2.10	DOF Jan 1, 2025 Estimate
Employment	652,948	2023 ACS 5-Year Estimate
Service Population (1)	1,168,501	DOF 2025, ACS

(1) Daytime population is calculated by adding total residential population and half of total employment.

Sources: U.S. Census Bureau American Community Survey (ACS); State of California Department of Finance.

The Economics of Land Use



Appendix A

Detailed Tables

**Appendix Table A-1
Existing Service Population
3333/3700 California St EIFD Support; EPS #231038**

Item	Development Program	Resident or Worker Density Assumptions (1)	Employment	Service Population (2)
<u>Commercial Uses</u>				
3333 California St				
UCSF	364,500 SF	276 SF / Employee	1,321	660
Childcare (3)	<u>11,500 SF</u>	600 SF / Employee	<u>19</u>	<u>10</u>
Total	376,000 SF		1,340	670

(1) Employment densities will vary by building format and tenanting. Employment density assumption at UCSF is based on assumptions in the Project EIR. Employment density at the existing childcare is based on typical conditions, using standard, industry-accepted assumptions.

(2) Per-person employee burden on City service is weighted at 50 percent of resident burden.

(3) Assumes 100 sq.ft. per child, and one staff person for every six children.

Sources: Prado Group, Inc.; Economic & Planning Systems, Inc.

**Appendix Table A-2
Residential Program and Occupancy
3333/3700 California St EIFD Support; EPS #231038**

Unit Type	Units		Population	
	Market Rate	Occupants/Unit (1)	Total	
3333 California St				
Jr	44	1	44	
1BR	241	2	482	
2BR	257	3	771	
3BR	61	4	244	
4BR	<u>16</u>	5	<u>80</u>	
Total	619		1,621	
3333 Residents / Household			2.62	
3700 California St				
Jr	13	1	13	
1BR	98	2	196	
2BR	127	3	381	
3BR	41	4	164	
4BR	<u>19</u>	5	<u>95</u>	
Total	298		849	
3700 Residents / Household			2.85	

(1) Population is estimated based on number of bedrooms, plus one additional person.

Sources: Prado Group, Inc.; Economic & Planning Systems, Inc.

Appendix Table A-3
Existing Property Assessed Values
3333/3700 California St EIFD Support; EPS #231038

Parcel	Address	Secured - Land	Secured - Structured	Unsecured	Total Taxable Value
<u>3333 California St</u>					
1032-003	3333 California St	\$53,241,982	\$53,241,982	\$3,000	\$106,486,964
<u>3700 California St</u>					
1015-052	3905 Sacramento	\$4,421,700			\$4,421,700
1015-053	3800 California	\$5,014,728			\$5,014,728
1016-001	3801 Sacramento	\$6,741,792			\$6,741,792
1016-002	3740 California	\$10,539,252			\$10,539,252
1016-003	3790 California	\$7,085,124			\$7,085,124
1016-004	420V Cherry	\$1,768,680			\$1,768,680
1016-005	406-410 Cherry	\$884,340			\$884,340
1016-006	3891-3893 Sacramento	\$884,340			\$884,340
1016-007	3881-3883 Sacramento	\$442,170			\$442,170
1016-008	3875V Sacramento	\$442,170			\$442,170
1016-009	3801-3899 Sacramento	\$884,340			\$884,340
1017-027	3630 California	\$1,206,864			\$1,206,864
1017-028	3773 Sacramento	<u>\$8,817,390</u>			<u>\$8,817,390</u>
Subtotal		\$49,132,890			\$49,132,890
Total Existing Assessed Value					\$155,619,854

Sources: Prado Group, Inc.; City and County of San Francisco Tax Assessor.

Appendix Table A-4
Market Rate Average Rents
3333/3700 California St EIFD Support; EPS #231038

Unit Types	Number of Units	Avg NSF	\$/sf	Monthly Rent/Unit (1)
3333 California St - Market Rate Rental				
Jr	44	600	\$6.83	\$4,100
1BR	241	800	\$7.34	\$5,868
2BR	257	1,100	\$7.77	\$8,542
3BR	61	1,700	\$7.74	\$13,161
4BR/Townhomes	16	3,300	\$6.24	<u>\$20,600</u>
Weighted Average				\$7,952
3700 California St - Market Rate Rental				
Jr	13	560	\$7.32	\$4,100
1BR	98	740	\$7.93	\$5,868
2BR	127	1,120	\$7.63	\$8,542
3BR	41	1,400	\$9.40	\$13,161
4BR/Townhomes	19	3,840	\$5.36	<u>\$20,600</u>
Weighted Average				\$8,873

(1) Monthly rents per unit reflect preliminary anticipated rents as provided by Prado Group.

