

1 **Resolution forming the San Francisco Enhanced Infrastructure Financing District No. 2**
2 **(Stonestown) and the project areas therein, adopting the Infrastructure Financing Plan,**
3 **approving an EIFD Acquisition and Financing Agreement, authorizing the filing of a**
4 **judicial validation action, and determining other matters in connection therewith.**

5 WHEREAS, Stonestown NW Parcel LLC, a Delaware limited liability company (“NW
6 Parcel Owner”), Stonestown Shopping Center, L.P., a Delaware limited partnership
7 (“Shopping Owner”), and Stonestown Anchor Acquisition, L.P, a Delaware limited partnership
8 (“Anchor Owner”; together with NW Parcel Owner and Shopping Owner, “Developer”) own the
9 approximately 30 acres of developed land located in the southwest part of the City and
10 County of San Francisco (“City”), generally bounded by 19th Avenue to the east, Buckingham
11 Way to the south and west, and Rolph Nicol Jr. Playground and Eucalyptus Drive to the north
12 (“Developer Property”); and

13 WHEREAS, The Developer Property is fully developed and comprises approximately
14 27 acres of surface parking lots and operational uses, a vacant building, and approximately
15 three acres of existing privately-owned streets; and

16 WHEREAS, Temple Baptist Church or its successor owns approximately 0.8 acres of
17 land located adjacent to 19th Avenue along the eastern boundary of the Developer Property
18 (Assessor’s Parcel Block No. 7295, Lot No. 002) that is improved with a church building, as
19 further described on Exhibit A-2 to the Development Agreement described below (“Variant
20 Sub-Area”); and

21 WHEREAS, The City owns the approximately three acre open space known as Rolph
22 Nicol Jr. Playground adjacent to the Developer Property (“RPD Parcel”);

23 WHEREAS, The City also owns approximately 0.2 acres of developed and
24 undeveloped public rights-of-way, consisting of portions of Winston Drive and Monte Vista

1 Drive ("Existing City-Owned Rights-of-Way"; and together with portions of the RPD Parcel, the
2 Developer Property, and the Variant Sub-Area, "Project Site"); and

3 WHEREAS, Shopping Owner and Anchor Owner also own the existing Stonestown
4 Galleria, which is not a part of the Project Site but is included as part of the development
5 agreement relating to the Project Site ("Development Agreement") for the limited purposes
6 specified in the Development Agreement; and

7 WHEREAS, Developer proposes a mixed use development to be developed on the
8 Project Site that may include residential, retail, commercial, open space, parking and related
9 uses to be developed on the Project Site, all as more particularly described in the
10 Development Agreement ("Stonestown Project"); and

11 WHEREAS, On May 9, 2024, by Motion No. 21559, the Planning Commission certified
12 as adequate, accurate and complete the Final Environmental Impact Report ("FEIR") for the
13 Stonestown Project pursuant to the California Environmental Quality Act (California Public
14 Resources Code Section 21000 et seq.) ("CEQA"); a copy of Planning Commission Motion
15 No. 21559 is on file with the Clerk of the Board of Supervisors in File No. 240681; also, on
16 May 9, 2024, by Motion No. 21560, the Planning Commission adopted findings, including a
17 rejection of alternatives and a statement of overriding considerations ("CEQA Findings") and a
18 Mitigation Monitoring and Reporting Program ("MMRP"); these Motions are on file with the
19 Clerk of the Board of Supervisors in File No. 240681; in the Ordinance contained in File No.
20 240410, the Board of Supervisors adopted as its own and incorporated by reference as
21 though fully set forth therein the CEQA Findings, including the statement of overriding
22 considerations, and the MMRP; and

23 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of
24 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy
of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors

1 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San
2 Francisco (“Guidelines”) that describe minimum threshold criteria and strategic criteria for the
3 City to consider when evaluating the proposed formation of an infrastructure financing district;
4 and

