

File No. 240139

Committee Item No. 2
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee _____ Date March 13, 2024
Board of Supervisors Meeting Date _____

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <ul style="list-style-type: none">Draft Acquisition and Financing AgreementDraft Infrastructure Financing Plan | | |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Supp. Guidelines - Establishment and Use of IFDs 2/27/2023</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Noticing Documents</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Controller's Office of Public Finance Presentation 3/13/2024</u> |
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Completed by: Brent Jalipa Date March 7, 2024
Completed by: Brent Jalipa Date _____

1 [Infrastructure Financing Plan and Related Documents and Actions - San Francisco Enhanced
2 Infrastructure Financing District No. 1 (Power Station)]

3 **Resolution approving the Infrastructure Financing Plan for the San Francisco**
4 **Enhanced Infrastructure Financing District No. 1 (Power Station), including the division**
5 **of taxes set forth therein, an Acquisition and Financing Agreement, and documents**
6 **and actions related thereto, as defined herein; and authorizing the filing of a judicial**
7 **validation action.**

8

9 WHEREAS, California Barrel Company LLC, a Delaware limited liability company
10 ("Developer"), and its affiliates own approximately 21.0 acres of developed and undeveloped
11 land located in the City and County of San Francisco ("City"), generally bound by 22nd Street
12 to the north, the San Francisco Bay to the east, 23rd Street to the south and Illinois Street to
13 the west ("Developer Property"); and

14 WHEREAS, Existing structures on the Developer Property consist primarily of vacant
15 buildings and facilities associated with its use as a former power station; and

16 WHEREAS, Pacific Gas & Electric Company, a California corporation ("PG&E"), owns
17 approximately 8.8 acres of land located in the City that is adjacent to the Developer Property
18 ("PG&E Sub-Area"); and

19 WHEREAS, Harrigan, Weidenmuller Co. owns approximately 10.9 acres of land to the
20 south of the Developer Property and is improved with warehouses and ancillary improvements
21 ("Weidenmuller Property"); and

22 WHEREAS, The Developer Property, the PG&E Sub-Area, and the Weidenmuller
23 Property are referred to herein as the "Subject Property"; and

24 WHEREAS, The Developer and the City executed a Development Agreement dated
25 (for reference purposes only) as of September 22, 2020 (as it may be amended from time to

1 time, "Development Agreement"), relating to the proposed development of a project known as
2 the Potrero Power Station ("Project"), which was approved by the Board of Supervisors of the
3 City ("Board of Supervisors") pursuant to Ordinance No. 62-20, which was adopted by the
4 Board of Supervisors on April 21, 2020, and signed by the Mayor on April 24, 2020, and a
5 copy of which is in File No. 200040; and

6 WHEREAS, The Board of Supervisors is concurrently considering the adoption of an
7 ordinance (Board of Supervisors File No. 231274) to amend the Development Agreement and
8 the Financing Plan (Exhibit C to the Development Agreement) to allow for the establishment
9 of the EIFD and further the matters described in this Resolution; and

10 WHEREAS, The Project is a phased, mixed use development on or around the
11 Developer Property that is more particularly described in the Development Agreement; and

12 WHEREAS, On January 30, 2020, by Motion No. 20635, the Planning Commission
13 certified as adequate, accurate and complete the Final Environmental Impact Report ("FEIR")
14 for the Project pursuant to the California Environmental Quality Act (California Public
15 Resources Code Section 21000 et seq.) ("CEQA"); a copy of Planning Commission Motion
16 No. 20635 is on file with the Clerk of the Board of Supervisors in File No. 200040; also, on
17 January 30, 2020, by Motion No. 20636, the Planning Commission adopted findings, including
18 a rejection of alternatives and a statement of overriding considerations ("CEQA Findings") and
19 a Mitigation Monitoring and Reporting Program ("MMRP"); these motions are on file with the
20 Clerk of the Board of Supervisors in File No. 200040; in Ordinance No. 62-20, the Board of
21 Supervisors adopted as its own and incorporated by reference as though fully set forth therein
22 the CEQA Findings, including the statement of overriding considerations, and the MMRP; and
23 WHEREAS, On September 9, 2020, the San Francisco Planning Department published
24 an Addendum to the FEIR finding certain proposed changes to the Project's phasing plan did
25

1 not change the conclusions of the FEIR and that the changes would not result in substantially
2 more severe impacts than what was identified in the FEIR (the "FEIR Addendum"); and

3 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of
4 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy
5 of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors
6 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San
7 Francisco ("Guidelines") that describe minimum threshold criteria and strategic criteria for the
8 City to consider when evaluating the proposed formation of an infrastructure financing district;
9 and

10 WHEREAS, On February 27, 2023, the Capital Planning Committee adopted an
11 interpretative supplement to the Guidelines ("Interpretive Supplement") to provide guidance to
12 City staff and the development community about application of the Guidelines; and

13 WHEREAS, The Project will provide a significant number of new housing units in San
14 Francisco, 30% of which will be affordable to persons of low and moderate income, and
15 significant community benefits including public open spaces and community facility areas, but
16 the Project has significant public infrastructure obligations that must be completed before the
17 Project's residential units and community benefits can be constructed; and

18 WHEREAS, Pursuant to Resolution No. 83-22, which the Board of Supervisors
19 adopted on March 8, 2022, and the Mayor signed on March 14, 2022, the Board of
20 Supervisors previously established a special tax district related to the Project under Chapter
21 43, Article X of the San Francisco Administrative Code (as it may be amended from time to
22 time, "Code"), which Code incorporates by reference the Mello-Roos Community Facilities Act
23 of 1982, as amended ("Mello-Roos Act"), and approved the execution and delivery of an
24 Acquisition and Reimbursement Agreement ("CFD Acquisition and Reimbursement

25

1 Agreement") between the City and the Developer, which CFD Acquisition and Reimbursement
2 Agreement remains unexecuted; and

3 WHEREAS, Pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California
4 Government Code (commencing with section 53398.50) ("EIFD Law"), the Board of
5 Supervisors is authorized to initiate the process to establish an enhanced infrastructure
6 financing district (including project areas therein) and approve an infrastructure financing plan
7 allocating tax revenues to such enhanced infrastructure financing district; and

8 WHEREAS, The Project is eligible for financial assistance from an infrastructure
9 financing district under the Guidelines; and

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

20 WHEREAS, Pursuant to the EIFD Law, the Board of Supervisors adopted Resolution
21 No. 133-23 ("Resolution of Intention") on March 21, 2023, which resolution was signed by the
22 Mayor on March 28, 2023, pursuant to which the Board of Supervisors, among other things, (i)
23 declared that the Board of Supervisors proposed and intended to cause the establishment of
24 an enhanced infrastructure district to be known as "San Francisco Enhanced Infrastructure
25 Financing District No. 1 (Power Station)" ("Power Station EIFD") over the Subject Property to

1 finance public capital facilities and projects of communitywide significance related to the
2 Project, (ii) declared that the Board of Supervisors proposed and intended that the Power
3 Station EIFD would include project areas (each, “Project Area”; collectively, “Project Areas”),
4 which shall be referred to as “Project Area __ of the San Francisco Enhanced Infrastructure
5 Financing District No. 1 (Power Station)” and (iii) declared that, pursuant to the EIFD Law, if
6 the Power Station EIFD is approved by the EIFD Public Financing Authority No. 1 (defined
7 below) in accordance with the EIFD Law, and if the Power Station IFP (defined below) is
8 approved by resolution of the Board of Supervisors pursuant to Government Code Section
9 53398.68, in each case after any public hearings required by the EIFD Law, the incremental
10 property tax revenue that is allocated by the City to the proposed Power Station EIFD (but not
11 by any other affected taxing entity) may be used to finance public capital facilities and projects
12 of communitywide significance related to the Project and other authorized costs and to pay
13 debt service on bonds and other debt of the Power Station EIFD; and