Source: Prado Group, Inc.

Appendix Table A-5
Market Rate Assessed Value Calculations
3333/3700 California St EIFD Support; EPS #231038

Item	Assumption (1)	Total
<u>3333 California St - Market Rate Rental</u>		
Average Annual Market Rent per Unit	\$7,952 monthly rent	\$95,424
(less) Losses to Vacancy	5% vacancy rate	<u>(\$4,771)</u>
(less) Operating Expense per Unit		<u>(\$31,497)</u>
Annual Net Operating Income per Unit		\$59,156
Capitalized Unit Value	4.50% cap rate	\$1,314,583
<u>3700 California St - Market Rate Rental</u>		
Average Annual Market Rent per Unit	\$8,873 monthly rent	\$106,478
(less) Losses to Vacancy	5% vacancy rate	<u>(\$5,324)</u>
(less) Operating Expense per Unit		<u>(\$31,497)</u>
Annual Net Operating Income per Unit		\$69,657
Capitalized Unit Value	4.50% cap rate	\$1,547,935
<u>General Retail</u>		
Average Annual NNN Market Rent per Square Foot		\$80
(less) Losses to Vacancy	5% vacancy rate	<u>(\$4)</u>
(less) Operating Expenses	0% of rent	<u>\$0</u>
Annual Net Operating Income per Square Foot		\$76
Capitalized Value per Square Foot	5.00% cap rate	\$1,520
<u>Childcare</u>		
Average Annual NNN Market Rent per Square Foot		\$51
(less) Losses to Vacancy	5% vacancy rate	<u>(\$3)</u>
(less) Operating Expenses	0% of rent	<u>\$0</u>
Annual Net Operating Income per Square Foot		\$48
Capitalized Value per Square Foot	5.00% cap rate	\$969

(1) Assumptions about residential operating expenses, vacancy and cap rates provided by Prado Group. Commercial market data sourced from IRR Viewpoint, CBRE, and CoStar.

Sources: Prado Group, Inc.; CBRE; CoStar Market Report; IRR Viewpoint 2024; Economic & Planning Systems, Inc.

Appendix Table A-6
BMR Assessed Value Calculations
3333/3700 California St EIFD Support; EPS #231038

Item	Assumption	
Weighted Average Household Income (1)		\$36,044
Annual Rental Revenue	30% of income	\$10,813
(less) Operating Expense per Unit (2)		(\$7,500)
Annual Net Operating Income per Unit		\$3,313
Capitalized Unit Value	4.50% cap rate	\$73,624
Number of Units		125
Total Value (3)		\$9,203,000
Total Taxable Value		\$0

(1) Average household income reflects the anticipated affordability levels of the project. These affordability levels may depend on financing and other factors. Analysis assumes a mix of affordability levels ranging from 15% to 60% of Area Median Income (AMI).

(2) Operating expenses are based on EPS feasibility studies and are inclusive of utility costs. Units are assumed to be exempt from property taxes.

(3) Assumes 125 units of affordable senior housing will be owned by a non-profit organization and property tax exempt. This value is solely used in the estimation of property transfer tax.

Sources: Prado Group, Inc.; Economic & Planning Systems, Inc.

Appendix Table A-7
2025 HCD Income limits for San Francisco
3333/3700 California St EIFD Support; EPS #231038

