



EIFD Public Financing Authority No. 1 (PFA No. 1)



**Presentation of the Draft
Infrastructure Financing Plan (IFP)
San Francisco EIFD No. 2
(Stonestown)**



November 20, 2025

Goal of the Stonestown 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.



Stonestown Project Location

- Project will be built on surface parking lots around Stonestown Galleria mall.
- The mall is not part of the project and will not be included in the EIFD.
- The Brave Church site, if acquired by Brookfield for inclusion in the project, is a potential EIFD annexation site.



Stonestown EIFD PFA – Timeline

- July 16, 2024 – Resolution of Intention to Establish EIFD No. 2 (Stonestown) (“Stonestown EIFD”) approved by the Board of Supervisors
- July 23, 2024 – Development Agreement for the Stonestown Project approved by the Board of Supervisors
- July 17, 2025 – Meeting of Public Financing Authority No. 1 held, and Resolution Directing Preparation of Infrastructure Financing Plan (IFP) approved
- ***November 20, 2025 – Meeting of Public Financing Authority No. 1 for the presentation of the Draft IFP***

Infrastructure Financing Plan (IFP) Overview

Key Elements of the IFP include:

1. Map and legal description of the Stonestown EIFD (including multiple project areas)
2. Proposed public facilities and other forms of development and financial assistance proposed in the area of the Stonestown EIFD
3. Communitywide significance finding
4. Financing Plan
 - a. Description of tax increment allocated to the Stonestown EIFD
 - b. Projection of tax increment
 - c. Financing plan for facilities to be assisted by the Stonestown EIFD
 - d. Aggregate limit on tax increment allocated to the Stonestown EIFD
 - e. Time limit on tax increment allocation
 - f. Costs of providing facilities/services to the Stonestown EIFD and projected revenues from development in the Stonestown EIFD
 - g. Fiscal Impact Analysis
 - h. Goals of the Stonestown EIFD for each project

Description of Stonestown EIFD Project Areas

The Stonestown EIFD will consist of two project areas at formation. Upon further subdivision of certain properties, the Stonestown EIFD is expected to consist of nine project areas.

		Land Allocation ¹	Improvements Allocation ²		Land + Imp
Project Area at Formation of EIFD	Project Area After Subdivision	APN at Formation (Land Allocation)	APN at Formation (Improvement Allocation)	Unsecured AV	FY 2025/26 Land + Imp + Unsecured AV
Project Area A	Project Area 1	7295-006, 7295-007, 7295-035, 7295-037 (est 19.7%), 7295-038 (est 0.1%)	7295-035	\$0	\$37,556,758
	Project Area 2	7295-037 (est 37.5%), 7295-038 (est 10.6%)	7295-038 (est 0.4%)	\$27,041	\$10,271,467
	Project Area 3	7294-037 (est 21.9%), 7295-038 (est 16.7%)	7295-038 (est 0.4%)	\$0	\$15,819,986
	Project Area 4	7295-038 (est 5.8%), Vacated Winston Drive Public R/W	7295-038 (est 0.8%)	\$0	\$6,963,116
	Project Area 5	7295-038 (est 22.5%), 7295-037 (est 19.9%)	7295-038 (est 15.2%)	\$1,985,684	\$54,379,952
	Project Area 6	Vacated Monte Vista Drive, 7295-004 (est 0.4%), 7295-038 (est 23.0%)	Vacated Monte Vista Drive, 7295-038 (2.9%)	\$2,923,394	\$29,740,136
Total Project Area A		\$104,091,653	\$45,703,643	\$4,936,119	\$154,731,415
Project Area B	Project Area 7	7296-005 (est 36.1%)		\$0	\$8,466,750
	Project Area 8	7296-005 (est 34.2%), 7296-008 (est 63.0%)		\$0	\$8,462,170
	Project Area 9	7296-006 (est 4.3%), 7296-007 (est 84.8%), 7296-008 (est 25.6%)	7296-007	\$0	\$19,423,331
Total Project Area B		\$24,527,755	\$11,824,496	\$0	\$36,352,251
Total EIFD		\$126,097,464	\$56,400,139	4,936,119	\$191,083,666

1. Land: The allocation of APN FY 2025/26 assessed land values among the future Project Areas is proportionate to the distribution of the land area of each APN among the Project Areas.
2. Improvements: the allocation of APN FY 2025/26 assessed improvement values among the future Project Areas is proportionate to the distribution of the square footage of improvements on each APN among the Project Areas.