14 WHEREAS, Pursuant to Ordinance No. 044-23, which was finally passed by the Board
15 of Supervisors on April 4, 2023, and signed by the Mayor on April 7, 2023, the Board of
16 Supervisors established the “Enhanced Infrastructure Financing District Public Financing
17 Authority No. 1” (“EIFD Public Financing Authority No. 1”), as the governing board of the
18 proposed Power Station EIFD, to be responsible for directing the preparation and
19 implementation of the infrastructure financing plan for the Power Station EIFD (“Power Station
20 IFP”); and

21 WHEREAS, On July 17, 2023, pursuant to Resolution No. 2023-01, the EIFD Public
22 Financing Authority No. 1 directed the Executive Director of the EIFD Public Financing
23 Authority No. 1 to work with the necessary City staff and professionals to prepare a draft of
24 the Power Station IFP and make such Power Station IFP available to interested parties as
25 required by the EIFD Law; and

1 WHEREAS, On November 1, 2023, the EIFD Public Financing Authority No. 1 held a
2 public meeting at which the draft Power Station IFP was presented; and

3 WHEREAS, On December 6, 2023, the EIFD Public Financing Authority No. 1 held its
4 first public hearing on the draft Power Station IFP; and

5 WHEREAS, On February 21, 2024, the EIFD Public Financing Authority No. 1 held its
6 second public hearing on the draft Power Station IFP; and

7 WHEREAS, The Power Station IFP, which is included as Exhibit A to this Resolution
8 and is incorporated herein in its entirety by this reference, has been presented to the Board of
9 Supervisors for its review and approval; and

10 WHEREAS, Among other things, the Power Station IFP provides that the proposed
11 Power Station EIFD will consist of 9 original project areas and, upon subdivision of certain
12 properties within the Subject Property, will consist of 13 Project Areas, and that the creation of
13 the new Project Areas and the replacement of two existing Project Areas shall occur
14 automatically without any public hearing and without further approval by the EIFD Public
15 Financing Authority No. 1 or the Board of Supervisors; and

16 WHEREAS, The Power Station IFP further provides for changes to the boundaries of
17 one or more Project Areas in the future in order to conform such Project Areas to the final
18 development parcels established by the recordation of one or more final subdivision maps for
19 the Subject Property so that the California State Board of Equalization can assign tax rate
20 areas to all of the development parcels comprising the Project, which changes will not require
21 the approval of the Board of Supervisors; and

22 WHEREAS, In accordance with the Resolution of Intention, the Clerk of the Board (i)
23 published a notice of public hearing in the San Francisco Examiner and (ii) mailed a copy of
24 such notice to (A) each owner of land (as defined in the EIFD Law) within the proposed EIFD,

1 (B) each affected taxing entity (as defined in the EIFD Law), if any, and (C) the EIFD Public
2 Financing Authority No. 1; and

3 WHEREAS, The Board of Supervisors has held a noticed public hearing relative to the
4 Power Station IFP; and

5 WHEREAS, At the hearing all interested persons desiring to be heard on all matters
6 pertaining to the Power Station IFP were heard and a full and fair hearing was held; and

7 WHEREAS, In accordance with Section 53398.68 of the EIFD Law, the Board of
8 Supervisors desires to approve the Power Station IFP pursuant to which incremental property
9 tax revenue from the City within the boundary of the Power Station EIFD (including the initial
10 Project Areas and the successor Project Areas as described in the Power Station IFP) will be
11 used to finance the activities of the Power Station EIFD, subject to, and in accordance with,
12 the terms and conditions of the Power Station IFP ; and

13 WHEREAS, The Power Station IFP provides that the Power Station EIFD's sole
14 purpose is to provide financing for the public capital facilities and other projects (whether
15 publicly- or privately-owned) of communitywide significance, including affordable housing,
16 described in Exhibit C thereto ("Facilities"), and that the financing purpose will be documented
17 in an EIFD Acquisition and Financing Agreement ("EIFD Acquisition and Financing
18 Agreement") among the City, the Developer and the Power Station EIFD to be executed
19 simultaneously with the formation of the Power Station EIFD; and

20 WHEREAS, The Power Station IFP further provides that the EIFD Acquisition and
21 Financing Agreement will describe 1) the conditions under which the City will acquire
22 Acquisition Facilities (as defined in the EIFD Acquisition and Financing Agreement) or
23 reimburse the Actual Costs (as defined in the EIFD Acquisition and Financing Agreement) of
24 the Developer for construction of the Privately-Owned Facilities (as defined in the EIFD
25 Acquisition and Financing Agreement), 2) the circumstances in which the Power Station EIFD

1 may finance Privately-Owned Facilities at the request of the Developer, including issuing
2 bonds to finance construction of Privately-Owned Facilities constructed by parties other than
3 the Developer and 3) the Power Station EIFD's use of bond proceeds, Allocated Tax Revenue
4 (as defined in the Power Station IFP), and Conditional Tax Revenue (as defined in the Power
5 Station IFP) to finance the City's payment obligations and other authorized purposes; and

6 WHEREAS, A form of the EIFD Acquisition and Financing Agreement is on file with the
7 Clerk of the Board of Supervisors, and the Board of Supervisors wishes to approve the form of
8 such EIFD Acquisition and Financing Agreement and to authorize the execution and delivery
9 of such EIFD Acquisition and Financing Agreement; and

10 WHEREAS, The Board of Supervisors desires, to the maximum extent possible under
11 the Code and the EIFD Law, that the EIFD Acquisition and Financing Agreement and the CFD
12 Acquisition and Reimbursement Agreement establish uniform procedures to finance
13 authorized improvements under the Code and the EIFD Law; and

14 WHEREAS, In accordance with Section 53398.57 of the EIFD Law, the EIFD Public
15 Financing Authority No. 1 and/or the City may file an action in the Superior Court of the City
16 and County of San Francisco to determine the validity of the creation of the Power Station
17 EIFD and the Project Areas (including the initial Project Areas and any successor Project
18 Areas, as described in the Power Station IFP), the adoption of the Power Station IFP,
19 including the division of taxes thereunder, and related matters; and

20 WHEREAS, In accordance with Section 53398.58 of the EIFD Law, the EIFD Public
21 Financing Authority No. 1 and/or the City may file an action in the Superior Court of the City
22 and County of San Francisco to determine the validity of bonds issued pursuant to the EIFD
23 Law; now, therefore, be it

24 RESOLVED, That the Board of Supervisors hereby finds that the recitals are true and
25 correct; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors hereby ratifies the Interpretive
2 Supplement; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors further finds and determines
4 that all prior proceedings taken by EIFD Public Financing Authority No. 1 and the City with
5 respect to the proposed establishment of the Power Station EIFD and the Project Areas
6 (including the initial Project Areas and the successor Project Areas, as described in the Power
7 Station IFP) and adoption of the Power Station IFP are valid and in conformity with applicable
8 law; and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby approves the Power
10 Station IFP in the form attached hereto as Exhibit A and incorporated herein, and hereby finds
11 that the proposed Power Station EIFD and the Project Areas (including the initial Project
12 Areas and the successor Project Areas, as described in the Power Station IFP), including the
13 properties included therein, and the Power Station IFP including the division of taxes
14 thereunder, are consistent with the Guidelines and Interpretive Supplement; and, be it

15 FURTHER RESOLVED, That pursuant to the Power Station IFP, incremental property
16 tax revenue from the City within the boundary of the Power Station EIFD (including the Project
17 Areas) will be used to finance the activities of the Power Station EIFD, subject to, and in
18 accordance with, the terms and conditions of the Power Station IFP; and, be it