Income Level	Household Size		
	1 Person	2 Person	3 Person
<u>Extremely Low Income</u>			
15% of Area Median Income	\$16,350	\$18,700	\$21,050
20% of Area Median Income	\$21,800	\$24,950	\$28,050
25% of Area Median Income	\$27,300	\$31,200	\$35,050
30% of Area Median Income	\$32,750	\$37,400	\$42,100
<u>Very Low Income</u>			
35% of Area Median Income	\$38,200	\$43,650	\$49,100
40% of Area Median Income	\$43,650	\$49,900	\$56,100
45% of Area Median Income	\$49,100	\$56,100	\$63,100
50% of Area Median Income	\$54,550	\$62,350	\$70,150
<u>Low Income</u>			
55% of Area Median Income	\$60,000	\$68,600	\$77,150
60% of Area Median Income	\$65,450	\$74,800	\$84,150
65% of Area Median Income	\$70,900	\$81,050	\$91,150
70% of Area Median Income	\$76,350	\$87,300	\$98,200
75% of Area Median Income	\$81,850	\$93,550	\$105,200
80% of Area Median Income	\$87,300	\$99,750	\$112,200
<u>Moderate Income</u>			
85% of Area Median Income	\$92,750	\$106,000	\$119,200
90% of Area Median Income	\$98,200	\$112,250	\$126,250
95% of Area Median Income	\$103,650	\$118,450	\$133,250
100% of Area Median Income	\$109,100	\$124,700	\$140,250
105% of Area Median Income	\$114,550	\$130,950	\$147,250
110% of Area Median Income	\$120,000	\$137,150	\$154,300
115% of Area Median Income	\$125,450	\$143,400	\$161,300
120% of Area Median Income	\$130,900	\$149,650	\$168,300

Source: SF Mayor's Office of Housing and Community Development Maximum Income by Household Size.

Appendix Table A-8
Bureau of Labor Statistics Consumer Expenditure Survey (Table 1203)
3333/3700 California St EIFD Support; EPS #231038

Item	All consumer units	\$200,000 and more	Percent Taxable
Income before taxes	\$94,003	\$322,568	
Average annual expenditures	\$72,967	\$167,088	
<u>RETAIL SPENDING</u>			
Apparel and Services			
Apparel Incl. Footwear	\$1,662	\$3,407	100%
Other Apparel and Services (1)	\$283	\$1,001	90%
Personal care products and services (2)	\$866	\$1,686	25%
Reading (3)	\$117	\$238	85%
Tobacco products and smoking supplies	\$371	\$237	100%
Food at home (4)	\$5,703	\$9,136	35%
Food away from home	\$3,639	\$8,542	100%
Alcoholic beverages	\$583	\$1,439	100%
Housekeeping supplies	\$787	\$1,245	100%
Household furnishings and equipment	\$2,606	\$6,320	100%
Vehicle purchases (net outlay)	\$4,496	\$9,857	100%
Gasoline, other fuels, and motor oil	\$3,120	\$4,701	100%
Drugs (5)	\$615	\$880	25%
Education (6)	\$134	\$557	10%
Entertainment			
Fees and admissions	\$833	\$2,943	0%
Audio and visual equipment and services	\$1,020	\$1,704	90%

Appendix Table A-8 *continued*
Bureau of Labor Statistics Consumer Expenditure Survey (Table 1203)
3333/3700 California St EIFD Support; EPS #231038

Item	All consumer units	\$200,000 and more	Percent Taxable
Pets, toys, hobbies, and playground equipment	\$908	\$1,809	100%
Other entertainment supplies, equipment, and services	\$698	\$2,401	90%
Total Retail	\$28,441	\$58,103	
Total Retail % of Income	30.3%	18.0%	
Taxable Retail	\$22,452	\$46,249	
Taxable Retail % of Income	23.9%	14.3%	

- (1) 10% is assumed to be services (tailoring/repairs) (nontaxable); 90% is assumed to be accessories (taxable)
- (2) Category includes taxable products (25%) and non-taxable services (e.g., hair, nails) (75%)
- (3) 15% is assumed to be e-reading sales (nontaxable)
- (4) Assumption reflects data showing taxable sales of \$300 out of \$900 gross sales PSF at Whole Foods (HdL and EPS research)
- (5) 75% is assumed to be on prescription (nontaxable) drugs
- (6) 10% of education spending assumed to be books and materials (taxable); 90 % is assumed to be services (nontaxable)
- (7) 10% is assumed to be services (nontaxable)
- (8) 10% is assumed to be services (nontaxable)

Source: Bureau of Labor Statistics Consumer Expenditure Survey (Table 1203) 2021 & 2022

Appendix Table A-9
Bureau of Labor Statistics Consumer Expenditure Survey (By Age)
3333/3700 California St EIFD Support; EPS #231038