VICINITY MAP
NOT TO SCALE

BOUNDARY MAP OF STONESTOWN

LEGEND

(A) DISTRICT BOUNDARY
PROJECT AREA NUMBER

NOTES

1. EXISTING MALL AREA IS EXCLUDED FROM THE DISTRICT NO. 1 AND IS DESIGNATED IN A MALL & BOARDWALK DEVELOPMENT PROJECT AT THE DEVELOPMENT AGENDAS FOR THE PROJECT.

PROJECT AREA SUMMARY

PROJECT AREA	BLOCK NUMBER	APN	PROJECT AREA UPON SUBDIVISION
A	E2 (P), E4 (P), E5 (P), E6 (P), EXISTING MALL PARCELS/AREA TO BE ADJUSTED DURING SUBDIVISION MAPPING	7295-004	6
	NW (P), NW2 (P), NW3 (P)	7295-006	1
	NW (P), NW2 (P), NW3 (P)	7295-007	1
	NW (P), NW2 (P), NW3 (P)	7295-035	1
	NW (P), NW2 (P), NW3 (P)	7295-037	1, 2, 3, 5
	W1 (P), W2 (P), W3 (P), W4 (P), E2 (P), E3 (P), E4 (P), E5 (P), E6 (P)	7295-038	2, 3, 4, 5, 6
	NW (P)	VACATED MONTE VISTA DRIVE	4
	E3 (P)	VACATED MONTE VISTA DRIVE	6
	S1 (P), S2, EXISTING MALL PARCELS/AREA TO BE ADJUSTED DURING SUBDIVISION MAPPING	7296-005	7, 8
	S1 (P), EXISTING MALL PARCELS/AREA TO BE ADJUSTED DURING SUBDIVISION MAPPING	7296-006	9
B1	S3 (P), EXISTING MALL PARCELS/AREA TO BE ADJUSTED DURING SUBDIVISION MAPPING	7296-007	9
	S3 (P)	7296-008	9
B2	S3 (P), EXISTING MALL PARCELS/AREA TO BE ADJUSTED DURING SUBDIVISION MAPPING	7296-009	9

BOUNDARY MAP OF STONESTOWN

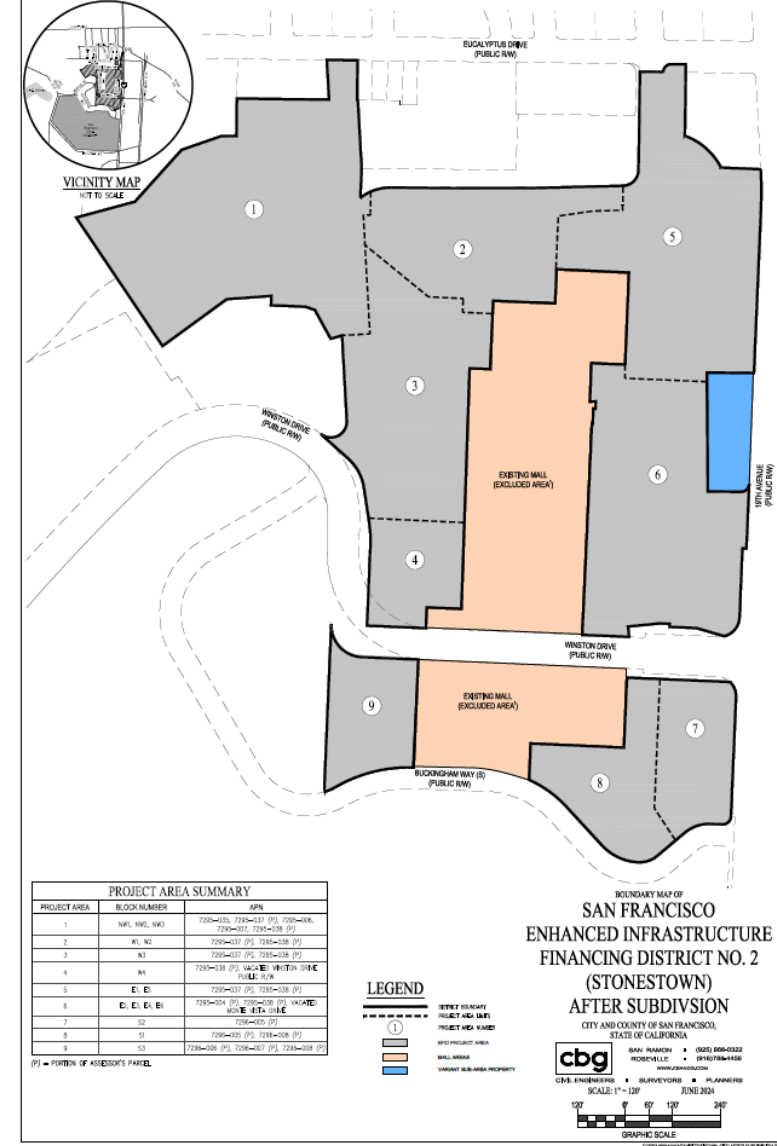
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 2 (STONESTOWN) AT FORMATION

CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

cbg CIVIL ENGINEERS • SURVEYORS • PLANNERS
SCALE: 1" = 120'
JUNE 2024

GRAPHIC SCALE

120' 0' 120' 240'



Description of Proposed Public Facilities

- Public capital facilities or other projects (whether publicly- or privately-owned) of communitywide significance that are:
 - i. authorized by the EIFD Law and
 - ii. related to the development of the project known as the Stonestown Project, including public capital facilities, privately-owned community improvements, and privately-owned affordable housing costs

Facility	Estimated Improvement Costs (\$millions)	Estimated Timing	Location
Streets	\$103.83	2027-2051	Entire Project
Site Work	\$42.4	2027-2051	Entire Project
Utilities	\$124.53	2027-2051	Entire Project
Parks (RPD Parcel Improvements)	\$0.48	2027-2041	RPD Parcel
Affordable Housing	\$166.82	2027-2051	Entire Project
Total	\$438.06		

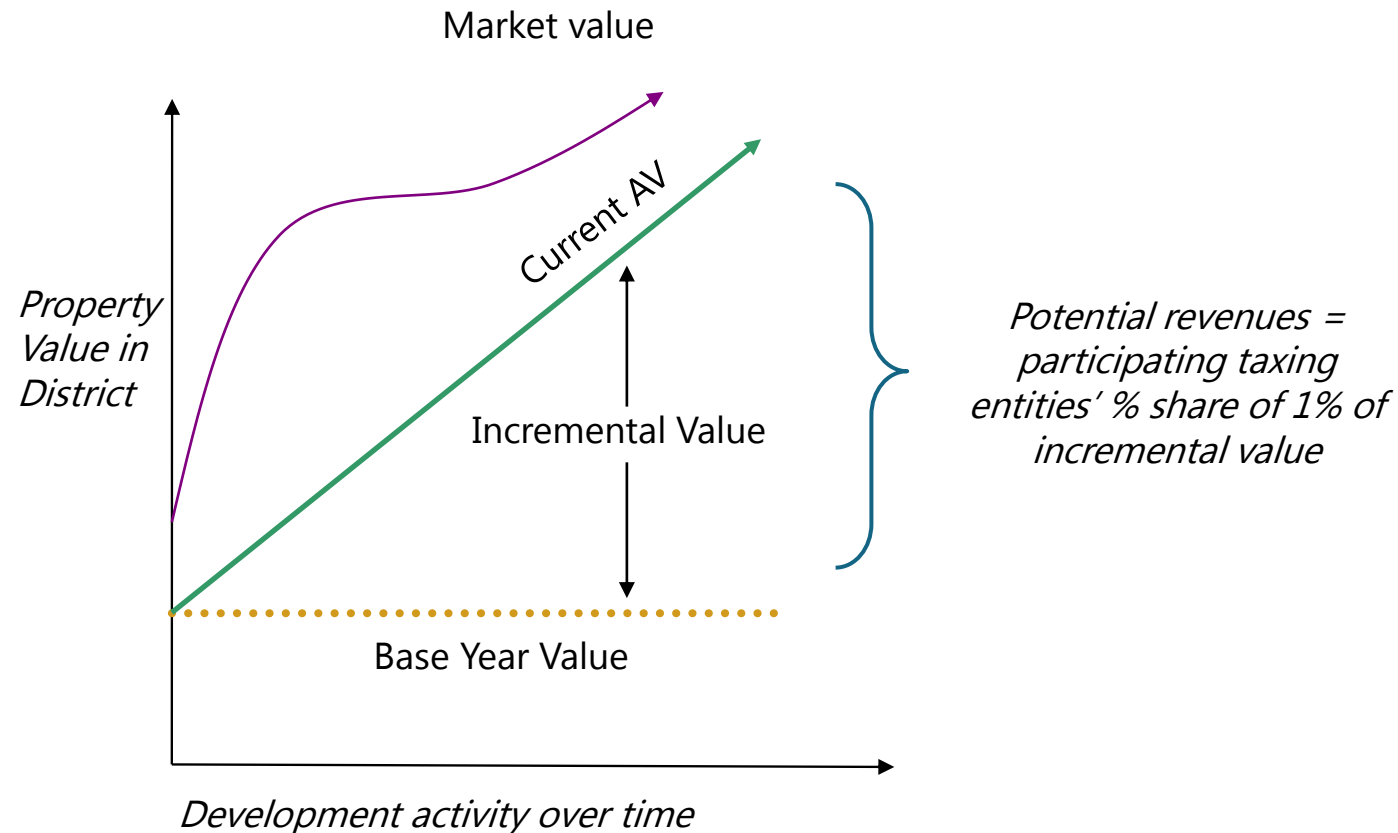
Finding of Communitywide Significance

Communitywide Significance Finding (See Section C of IFP for details)

- Finding assumes that the formation of the Stonestown EIFD will enable the development of the Stonestown Project, for which the City has determined will provide clear benefits to the public and neighboring communities, including:
 - i. conversion of parking lots to housing, including affordable housing
 - ii. construction and maintenance of new pedestrian pathways, and landscape areas of approximately six acres of publicly accessible open areas
 - iii. transportation demand management measures that exceed the level otherwise required
 - iv. street and infrastructure improvements, including enhancement of existing public rights-of-way
 - v. workforce obligations
 - vi. on-site childcare facilities
 - vii. a replacement on-site senior center
 - viii. improvements to Rolph Nicol Jr. Playground

Tax Increment Overview

- The Stonestown EIFD is projected to generate tax increment by capturing the growth in assessed value in the EIFD above the base year value—a portion of the increase in property tax revenues is allocated to fund infrastructure and other projects of communitywide significance



Financing Section

City IFD Guidelines

- The City's IFD Guidelines recommend a maximum allocation of 50% of the City's incremental property tax revenue and 50% of the City's VLF revenue
- In the formation of the Stonestown EIFD, the City will not allocate actual VLF revenue and instead will allocate approximately 58% of its share of Property tax equivalent—an amount equivalent to VLF revenue