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

11 WHEREAS, The Stonestown Project will provide significant public benefits to the City,
12 including (i) conversion of parking lots to housing, including affordable housing; (ii)
13 construction and maintenance of new pedestrian pathways, and landscape areas for a total of
14 approximately six (6) acres of publicly accessible open areas, (iii) transportation demand
15 management measures that exceed the level otherwise required; (iv) street and infrastructure
16 improvements, including enhancement of existing public rights-of-way; (v) workforce
17 obligations; (vi) on-site child care facilities; (vii) a replacement on-site senior center; and (viii)
18 improvements to Rolph Nicol Jr. Playground, all as set forth in greater detail in the
19 Development Agreement; and

20 WHEREAS, The Stonestown Project is eligible for financial assistance from an
21 infrastructure financing district under the Guidelines; and

22 WHEREAS, Pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California
23 Government Code (commencing with Section 53398.50) (“EIFD Law”), the Board of
24 Supervisors is authorized to initiate the process to establish an enhanced infrastructure

1 financing district (including project areas therein) and approve an infrastructure financing plan
2 allocating tax revenues to such enhanced infrastructure financing district; and

3 WHEREAS, The California Legislature (in California Government Code Section
4 53398.74) has determined that the allocation and payment to an enhanced infrastructure
5 financing district of the portion of property tax revenues for the purpose of paying principal of,
6 or interest on, loans, advances, or indebtedness incurred by the district pursuant to this
7 chapter, shall not be deemed the receipt by a district of proceeds of taxes levied by or on
8 behalf of the district within the meaning or for the purposes of Article XIII B of the California
9 Constitution, nor shall that portion of taxes be deemed receipt of proceeds of taxes by, or an
10 appropriation subject to limitation of, any other public body within the meaning or for purposes
11 of Article XIII B of the California Constitution or any statutory provision enacted in
12 implementation of Article XIII B of the California Constitution; and

13 WHEREAS, Pursuant to Resolution No. 399-24, adopted by the Board of Supervisors
14 on July 16, 2024, and signed by the Mayor on July 26, 2024 ("Resolution of Intention"), the
15 Board of Supervisors declared its intention to establish San Francisco Enhanced
16 Infrastructure Financing District No. 2 (Stonestown) ("Stonestown EIFD") over the Stonestown
17 Project Site, including project areas (each, "Project Area"; collectively, "Project Areas")
18 pursuant to the EIFD Law, to finance (i) the purchase, construction, expansion, improvement,
19 seismic retrofit or rehabilitation of certain real or other tangible property with an estimated
20 useful life of 15 years or longer that are public capital facilities or other projects of
21 communitywide significance that provide significant benefits to the Stonestown EIFD or the
22 surrounding community, including any directly-related planning and design work and (ii) the
23 costs described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as
24 applicable), all as more fully described in Exhibit A attached to the Resolution of Intention; and

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

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

13 WHEREAS, In the Resolution of Intention, the Board of Supervisors designated the
14 EIFD Public Financing Authority No. 1 to act as the governing board of the Stonestown EIFD;
15 and

16 WHEREAS, The EIFD Public Financing Authority No. 1 is responsible for causing
17 preparation of the infrastructure financing plan for the Stonestown EIFD (“Stonestown IFP”),
18 which will describe, among other things, the allocation by the City to the Stonestown EIFD of
19 certain incremental property tax revenue for the purpose of financing public capital facilities or
20 other specified projects of communitywide significance that provide significant benefits to the
21 Stonestown EIFD or the surrounding community and the issuance by the Stonestown EIFD of
22 bonds and other debt; and

23 WHEREAS, On July 17, 2025, pursuant to Resolution No. 2025-02, the EIFD Public
24 Financing Authority No. 1 directed the Executive Director of the EIFD Public Financing
Authority No. 1 to work with the necessary City staff and professionals to prepare a draft of

1 the Stonestown IFP and make such Stonestown IFP available to interested parties as
2 required by the EIFD Law; and

3 WHEREAS, On November 20, 2025, the EIFD Public Financing Authority No. 1 held a
4 public meeting at which the draft Stonestown IFP was presented; and