19 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes an
20 Authorized Officer to make such changes to the Power Station IFP in the form attached hereto
21 as Exhibit A as such Authorized Officer determines are consistent with and furthers the
22 purposes of the Power Station EIFD and the Power Station IFP and does not materially
23 increase the City's liability under the Power Station IFP or otherwise change the core
24 purposes of the Power Station EIFD; and, be it

25

1 FURTHER RESOLVED, That the Board of Supervisors hereby approves the execution
2 and delivery of the EIFD Acquisition and Financing Agreement, among the City, the Power
3 Station EIFD and the Developer in substantially the form on file with the Clerk of the Board of
4 Supervisors; each of the Mayor, the Controller, the Director of Public Works and the Director
5 of the Office of Public Finance, or such other official of the City as may be designated by such
6 officials (each, an "Authorized Officer"), is hereby authorized and directed to execute and
7 deliver, and the Clerk of the Board of Supervisors is hereby authorized and directed to attest
8 to, the EIFD Acquisition and Financing Agreement, together with such additions or changes
9 that do not increase the financial liability of the City as are approved by such Authorized
10 Officer upon consultation with the City Attorney; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes an
12 Authorized Officer to make changes to the form of the CFD Acquisition and Reimbursement
13 previously approved by the Board of Supervisors to ensure that, to the maximum extent
14 possible under the Code and the EIFD Law, the CFD Acquisition and Reimbursement
15 Agreement and the EIFD Acquisition and Financing Agreement establish uniform procedures
16 to finance authorized improvements under the Code and the EIFD Law; and, be it

17 FURTHER RESOLVED, That an Authorized Officer and the City Attorney, in
18 consultation with Jones Hall, A Professional Law Corporation, as bond counsel, are hereby
19 authorized and directed to initiate a judicial validation action with respect to the creation of the
20 Power Station EIFD and the Project Areas, the adoption of the Power Station IFP, the
21 allocation of incremental property tax revenue from the City within the boundary of the Power
22 Station EIFD (including the Project Areas) to the Power Station EIFD for the purpose of
23 financing the activities of the Power Station EIFD, the validity of the issuance of bonds
24 pursuant to the EIFD Law and all the proceedings relating thereto, and such other matters as
25 the City Attorney and bond counsel deem appropriate in order to carry out the purposes of the

1 Power Station IPP, pursuant to Sections 53398.57 and 53398.58 of the EIFD Law and section
2 860 et seq. of Code of Civil Procedure; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered
4 the FEIR and FEIR Addendum, and finds that the FEIR and Addendum are adequate for their
5 use for the actions taken by this resolution and incorporates the FEIR and the CEQA findings
6 contained in Ordinance No. 62-20 and the FEIR Addendum by this reference and further finds
7 that, pursuant to CEQA Guidelines Section 15162, no additional environmental review is
8 required because there are no substantial changes to the Project analyzed in the FEIR and
9 the FEIR Addendum, no change in circumstances under which the Project is being
10 undertaken, and no new information that was not known and could not have been known
11 shows that new significant impacts would occur, that the impacts identified in the FEIR and
12 the FEIR Addendum as significant impacts would be substantially more severe, or that
13 mitigation or alternatives previously found infeasible are now feasible; and, be it

14 FURTHER RESOLVED, That the Board of Supervisors found the Development
15 Agreement to conform with the General Plan, and the eight priority policies of Planning Code,
16 Section 101.1, by the findings set forth in subsection (a) of Ordinance 64-20 (File No.
17 200174), and the Board of Supervisors incorporates the foregoing findings and determines
18 that such findings are adequate for the actions taken by this Resolution; and, be it

19 FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or
20 word of this resolution, or any application thereof to any person or circumstance, is held to be
21 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
22 shall not affect the validity of the remaining portions or applications of this resolution, this
23 Board of Supervisors hereby declaring that it would have passed this resolution and each and
24 every section, subsection, sentence, clause, phrase, and word not declared invalid or

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1 unconstitutional without regard to whether any other portion of this resolution or application
2 thereof would be subsequently declared invalid or unconstitutional; and, be it

3 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
4 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
5 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
6 things and take any and all actions, including execution and delivery of any and all
7 documents, assignments, certificates, requisitions, agreements, notices, consents,
8 instruments of conveyance, warrants and documents, which they, or any of them, may deem
9 necessary or advisable in order to effectuate the purposes of this Resolution; provided
10 however that any such actions be solely intended to further the purposes of this Resolution,
11 and are subject in all respects to the terms of the Resolution; and, be it

12 FURTHER RESOLVED, That all actions authorized and directed by this Resolution,
13 consistent with any documents presented herein, and heretofore taken are hereby ratified,
14 approved and confirmed by this Board of Supervisors; and, be it

15 FURTHER RESOLVED, That this Resolution shall take effect upon its enactment;
16 enactment occurs when the Mayor signs the resolution, the Mayor returns the resolution
17 unsigned or does not sign the resolution within ten days of receiving it, or the Board of
18 Supervisors overrides the Mayor's veto of the resolution.

19
20 APPROVED AS TO FORM:
21 DAVID CHIU, City Attorney

22
23 By: /s/ Mark D. Blake
24 Mark D. Blake
Deputy City Attorney

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8 **EXHIBIT A**

9 **Infrastructure Financing Plan**

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| Item 2 File 24-0139 | Department: Controller's Office of Public Finance |
| EXECUTIVE SUMMARY | |
| <p>Legislative Objectives</p> <ul style="list-style-type: none"> The proposed resolution would approve the Infrastructure Financing Plan for the Enhanced Infrastructure Financing District No. 1 (Power Station), including allocation of incremental property tax revenues, and an Acquisition and Financing Agreement to facilitate delivery of public infrastructure and housing for the Power Station Project. | |
| <p>Key Points</p> <ul style="list-style-type: none"> The Power Station Project is the first of several projects expected to be funded by the Enhanced Infrastructure Financing District (EIFD) tool to address a shortfall in financing. The Board of Supervisors passed an ordinance to establish the EIFD Public Financing Authority No. 1 as the governing body of the EIFD for the Power Station Project in April 2023. The Power Station Project will redevelop the site of a former power station into a mixed-use development, including 2,315 housing units (1,877 market rate units and 438 affordable housing units), 1.9 million square feet of commercial space, parking, community facilities, and 6.9 acres of open space. The Board of Supervisors previously approved a development agreement between the City and California Barrel Company LLC, the Master Developer. The proposed Infrastructure Financing Plan documents how incremental property tax revenue generated within the EIFD will be used to reimburse eligible costs, including public facilities (such as roads, utilities, and shoreline improvements) and privately-owned facilities (such as affordable housing and parks). The financing plan is consistent with City guidelines for infrastructure financing districts, which limits the City's contribution of tax increment to 50 percent of the City's share. | |
| <p>Policy Consideration</p> <ul style="list-style-type: none"> Because the City may contribute up to 100 percent of the cost of infrastructure and public benefits, which were previously assumed to be the developer's responsibility under the Development Agreement, the improvements will benefit the private development without the developer sharing any infrastructure costs, and this is the first time the City is utilizing EIFD financing, approval of the proposed resolution is a policy matter for the Board of Supervisors. OEWD has not provided any documentation to verify the project is not financially feasible without the proposed public financing. | |
| <p>Fiscal Impact</p> <ul style="list-style-type: none"> The proposed resolution would allocate 58.3 percent of incremental property tax revenues within the EIFD to eligible costs up to a maximum of \$3.29 billion over the term of the district. The remaining 41.7 percent of the City's share of tax increment would be allocated as a "conditional increment" to provide additional debt service if needed, up to a maximum of \$2.36 billion. Any conditional increment used would be repaid to the General Fund. | |
| <p>Recommendation</p> <ul style="list-style-type: none"> Approval of the proposed resolution is a policy matter for the Board of Supervisors | |

MANDATE STATEMENT

California Government Code Section 53398.50 et seq. authorizes the Board of Supervisors to establish an enhanced infrastructure financing district (EIFD) and approve an infrastructure financing plan that allocates tax revenues to the EIFD.