Assuming Allocation of VLF

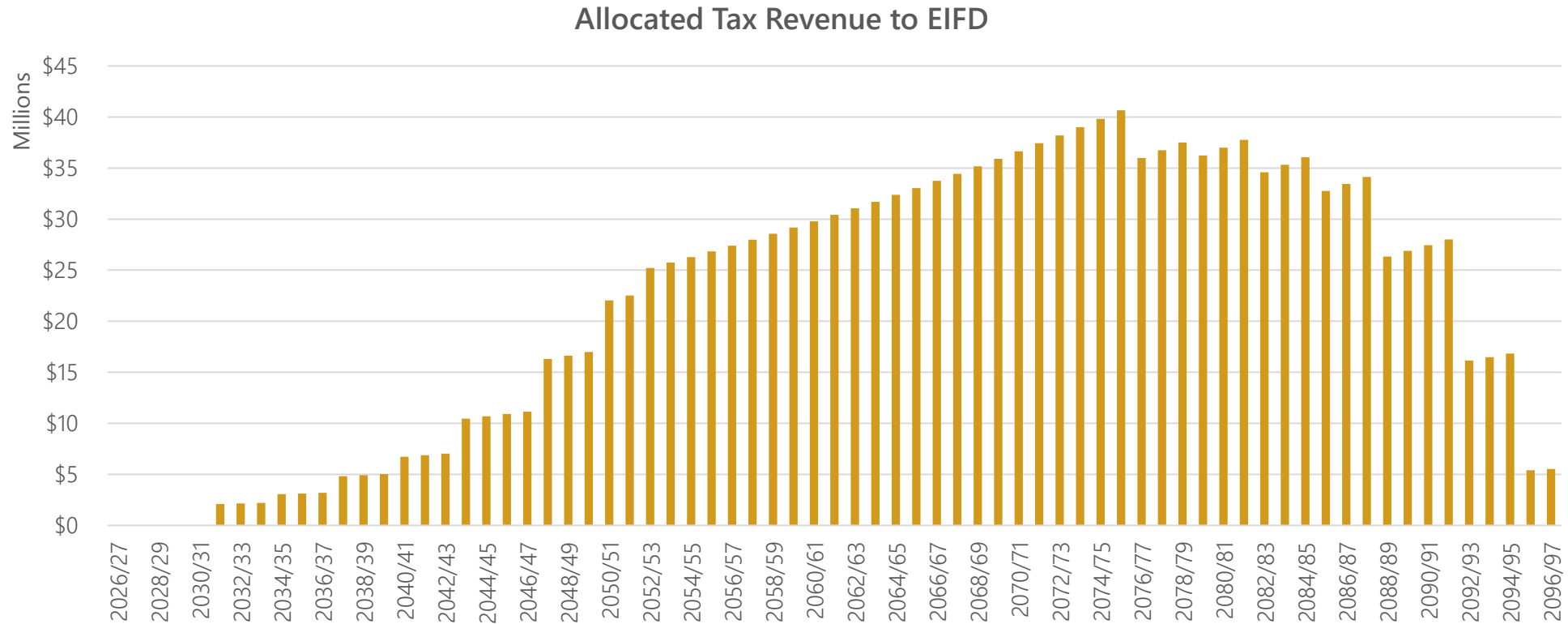
	City's Share of Property Tax	Allocated Revenue (50%)
Allocation to General Fund	55.588206%	27.794103%
<u>City Special Fund Portion</u>	<u>9.000000%</u>	<u>4.500000%</u>
Subtotal	64.588206%	32.294103%
VLF as % of Tax Rate	10.660179%	5.330090%
Total Percentage of Property Tax	75.248385%	37.624193%
Percentage of City's Share	100.00000%	50.00000%

Allocation of Additional Property Tax
in Lieu of VLF

	City's Share of Property Tax	Allocated Revenue (58%)
Allocation to General Fund	55.588206%	32.381475%
<u>City Special Fund Portion</u>	<u>9.000000%</u>	<u>5.242718%</u>
Subtotal	64.588206%	37.624193%
VLF as % of Tax Rate	0.000000%	0.000000%
Total Percentage of Property Tax	64.588206%	37.624193%
Percentage of City's Share	100.00000%	58.25242%

Financing Section

Projection of Allocated Tax Revenues



- Allocated Tax Revenue is projected to total \$1.562 billion and Conditional Tax Revenue is projected to total \$1.120 billion across all Project Areas
- For each project area, the 45-year clock commences once \$100k of increment in a given fiscal year is allocated

Financing Section

Plan for Financing Facilities

- Multiple capital sources are anticipated including -
 - developer capital, bond proceeds, paygo, and other capital sources, including commercial construction loans, grants, and loans from governmental agencies, among others
- It is anticipated that Stonestown EIFD bonds will be issued upon written request of the Developer and subsequent approval from the Board of Supervisors and PFA No. 1
 - It is anticipated that Bonds will be structured to maximize proceeds while also aligning with sound municipal financing practices and the limitations on the EIFD's receipt of Allocated Tax Revenue