5 WHEREAS, On January 8, 2026, the EIFD Public Financing Authority No. 1 held its
6 first public hearing on the draft Stonestown IFP and considered written and oral comments,
7 after which the EIFD Public Financing Authority No. 1 adopted a resolution modifying the draft
8 IFP; and

9 WHEREAS, After the Budget and Finance Committee of the Board of Supervisors held
10 a noticed public hearing relative to the Stonestown IFP on January 14, 2026, the Board of
11 Supervisors approved the draft IFP on January 27, 2026, pursuant to Resolution No. 36-26
12 ("City Resolution Approving IFP"), which resolution was signed by the Mayor on January 30,
13 2026, and such resolution is on file with the Secretary of the Board; and

14 WHEREAS, On the date hereof, the EIFD Public Financing Authority No. 1 held its
15 second public hearing on the draft Stonestown IFP, which public hearing was properly noticed
16 and held in accordance with all applicable law; and

17 WHEREAS, The Stonestown IFP is included as Exhibit A to this Resolution, which
18 Exhibit A is incorporated herein in its entirety by this reference; and

19 WHEREAS, Among other things, the Stonestown IFP provides that the proposed
20 Stonestown EIFD will consist of two original Project Areas and, upon subdivision of certain
21 properties within the original Project Areas and the creation of new Project Areas, will consist
22 of nine Project Areas, and that the creation of the new Project Areas and the replacement of
23 all or a part of the original Project Areas shall occur automatically without any public hearing
24 and without further approval by the EIFD Public Financing Authority No. 1 or the Board of
Supervisors; and

1 WHEREAS, The Stonestown IFP further provides for changes to the boundaries of one
2 or more Project Areas in the future in order to conform such Project Areas to the final
3 development parcels established by the recordation of one or more final subdivision maps for
4 the Subject Property (as defined in the Stonestown IFP) so that the California State Board of
5 Equalization can assign tax rate areas to all of the development parcels comprising the
6 Stonestown Projects, which changes will not require the approval of the Board of Supervisors;
7 and

8 WHEREAS, The EIFD Public Financing Authority No. 1 hereby finds and determines
9 that, based on all written and oral protests received by the EIFD Public Financing Authority
10 No. 1 before the close of its second public hearing on the draft Stonestown IFP, less than 25
11 percent of the combined number of landowners and residents in the area of the proposed
12 Stonestown EIFD who are at least 18 years of age have filed a protest and, accordingly,
13 neither the termination of the proceedings related to the Stonestown EIFD nor an election
14 related to the Stonestown EIFD is required; and

15 WHEREAS, The EIFD Public Financing Authority No. 1 hereby further finds and
16 determines that all prior proceedings taken by EIFD Public Financing Authority No. 1 and the
17 City with respect to the proposed establishment of the Stonestown EIFD and the Project
18 Areas (including the initial Project Areas and the successor Project Areas) and adoption of the
19 Stonestown IFP are valid and in conformity with applicable law; and

20 WHEREAS, On the basis of all of the foregoing, EIFD Public Financing Authority No. 1
21 has determined at this time to form the Stonestown EIFD and the Project Areas and adopt the
22 Stonestown IFP; and

23 WHEREAS, The Stonestown IFP provides that the Stonestown EIFD's is to provide
24 financing for the public capital facilities and other projects (whether publicly- or privately-
owned) of communitywide significance, including affordable housing, described in Exhibit C

1 thereto ("Facilities"), and that the financing purpose will be documented in an EIFD Acquisition
2 and Financing Agreement (Stonestown) ("Acquisition and Financing Agreement") among the
3 City, the Developer and the Stonestown EIFD to be executed simultaneously with the
4 formation of the Stonestown EIFD; and