BACKGROUND**Tax Increment Financing Districts to Advance Housing Production**

Prior to the dissolution of Redevelopment Agencies in 2012, redevelopment tax increment financing provided most local funding for the development of affordable housing, according to the February 2024 Affordable Housing Funding and Financing Recommendations Report, a component of the City's implementation plan for the 2022 Housing Element Update.¹ After the dissolution of redevelopment agencies, the State created other tax increment financing tools, such as Infrastructure and Revitalization Financing Districts (IRFDs) and Enhanced Infrastructure Financing Districts (EIFDs). The report recommends creating infrastructure financing districts for large projects to fund infrastructure and make progress on housing production, including affordable housing production. In addition, the Mayor's Housing for All Executive Directive, released February 7, 2023, directed OEWD and the Controller's Office to create new funding mechanisms for pipeline projects that have stalled due to funding availability by advancing legislation that enables new infrastructure financing districts.

According to OEWD staff, the Power Station Project is the first of several projects expected to be funded by the EIFD tool to advance housing production during otherwise challenging economic conditions. EIFDs allocate incremental property tax revenues within a specified area to fund public capital facilities. While the Board of Supervisors directly serves as the governing body for the City's IFDs and IRFDs, under state law, the Board of Supervisors must establish a public financing authority to act as legislative body of EIFDs.

Potrero Power Station

The Potrero Power Station Project (the Project) is a project to redevelop the site of a former power station into a mixed-use development. The site includes 29 acres of privately owned land and 2.75 acres of City-owned and Port land and is in the City's Central Waterfront Area, between Illinois Street, 22nd Street, and 23rd Street. According to the draft infrastructure financing plan, the project will include 2,315 housing units (including 1,877 market rate units and 438 affordable housing units), 1.9 million square feet of commercial space, parking, community facilities, and 6.9 acres of open space accessible to the public.

¹ The report was jointly prepared by the Mayor's Office of Housing and Community Development, the Planning Department, and Enterprise Community Partners.

Development Agreement & Housing Plan

In April 2020, the Board of Supervisors approved: (a) a development agreement between the City and California Barrel Company LLC (Associate Capital), the Master Developer for the Potrero Power Station Project (File 20-0040); (b) a ground lease between the City and Master Developer for 1.6 acres of Port property (File 20-0217); and (c) changes to the zoning of the area and amendments to the Planning Code (Files 20-0174 and 20-0039). Under the Development Agreement, the Master Developer must provide public benefits, including affordable housing and 6.9 acres of publicly accessible open space.

Under the Housing Plan of the Development Agreement, 30 percent of residential units must be affordable housing units. The Developer can satisfy this requirement by building inclusionary units within market-rate projects, conveying parcels to an affordable housing developer at no cost to construct 100 percent affordable projects, or by paying an in-lieu fee for up to 258 units (or 33 percent of affordable units). The Developer currently plans to meet this requirement through 438 on-site affordable units (including 260 inclusionary units and 178 units in 100 percent affordable projects) and payment of a fee in lieu of providing an additional 258 on-site affordable units according to the Draft Infrastructure Financing Plan.

Enhanced Infrastructure Financing District No. 1

In March 2023, the Board of Supervisors declared by resolution that the Board of Supervisors intended to provide for the establishment of an enhanced infrastructure district, Enhanced Infrastructure Financing District No. 1 (Power Station), to finance public capital facilities (File 23-0168). The resolution also declared that if the EIFD is established and the infrastructure financing plan is subsequently approved by the Board of Supervisors, incremental property tax revenue may be used to finance public facilities and projects of communitywide significance. The Board of Supervisors passed an ordinance to establish the EIFD Public Financing Authority No. 1 as the governing body of the proposed EIFD (File 23-0160) in April 2023 and approved the appointments in June 2023 (File 23-0698, 23-0699, 23-0700). The public financing authority consists of three members of the Board of Supervisors (plus an alternate member of the Board of Supervisors that can serve in place of one of the three members) and two members of the public to be nominated by the President of the Board of Supervisors and appointed by the Board of Supervisors.

Special Taxes

The Board of Supervisors previously established a special tax district to permit the use of special taxes to finance the project as permitted under the Mello-Roos Community Facilities Act (File 22-0087). The Board of Supervisors also passed a resolution of intention to incur bonded indebtedness for the special tax district in an amount not to exceed \$863.0 million (File 21-1307). According to Office of Public Finance staff, special tax bonds may not be issued until at least one of the commercial or residential buildings receives a temporary certificate of occupancy.

Project Status

The Project is currently in Phase 1, which includes the development of Blocks 2, 7, 8, 11, 12, and 15, the surrounding streets and sidewalks, and park area and open space within the Phase 1 area. According to OEWD staff, construction of Phase 1 street improvements began in the second

quarter of 2023 and is expected to be completed in the third quarter of 2025. The power station building, including the boiler and control building, is undergoing demolition. Vertical construction of the Sophie Maxwell Building (Building 7B), a 100 percent affordable moderate-income project, is expected to begin in the second quarter of 2024 and to be completed in the third quarter of 2025.

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve the Infrastructure Financing Plan for the Enhanced Infrastructure Financing District No. 1 (Power Station), including allocation of incremental property tax revenues, an Acquisition and Financing Agreement, and related documents and actions to facilitate the delivery of public infrastructure for the Power Station Project and advance housing production.

The goal of the EIFD is to address a shortfall in the Project Sponsor's financing for the project. According to OEWD staff, the City and Project Sponsor evaluated the rate of return for the project under current economic conditions and determined that the project would not be able to move forward despite the significant investment that had already been made. However, OEWD provided no documentation to support this assertion.

City Guidelines for Infrastructure Financing Districts

In February 2011, the Board of Supervisors adopted guidelines for the establishment of and use of infrastructure financing districts in the City to establish minimum criteria and strategic criteria for the City to consider prior to the formation of an infrastructure financing district (File 11-0036). In February 2023, the Capital Planning Committee adopted a supplement to the guidelines to provide additional guidance to City staff. According to the proposed resolution, the proposed financing plan is consistent with these guidelines.

In particular, the guidelines (a) restrict the use of infrastructure financing districts to large projects with significant re-zoning (either under an Area Plan or development agreement) that would not otherwise be financially feasible and (b) limit the amount of allocated incremental property tax revenue to no more than 50 percent of the City share and require that the district have a projected positive net fiscal benefit to the General Fund after subtracting allocated tax revenue. Total projected annual debt payments across all infrastructure financing districts may not exceed five percent of annual property tax revenue. Further, the guidelines require that there be an option to terminate the allocation of tax increment if the development does not meet minimum performance standards.

Infrastructure Financing Plan

The proposed Infrastructure Financing Plan stipulates how incremental property tax revenue generated by project areas within the EIFD will be used to reimburse eligible project costs, including public facilities (such as roads, utilities, and shoreline improvements) and privately-owned facilities (such as affordable housing and parks). Each project area within the EIFD can have a different start date and extend for 45 years from the start date. Each project area can generate property tax increment and debt can be issued against the property tax increment at

different times. Initially, there will be nine project areas within the EIFD, but after certain properties are subdivided, there will be 13 project areas. The Plan anticipates that incremental property tax revenue would begin accruing to the project in FY 2026-27.

The City's share of the 1.0 percent property tax rate is 0.646.² According to the Infrastructure Financing Plan, 58.3 percent³ of the City's share of tax increment, or 0.376, is allocated to the EIFD to pay for EIFD improvements, and the remaining 41.7 percent of the City's share of tax increment, or 0.270, is allocated as "conditional increment" to provide additional debt service coverage and to pay debt service on the bonds if allocated tax increment is not available. The EIFD must repay any conditional tax revenue used for debt service from allocated tax increment in future years. Conditional increment will accrue to the City's General Fund if not required for debt service.