Item	Percent Taxable	55-64 Years	65-74 Years	75 Years and Older	55 Years and Older	3333 Affordable Senior Housing - Categories
Number of Consumer Units (in thousands)		24,433	21,728	15,255	61,416	
Average Income (before taxes)		\$105,498	\$68,059	\$49,392	\$78,317	
Average Annual Expenditures		\$78,079	\$60,844	\$53,481	\$65,872	
Food	50%	\$9,791	\$8,198	\$6,020	\$8,291	Taxable Retail
Alcoholic beverages	100%	\$661	\$573	\$320	\$545	Taxable Retail
Housing		\$24,140	\$21,094	\$19,317	\$21,864	Rent
Apparel and services	90%	\$1,830	\$1,357	\$801	\$1,407	Taxable Retail
Transportation		\$13,596	\$9,550	\$6,209	\$10,330	Other
Health Insurance		\$4,075	\$5,305	\$5,238	\$4,799	Other
Medical Services		\$144	\$1,068	\$1,247	\$745	Other
Drugs	25%	c/	\$792	\$917	\$844	Taxable Retail
Medical supplies		\$259	\$257	\$307	\$270	Other
Entertainment	90%	\$3,698	\$3,182	\$1,943	\$3,080	Taxable Retail
Personal care products and services	25%	\$899	\$790	\$586	\$783	Taxable Retail
Reading	85%	\$108	\$147	\$159	\$134	Taxable Retail
Education	10%	\$1,537	c/	c/	\$1,537	Taxable Retail
Tobacco products and smoking supplies	100%	\$541	\$334	\$158	\$373	Taxable Retail
Micellaneous		\$1,161	\$923	\$963	\$1,028	Other
Cash Contributions		\$3,089	\$2,811	c/	\$2,958	Other
Personal Insurance and Pensions		\$10,329	\$4,057	\$2,196	\$6,090	Other
Adjusted Total Taxable Retail Spending						\$9,776
Percent of Income						12%

(1) The rents associated with the senior housing at 3700 California St are assumed to include the provision of most if not all meals, as well as additional services on site. Therefore residents are assumed to spend less on taxable goods.

Sources: US Bureau of Labor Statistics Consumer Expenditure Survey (Table 1300); Economic & Planning Systems, Inc.,

Table A-10
Gross Receipts Tax Revenue Detail
3333/3700 California St EIFD Support; EPS #231038

	Retail	Restaurant	Child Care	Senior Services (Affordable Housing)	Senior Living	Building Services	Leasing Services
Employees	54	54	23	31	371	38	13
Sales(1)	\$30,224,168	\$7,121,570	\$3,382,149		\$43,247,052	\$6,371,491	\$17,891,737
Sales/Employee	\$555,387	\$130,863	\$145,646		\$116,506	\$166,706	\$1,404,375
Employees/Firm (2)	17.9	22.5	23.2		371	45.7	11.5
Gross Receipts Per Firm (3)	\$9,941,430	\$2,944,420	\$3,382,149		\$43,247,052	\$7,618,450	\$16,150,312
<i>Tax Rate Tiers by Business Activity</i>	<i>Category 1</i>	<i>Category 1</i>	<i>Category 5</i>	<i>Category 5</i>	<i>Category 5</i>	<i>Category 3</i>	<i>Category 3</i>
\$0 - \$1M							
Tax Rate	0.10%	0.10%	1.00%		1.00%	0.41%	0.41%
Tax Revenue per Business	\$1,000	\$1,000	\$10,000		\$10,000	\$4,100	\$4,100
\$1M - \$2.5M							
Tax Rate	0.13%	0.13%	1.00%		1.00%	0.41%	0.41%
Tax Revenue per Business	\$1,950	\$1,950	\$15,000		\$15,000	\$6,150	\$6,150
\$2.5M - \$25M							
Tax Rate	0.18%	0.18%	1.50%		1.50%	0.44%	0.44%
Tax Revenue per Business	\$13,395	\$800	\$13,232		\$337,500	\$22,521	\$60,061
\$25M - \$50M							
Tax Rate	0.34%	0.34%	1.18%		1.18%	0.44%	0.44%
Tax Revenue per Business	\$0	\$0	\$0		\$215,315	\$0	\$0
Effective Tax Rate Per Business	0.16%	0.00%	0.00%		1.34%	0.43%	0.44%
Gross Receipts Tax Revenue Per Business	\$16,345	Tax Exempt	Tax Exempt	Tax Exempt	\$577,815	\$32,771	\$70,311

(1) Sales data derived from IMPLAN sales output for San Francisco.

(2) Employees per firm estimate based on citywide average by NAICS category from 2017 Economic Census data for City of San Francisco.

(3) Analysis assumes all gross receipts are allocated to San Francisco.

Sources: City of San Francisco Gross Receipts Tax 2025 Rates