5 WHEREAS, The Stonestown IFP further provides that the Acquisition and Financing
6 Agreement will describe (1) the conditions under which the City will acquire Acquisition
7 Facilities (as defined in the Acquisition and Financing Agreement) or reimburse the Actual
8 Costs (as defined in the Acquisition and Financing Agreement) of the Developers for
9 construction of the Privately-Owned Facilities (as defined in the Acquisition and Financing
10 Agreement), (2) the circumstances in which the Stonestown EIFD may finance Privately-
11 Owned Facilities at the request of the Developer, including issuing bonds to finance
12 construction of Privately-Owned Facilities constructed by parties other than the Developer, (3)
13 the Stonestown EIFD's use of bond proceeds, Allocated Tax Revenue (as defined in the
14 Stonestown IFP), and Conditional Tax Revenue (as defined in the Stonestown IFP) to finance
15 the City's payment obligations and other authorized purposes, and (4) the items described in
16 Section 3.1(g) of the Financing Plan included as Exhibit N of the Development Agreement;
17 and

18 WHEREAS, A form of the Acquisition and Financing Agreement is on file with the
19 Secretary, and the EIFD Public Financing Authority No. 1 wishes to approve the form of such
20 Acquisition and Financing Agreement and to authorize the execution and delivery of such
21 Acquisition and Financing Agreement; and

22 WHEREAS, In accordance with Section 53398.57 of the EIFD Law, the EIFD Public
23 Financing Authority No. 1 and/or the City may file an action in the Superior Court of the City
24 and County of San Francisco to determine the validity of the creation of the Stonestown EIFD

1 and the Project Areas, the adoption of the Stonestown IFP, including the division of taxes
2 thereunder, and related matters; and

3 WHEREAS, In accordance with Section 53398.58 of the EIFD Law, the EIFD Public
4 Financing Authority No. 1 and/or the City may file an action in the Superior Court of the City
5 and County of San Francisco to determine the validity of bonds issued pursuant to the EIFD
6 Law; and

7 WHEREAS, All conditions, things and acts required by law to exist, to happen or to be
8 performed precedent to and as a condition of the adoption of the Stonestown IFP, the
9 formation of the proposed Stonestown EIFD and the Project Areas (including the initial Project
10 Areas and the successor Project Areas, as described in the Stonestown IFP), and the
11 allocation by the City of incremental property tax revenue from within the boundary of the
12 Stonestown EIFD (including the Project Areas) have existed, happened and been performed
13 in the time, form and manner required by law; now, therefore, be it

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

16 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby adopts
17 the Stonestown IFP; a copy of the Stonestown IFP was sent to each person or entity required
18 by the EIFD Law; and, be it

19 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby forms
20 the Stonestown EIFD and the Project Areas (including the initial Project Areas and any
21 successor Project Areas, as described in the Stonestown IFP); the boundaries of the
22 Stonestown EIFD and the Project Areas shall be as set forth in the maps and legal
23 descriptions in the Stonestown IFP; and, be it

24 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby
approves the execution and delivery of the Acquisition and Financing Agreement, among the

1 City, the Stonestown EIFD and the Developers in substantially the form on file with the
2 Secretary; each of the Chair, Executive Director and Treasurer, or such other official of the
3 EIFD Public Financing' Authority No. 1 as may be designated by such officials (each, an
4 "Authorized Officer"), is hereby authorized and directed to execute and deliver, and the
5 Secretary is hereby authorized and directed to attest to, the Acquisition and Financing
6 Agreement, together with such additions or changes that do not increase the financial liability
7 of the Stonestown EIFD as are approved by such Authorized Officer upon consultation with
8 the general counsel to the EIFD Public Financing Authority No. 1; and, be it