Anticipated Development

Exhibit 1 below shows the anticipated development for the Project provided in the Draft Infrastructure Financing Plan, including facilities funded by the EIFD and facilities that will be privately funded.

² The approximate 0.354 remaining share of tax increment would accrue to other taxing entities, such as the State Education Revenue Augmentation Fund and the San Francisco Unified School District.

³ Consistent with City IFD Guidelines, the City will be allocating 50% of total incremental property tax revenues, including 50% of property tax in lieu of vehicle license fee (VLF) revenues. However, the City is not allocating any VLF revenues to the EIFD and will instead allocate 58.3% of the City's share of tax increment which is equal to 50% of the City's share of increment plus an additional 8.3% which is estimated to equal 50% of property tax in lieu of vehicle license fee (VLF) revenues. All VLF revenues will accrue to the City's General Fund.

Exhibit 1: Anticipated Development in EIFD

| Use | Area/Units | Construction Period |
|--|---------------------|----------------------------|
| <u>Commercial</u> | <u>1,941,138 sf</u> | <u>2024 - 2037</u> |
| Office | 453,967 sf | 2030 - 2032 |
| Life Sciences | 1,045,999 sf | 2024 - 2035 |
| Retail | 108,028 sf | 2025 - 2036 |
| Production, Distribution & Repair | 133,144 sf | 2027 - 2029 |
| | 200,000 sf | |
| Hotel | 200 rooms | 2033 - 2037 |
| Community Facilities | 33,645 sf | 2026 - 2037 |
| | 854,724 sf | |
| Parking | 2,332 spaces | |
| <u>Residential</u> | <u>2,315 units</u> | <u>2024 - 2038</u> |
| Market Rate For Sale | 551 units | 2029 - 2034 |
| Market Rate Rental | 1,326 units | 2024 - 2038 |
| Affordable Rental, Inclusionary Units | 260 units | 2024 - 2038 |
| Affordable Rental, Units in 100% Affordable Project | 178 units | 2024 - 2028 |

Source: Draft Infrastructure Financing Plan

Maximum Tax Increment Allocated to EIFD

The Financing Plan projects allocated tax revenue to be approximately \$1.64 billion across all project areas and conditional tax revenue to be approximately \$1.18 billion. The plan provides for a limit on total dollars allocated to the EIFD equal to 100 percent above projected costs for allocated and conditional tax increment. The allocated tax revenue may not exceed \$3.29 billion, and the conditional tax revenue may not exceed \$2.36 billion.

Acquisition and Financing Agreement

The EIFD would fund “acquisition facilities” (i.e., public facilities that would be acquired by the City or other governmental entity) and privately-owned facilities that have “community-wide significance,” including affordable housing and parks. The EIFD will reimburse the developer for actual costs to construct the acquisition facilities (shoreline, utilities, and streets) and the privately-owned facilities (affordable housing and parks). The proposed Acquisition and Financing Agreement provides the terms for the City to acquire the EIFD-funded acquisition facilities and the terms for reimbursement to the Developer for construction of privately-owned facilities.

EIFD Eligible Costs

Exhibit A of the Draft Acquisition and Financing Agreement describes the EIFD-funded improvements. The EIFD can finance all or a portion of the costs to construct, improve, rehabilitate, purchase, or maintain the public capital facilities or privately-owned facilities of “community-wide significance” that are permitted under EIFD law and the Development Agreement. EIFD-funded facilities may be located within the EIFD or outside the boundaries of

the EIFD if there is a “tangible connection” to the EIFD. Some of the EIFD eligible costs may also be eligible to be funded by the special tax district, previously approved by the Board of Supervisors, and the developer may use either or both funding sources for these costs. Issuance of EIFD bonds to fund eligible costs will be subject to the Public Financing Authority and Board of Supervisors’ approval.

The EIFD could fund the following facilities:

- Infrastructure, parks and open space, public improvements, privately-owned community investments
- Affordable housing (including inclusionary units, units in 100% affordable projects, and the in-lieu fee)
- Transportation demand management measures defined in the Development Agreement
- Improvements to Port property defined in the Ground Lease between the City and the developer
- Craig Lane, which is partially within the Power Station property and property within the Pier 70 project, which is owned by the Port
- Partial demolition, rehabilitation and/or abatement of existing structures
- Developer’s contribution to costs of constructing an enlarged pump station at Pier 70 that would also serve the Potrero Power Station Project and the associated SFPUC sewer connection
- Developer’s contribution to tenant improvements in YMCA (located at Pier 70) or other community facilities in the surrounding area or within the EIFD.

EIFD Estimated Costs

The Developer estimates that the total cost of the Potrero Power Station Project is \$3.9 billion, including \$3.35 billion to develop the private elements of the project and \$0.55 billion (14 percent) to be financed by the EIFD.

Exhibit 2 below shows the estimated improvement costs of public facilities funded by the EIFD.

Exhibit 2: Estimated Improvement Costs of Public Facilities Funded by EIFD

| Public Facility | Estimated Improvement Costs (\$ Millions) | Estimated Percent of Costs | Estimated Timeline |
|-----------------------------------|--|---------------------------------------|---------------------------|
| Affordable Housing ^a | \$258.14 | 47.1% | 2023 - 2038 |
| Parks, Open Spaces ^a | 111.58 | 20.4% | 2023 - 2033 |
| Site Work, Shoreline ^b | 89.49 | 16.3% | 2023 - 2028 |
| Utilities ^b | 46.83 | 8.5% | 2023 - 2028 |
| Streets ^b | 42.18 | 7.7% | 2023 - 2028 |
| Total | \$548.22 | 100.0% | 2023 - 2033 |

Source: Draft Infrastructure Financing Plan

^a Facilities owned by the developer

^b Facilities to be acquired by the City

According to OEWD staff, the estimated costs above reflect the total cost to develop the potential facilities that can be funded by EIFD proceeds based on estimates from the construction scope of work. The EIFD will fund these facilities provided there is tax increment available and within the overall funding limit and term of the district.

Net Fiscal Benefit

State law requires an infrastructure financing plan to include a fiscal impact analysis that shows the projected fiscal impact of the district and related development on each taxing entity and the cost to the city or county of providing services to the area. According to the revised February 8, 2024 Fiscal Impact Analysis prepared by Economic & Planning Systems, Inc. for the draft infrastructure financing plan, the project will generate an annual net fiscal benefit of over \$15 million (in 2023 dollars) to the General Fund and \$1.5 million to the MTA Fund at project buildout, as shown in Exhibit 3 below.

Exhibit 3: Annual Fiscal Impact of EIFD (2023 \$)

| Revenue or Expense | At Project Buildout |
|--|---------------------|
| <u>General Fund</u> | |
| General Fund Revenues | \$42,486,000 |
| Less General Fund Baseline Requirements | <u>12,081,000</u> |
| General Fund Revenues After Baseline Funding | 30,405,000 |
| Less General Fund Expenditures | <u>15,263,000</u> |
| Net Impact on General Fund | \$15,142,000 |
| <u>MTA Fund</u> | |
| MTA General Fund Baseline Funding | 3,905,000 |
| Less MTA Expenses | <u>2,371,000</u> |
| Net Impact on the MTA Fund | \$1,534,000 |
| Total Estimated Fiscal Benefit | \$16,676,000 |

Source: Economic & Planning Systems, Inc.

The report also states that the consultant conducted a peer-reviewed sensitivity analysis, at the request of the Controller's Office, to assess the net benefits when valuation assumptions (including market-rate assessed values, real estate lease rate levels, hotel room rate, parking revenues, and gross receipts tax per employee) are reduced by 50 percent. Reducing these valuations still results in a "slight positive fiscal impact" according to the report.