Fiscal Impact Analysis (FIA)

The FIA was prepared by Economic & Planning Systems, Inc. (EPS) and peer reviewed by Keyser Marston Associates (KMA)

A FIA was prepared for the project sponsor, at the request of the City

- Assuming the project achieves the sponsor's performance projections, the Stonestown EIFD is estimated to annually generate a \$774,000 net fiscal benefit to the City's General Fund at project buildout, net of tax revenues to be allocated to the EIFD
- Given market dynamics, the City requested a sensitivity analysis; the analysis indicates that the Project can withstand an 8% decline in performance before it will generate a net negative fiscal impact to the City's General Fund.

Revenue/Expense Category	Fiscal Baseline	Project Buildout	Net Fiscal Impact at Project Buildout
General Fund			
Annual GF Revenues After Baseline Funding	\$1,777,000	\$19,935,000	\$18,517,000
<u>(Less) General Fund Expenditures</u>	<u>(\$141,000)</u>	<u>(\$17,524,000)</u>	<u>(\$17,383,000)</u>
Impact on General Fund	\$1,636,000	\$2,410,000	\$774,000
MTA Fund			
MTA General Fund Baseline Funding	\$238,589	\$2,675,830	\$2,437,241
<u>(Less) MTA General Fund Expenses</u>	<u>(\$38,524)</u>	<u>(\$2,518,491)</u>	<u>(\$2,479,967)</u>
Net Impact on the MTA Fund	\$200,065	\$157,339	(\$42,725)
Total Fiscal Benefit Estimate	\$1,836,065	\$2,567,339	\$731,275

IFD Policy Compliance

1. The project requires significant rezoning, extensive need for infrastructure, and IFD funding necessary for feasibility; and is within a priority development area and includes a Development Agreement for Stonestown.
2. Based on the FIA, the project results in a net fiscal benefit to the General Fund after tax increment diversion.
3. 50% of the tax increment will be allocated to EIFD and 50% will continue to flow to City.
4. The project will address infrastructure deficiencies in the neighborhood by constructing significant streetscape and access improvements.
5. The project includes a long-term maintenance commitment.
6. All incremental property tax revenues will flow to General Fund until specifically appropriated into the EIFD.
7. EIFD debt payments for this project plus all other EIFDs will not exceed 5% of annual property tax revenue.
8. This EIFD will be subject to ten year “use it or lose it” requirement.



Resources & Next Steps

Date	Milestones
November 20, 2025	IFP Presentation
January 8, 2026	First Public Hearing of the PFA
January 14, 2026*	Public Hearing at Budget & Finance Committee
January 27, 2026*	BOS Vote to Adopt IFP
February 12, 2026	Second Public Hearing of the PFA
	Vote to Adopt IFP
	Vote to Establish Stonestown EIFD

**Please note, dates are estimated unless otherwise noted*

For any inquiries, please contact EIFD@sfgov.org

*Additional information about the EIFD and PFA can be found
online by visiting <https://sf.gov/departments/eifd-public-financing-authority-no-1>*

Appendix



Financing Section

Tax Increment Allocation

- The City will allocate "Allocated Tax Revenue" (used to pay bond debt service and paygo costs) and "Conditional Tax Revenue" (only intended to provide debt service coverage for bonds; must be repaid to City if used)
- City Share of Increment is 64.588206% of incremental 1% ad valorem property tax revenues in the EIFD
- Allocated Tax Revenue is 58.252419% of the City Share of Increment; Conditional Tax Revenue is 41.747581% of the City Share of Increment

Gross Tax Increment as a % of Incremental Assessed Property Value	1.0000%
Non-City Share of Gross Tax Increment	35.4118%
City Share of Gross Tax Increment	64.5882%
Allocated Tax Revenue = 58.252419% of the City Share of Increment	37.6242%
Conditional Tax Revenue = 41.747581% of the City Share of Increment	26.9640%