9 FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 has reviewed
10 and considered the FEIR, and finds that the FEIR is adequate for its use for the actions taken
11 by this Resolution and incorporates the FEIR and the CEQA findings contained in the
12 Ordinance contained in File No. 240410 and further finds that, pursuant to CEQA Guidelines
13 Section 15162, no additional environmental review is required because there are no
14 substantial changes to the Stonestown Project analyzed in the FEIR, no change in
15 circumstances under which Stonestown Project is being undertaken, and no new information
16 that was not known and could not have been known that new significant impacts would occur,
17 that the impacts identified in the FEIR as significant impacts would be substantially more
18 severe, or that mitigation or alternatives previously found infeasible are now feasible; and, be
19 FURTHER RESOLVED, That in the City Resolution Approving IFP the Board of Supervisors
20 found the Development Agreement for the Stonestown Project to conform with the General
21 Plan, and the eight priority policies of Planning Code, Section 101.1 by the findings set forth in
22 Section 3 of Ordinance No. 205-24 (File No. 240410), and the EIFD Public Financing
23 Authority No. 1 incorporates the foregoing findings and determines that such findings are
24 adequate for the actions taken by this Resolution; and, be it

1 FURTHER RESOLVED, That the Executive Director and general counsel to EIFD
2 Public Financing Authority No. 1, in consultation with Jones Hall LLP, as bond counsel, are
3 hereby authorized and directed to initiate a judicial validation action with respect to the
4 creation of the Stonestown EIFD and the Project Areas (including the initial Project Areas and
5 any successor Project Areas, as described in the Stonestown IFP), the adoption of the
6 Stonestown IFP, the allocation by the City of incremental property tax revenue from within the
7 boundary of the Stonestown EIFD for the purpose of financing the activities of the Stonestown
8 EIFD, the validity of the issuance of bonds and other debt pursuant to the EIFD Law and all
9 the proceedings relating thereto, and such other matters as the general counsel to EIFD
10 Public Financing Authority No. 1 and bond counsel deem appropriate for EIFD Public
11 Financing Authority No. 1 to carry out the purposes of the Stonestown IFP, pursuant to
12 Sections 53398.57 and 53398.58 of the EIFD Law and Section 860 et seq. of Code of Civil
13 Procedure; and, be it

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

23 FURTHER RESOLVED, That the Chair, the Vice Chair, the Executive Director, the
24 Treasurer and the Secretary are hereby authorized, for and in the name of and on behalf of
the Stonestown EIFD, to do any and all things and take any and all actions which they, or any

1 of them, may deem necessary or advisable in order to effectuate the purposes of this
2 Resolution; provided however that any such actions be solely intended to further the purposes
3 of this Resolution, and are subject in all respects to the terms of the Resolution; and, be it
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FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
5 consistent with any documents presented herein, and heretofore taken are hereby ratified,
6 approved and confirmed by the EIFD Public Financing Authority No. 1; and, be it

FURTHER RESOLVED, That within 15 days after its passage, the Secretary shall
7 cause this Resolution to be published at least once, with the names of those members of the
8 EIFD Public Financing Authority No. 1 voting for and against the resolution, in a newspaper of
9 general circulation published and circulated in the Stonestown EIFD; and, be it
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FURTHER RESOLVED, That this Resolution shall be subject to referendum as set
11 forth in Section 53398.66(g) of the EIFD Law in accordance with the referendum procedures
12 applicable to cities set forth in Article 2 of Chapter 3 of Division 9 of the California Elections
13 Code provided that (1) all references in such Article to ordinances shall be deemed to refer to
14 this Resolution, (2) the relevant legislative body is the EIFD Public Financing Authority No. 1,
15 (3) the Director of the Department of Elections of the City shall constitute the elections official
16 for the EIFD Public Financing Authority No. 1 and (4) the relevant voters shall be the voters
17 registered in the boundaries of the Stonestown EIFD; if no such referendum petition is
18 presented within the period of 30 days, then upon the expiration of such period, or if the
19 resolution has been assented to by a majority of the voters voting on the proposition upon
20 referendum, then upon such proposition having been so assented to, the resolution shall take
21 full and final effect.
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1 I hereby certify that the forgoing Resolution was adopted on February 12, 2026, by the Board
2 of the Enhanced Infrastructure Financing District Public Financing Authority No. 1.

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Chair

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Secretary

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EXHIBIT A

STONESTOWN IFP

(available for review at <https://www.sf.gov/departments/eifd-public-financing-authority-no-1>)