FISCAL IMPACT

The proposed resolution would allocate 58.3 percent of incremental property tax revenues within the EIFD to eligible costs up to a maximum of \$3.29 billion over the term of the district. The remaining 41.7 percent of the City's share of tax increment would be allocated as "conditional increment" to provide additional debt service if needed up to a maximum of \$2.36 billion. Any conditional increment used would be repaid to the General Fund with interest. The

City would therefore retain 41.7 percent of the property tax increment revenue generated within the EIFD over the anticipated 57-year term of the EIFD.

Because the EIFD diverts property tax revenues that would otherwise accrue to the General Fund, if the project costs that are proposed to be funded by the EIFD were funded by another financing source, the project would provide additional income to the General Fund.

POLICY CONSIDERATION

City Funding for Public Benefits

The Development Agreement between the City and the developer (California Barrel Company) grants the master developer entitlement to develop the project in exchange for providing public benefits that exceed those required under existing City policies and regulations, consistent with Chapter 56 of the City's Administrative Code. The Board of Supervisors approved zoning and planning code amendments to facilitate the project and approved a Development Agreement that contemplated the developer funding and delivering public infrastructure, including affordable housing, transportation, open space, and renovation of historic buildings. Because the project is no longer financially feasible, the developer is now requesting City funding. The public benefits, including the number of affordable housing units delivered by the project, will exceed City requirements, but the City could contribute up to 100 percent of the developer's costs to deliver the benefits through the proposed use of property tax increment, provided the costs are eligible uses under State EIFD law and sufficient tax increment is available. If the development does not proceed, the area will likely remain an underused and underdeveloped industrial area.

The shoreline improvements, parks, roads and utilities will benefit the affordable housing residents and neighboring communities, as well as the market rate housing residents and commercial tenants, increasing the property values and rents of the privately-owned parcels. Because the City may contribute up to 100 percent of the cost of infrastructure and public benefits, which were previously assumed to be the developer's responsibility under the Development Agreement, the improvements will benefit the private development without the developer sharing any infrastructure costs, and this is the first time the City is utilizing EIFD financing, approval of the proposed resolution is a policy matter for the Board of Supervisors. In addition, as noted above, OEWD has not provided any documentation to verify the project is not financially feasible without the proposed public financing.

Level of City Contribution

According to OEWD staff, the level of City contribution to the Potrero Power Station Project is based on the February 2023 Capital Planning Committee's supplement to the 2011 Board of Supervisors' guidelines for establishing Infrastructure Financing Districts. The supplement was adopted in light of the City's initiative to use tax increment financing to advance housing production and limits the City's contribution of tax increment to 50 percent of the City's share. The supplement further limits the City's contribution across all projects that leverage tax increment financing as total annual debt payments across all infrastructure financing districts may not exceed five percent of annual property tax revenue. The Board of Supervisors could

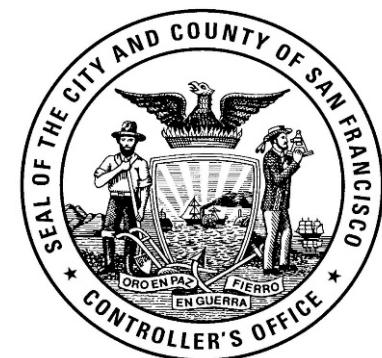
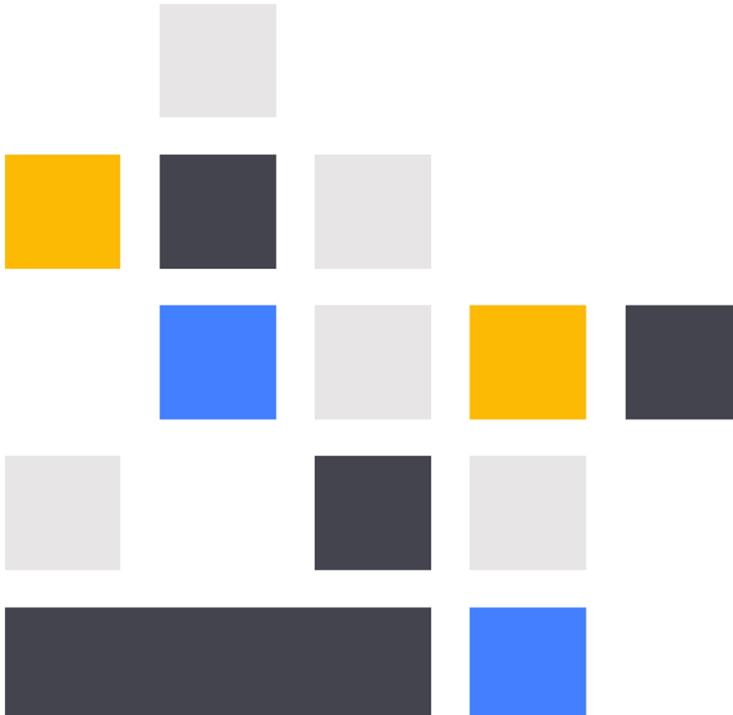
consider amending the guidelines to further limit the City's subsidy to private development projects. Reducing the use of tax increment financing would limit the amount of housing delivered using this tool.

RECOMMENDATION

Approval is a policy matter for the Board of Supervisors.

San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station)

BUDGET & FINANCE COMMITTEE



March 13, 2024

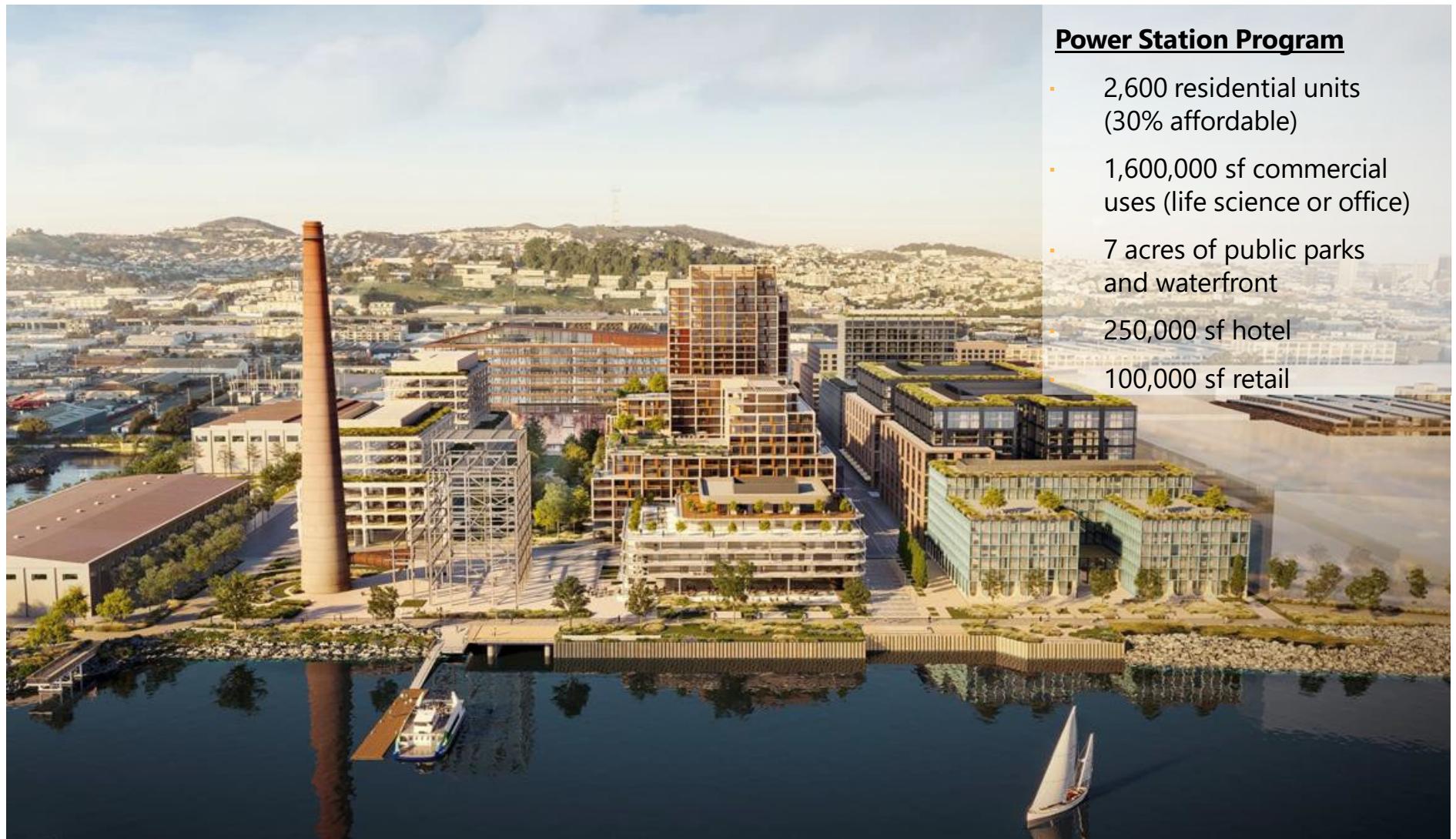
City & County of San Francisco
Controller's Office of Public Finance

Power Station EIFD Formation Milestones to Date

- April 2020 – Development Agreement for Potrero Power Station Mixed-Use Project approved by BOS
- March 2023 – Resolution of Intention to Establish EIFD No. 1 (Power Station) (“Power Station EIFD”) approved by the BOS
- June 2023 – Public Financing Authority (PFA) No. 1 formed
- July 2023 through February 2024 – 4 PFA meetings, including 2 public hearings on the Infrastructure Financing Plan (IFP)
- March 13, 2024 – Budget & Finance Committee public hearings on and consideration of:
 - Resolution Approving the Infrastructure Financing Plan and Related Documents and Actions - San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station)
 - Ordinance Approving Development Agreement Amendment - California Barrel Company, LLC - Potrero Power Station



Power Station Project



Power Station Program

- 2,600 residential units (30% affordable)
- 1,600,000 sf commercial uses (life science or office)
- 7 acres of public parks and waterfront
- 250,000 sf hotel
- 100,000 sf retail



Description of Public Facilities

- Public capital facilities or other projects (whether publicly- or privately-owned) of communitywide significance that are:
 1. Authorized by the EIFD Law
 2. Related to the development of the project known as the Potrero Power Station Project, including public capital facilities, privately-owned and publicly accessible parks and streets and privately-owned affordable housing costs

| Public Facility ¹ | Estimated Improvement Costs (\$millions) | Estimated Timing |
|------------------------------|--|------------------|
| Parks / Open Spaces | \$111.58 | 2023 – 2033 |
| Streets | 42.18 | 2023 – 2028 |
| Site Work / Shoreline | 89.49 | 2023 – 2028 |
| Utilities | 46.83 | 2023 - 2028 |
| Affordable Housing | 258.14 | 2023 - 2038 |
| Total | \$548.22 | |

1. The facilities not located within the boundaries of the EIFD have a tangible connection to the work of the EIFD, including affordable housing.



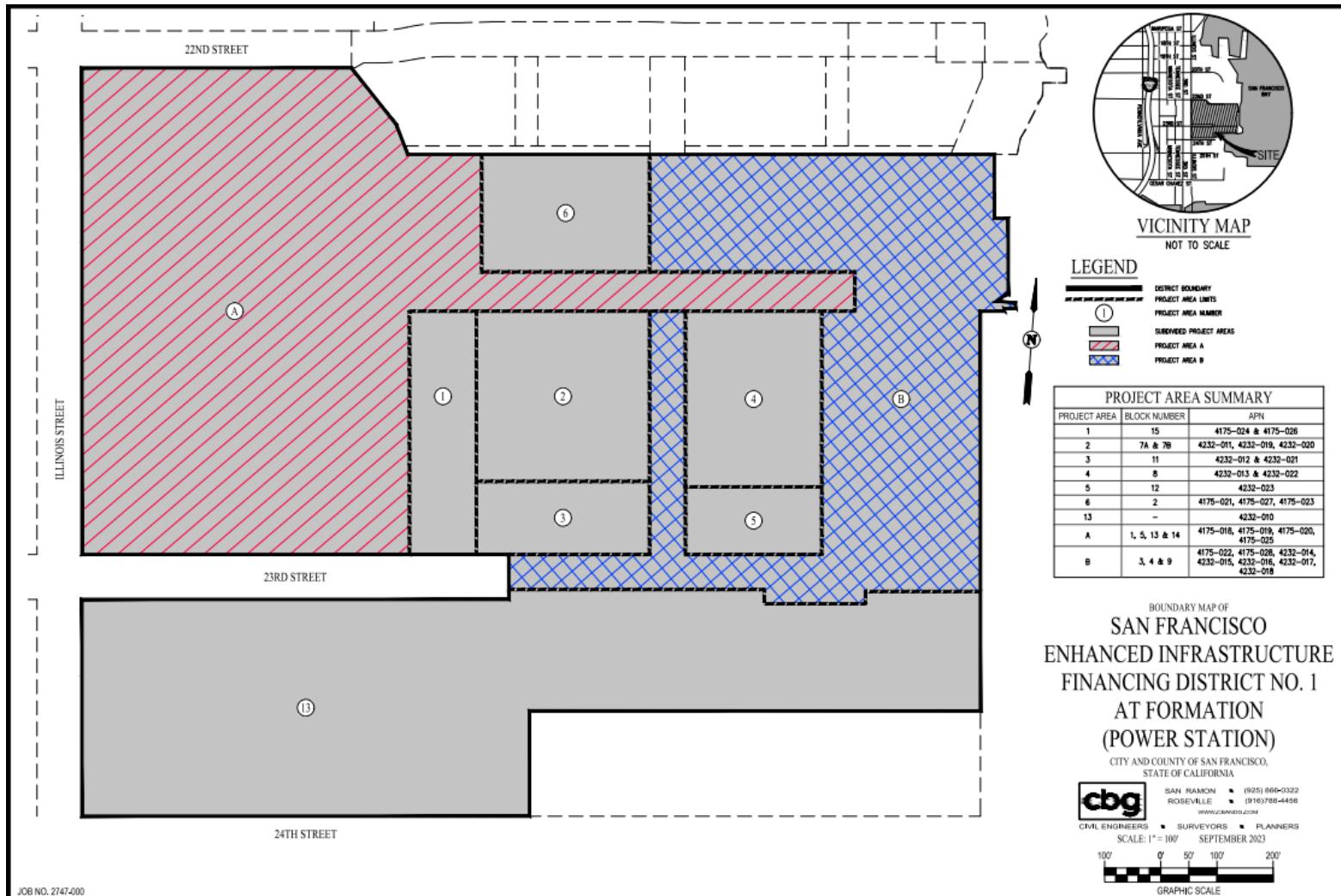
Key Elements of the Infrastructure Financing Plan

1. Map and legal description of the Power Station EIFD (including multiple project areas)
2. Proposals for public facilities and other forms of development and financial assistance to be considered within the boundaries of the Power Station EIFD
3. Finding of “communitywide significance”
4. Financing Plan, which includes:
 - a. Description of tax increment allocated to the Power Station EIFD
 - b. Projection of tax increment
 - c. Financing plan for facilities to be assisted by the Power Station EIFD
 - d. Aggregate limit on tax increment allocated to the Power Station EIFD
 - e. Time limit on tax increment allocation
 - f. Costs of providing facilities/services to the area of the Power Station EIFD and projected revenues from development in the area of the Power Station EIFD
 - g. Analysis of fiscal impact on the City of the Power Station EIFD and associated development



District Map at Formation

- At formation there will be nine project areas within the EIFD; after certain properties are subdivided, there will be 13 project areas



Tax Increment Allocation

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

| | |
|--|-----------------|
| 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% |

1. The City IFD Guidelines provide that the City can allocate 50% of total incremental property tax revenues and 50% of property tax in lieu of vehicle license fee (VLF) revenues to the EIFD. For ease of implementation, the City will allocate 58.3% of its total incremental property tax revenues, which is equal to 50% of its total incremental property tax revenues and 50% of its incremental property tax in lieu of vehicle license fee (VLF).



Projected Tax Increment and Fiscal Impact

- FY23-24 Base Year Assessed Value: **\$138.9 million**
- Maximum Aggregate Allocated Tax Revenue: **\$3.29 billion¹**
- Maximum Aggregate Conditional Tax Revenue: **\$2.36 billion¹**
- Assuming the Power Station Project achieves the sponsor's performance projections, the Project is estimated to annually generate a **\$15.1 million** net fiscal benefit to the City's General Fund at buildout



1. Nominal dollars over the life of the EIFD



Power Station EIFD Formation Next Steps

BOARD OF SUPERVISORS (BOS) & PFA ACTIONS

DATES

| | | |
|-----|--|-----------|
| BOS | Budget and Finance Committee Public Hearings and Consideration of Resolution Approving the IFP and Ordinance Amending the Development Agreement Financing Plan | March 13 |
| BOS | Board of Supervisors Consideration of Resolution Approving the IFP and Ordinance Amending the Development Agreement Financing Plan (<i>1st Reading</i>) | March 19* |
| BOS | Board of Supervisors Consideration of Ordinance Amending the Development Agreement Financing Plan (<i>2nd Reading</i>) | March 26* |
| PFA | Third Public Hearing and Consideration of Resolution Forming the EIFD and Approving the IFP & Resolution Authorizing Bond Issuance | March 28* |

*Estimated based on current schedule.



Appendix

Citywide Infrastructure Financing District Policy

- Citywide IFD guidelines established in 2011 pursuant to Board of Supervisors Resolution No. 66-11
- Interpretive Supplement to the 2011 IFD guidelines approved by Capital Planning Committee on February 27, 2023
- Formation Minimum Threshold Criteria:
 - Rezoned (Area Plan or Development Agreement) and adopted as Priority Development Area
 - Projects must maintain a net fiscal benefit to the City and can access up to 50% of annual tax increment for EIFD
 - Limit to projects that address infrastructure deficiencies
 - Require long-term maintenance commitment
 - Limits IFD debt across all IFDs such that total annual debt payments do not exceed 5% of annual property tax revenue citywide
 - Increment allocation subject to performance standard (before bonds)



Draft dated February 9, 2024
Technical update as of February 14, 2024

SAN FRANCISCO ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1 (POWER STATION)

Infrastructure Financing Plan

_____, 20__

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Exhibits

Exhibit A - Legal Description

Exhibit B - Site Map

Exhibit C - Facilities Eligible for Financing by the EIFD

Exhibit D - Projected Allocated Tax Revenue and Conditional Tax Revenue

Exhibit E -Power Station Fiscal Impact Analysis

Index of Adoption and Amendments

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. 1 (Power Station) (the "EIFD"), under Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code¹ (the "EIFD Law").

Initially, the EIFD will consist of nine project areas. Upon further subdivision of certain properties within the Subject Property (as defined below), the EIFD is expected to consist of thirteen 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 | Development Block Number | APNs at Formation ¹ | FY 2023/24 Assessed Value |
|-------------------------------------|---------------------------------|--------------------------|--|---------------------------|
| Project Area 1 | Project Area 1 | 15 | 4175-024, 4175-026 | \$17,327,367 |
| Project Area 2 | Project Area 2 | 7A & 7B | 4232-011, 4232-019, 4232-020 | \$12,051,184 |
| Project Area 3 | Project Area 3 | 11 | 4232-012, 4232-021 | \$8,230,498 |
| Project Area 4 | Project Area 4 | 8 | 4232-013, 4232-022 | \$9,854,940 |
| Project Area 5 | Project Area 5 | 12 | 4232-023 | \$6,497,763 |
| Project Area 6 | Project Area 6 | 2 | 4175-023, 4175-027, 4175-021 | \$15,161,446 |
| | Project Area 7 | 5 | 4175-019 (66%), 4175-020, 4175-025 | |
| Project Area A | Project Area 8 | 1 & 14 | 4175-018 ² (12%), 4175-019 (32%) | \$40,490,619 |
| | Project Area 12 | 13 | 4175-018 ² (88%), 4175-019 (2%) | |
| Project Area B | Project Area 9 | 3 | 4175-022, 4175-028 (28%) | |
| | Project Area 10 | 4 | 4175-028 (18%) | \$23,048,237 |
| | Project Area 11 | 9 | 4175-028 (54%), 4232-014, 4232-015, 4232-016, 4232-017, 4232-018 | |
| Project Area 13 | Project Area 13 | NA | 4232-010 | \$6,248,879 |
| Total EIFD | | | | \$138,910,933 |

¹ The allocation of APN FY 2023/24 assessed values among the future Project Areas is proportionate to the distribution of land area of each APN among the Project Areas.

² Parcel is currently owned by PG&E. California Barrel Company, LLC has determined that the property is 8.64 acres. The property's assessed land value is \$18,485,500. It has been determined that the property's improvement value is equal to its land value. A land and improvement value totaling \$36,971,000 will be recognized as the 2023/24 equalized value of APN 4175-018.

The PFA is not aware of any immediate plans to develop the Weidenmuller Property (as defined below) (Project Area 13). A portion of the PG&E Sub-Area (as defined below) was recently re-zoned to accommodate the development of market rate and/or affordable housing, but only if the owner of all or a portion of the PG&E Sub-Area joins the Development Agreement.

¹ Unless otherwise indicated, all statutory references are to the California Government Code.

The Developer (as defined herein) is building infrastructure that benefits not only the Potrero Power Station Project (as defined herein) parcels but also the Weidenmuller Parcel and the PG&E Sub-Area. The City has determined that including the Weidenmuller Property and the PG&E Sub-Area in the EIFD is compliant with the Final Board of Supervisors Guidelines for the Establishment and Use of Infrastructure Financing Districts in San Francisco, adopted by the Board of Supervisors by Resolution No. 66-11 on February 8, 2011 (File No. 110036) and an interpretive supplement of such Guidelines adopted by the Capital Planning Committee on February 27, 2023 (collectively, the "City IFD Guidelines").

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, described on Exhibit C hereto (collectively, the "Facilities") in connection with the Potrero Power Station project (the "Potrero Power Station Project"). The Potrero Power Station Project is described in Section B below. The Potrero Power Station Project is being developed by California Barrel Company LLC, a Delaware limited liability company (together with its successors and permitted assigns, the "Developer").

The EIFD's financing purpose will be further documented in an Acquisition and Financing Agreement among the City, the Developer, and the EIFD (the "Acquisition and Financing Agreement") to be executed simultaneously with the formation of the EIFD.

The purpose of the Project Areas is to establish a separate 45-year time period for the allocation of certain property tax revenues to the EIFD for each Project Area. 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 (the "City") in its Resolution No. 133-23, adopted on March 21, 2023, and approved by the Mayor on March 28, 2023 (the "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 Allocated Tax Revenue 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 Potrero Power Station Project does not qualify for the Transit Priority Project Program pursuant to 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.

A. LEGAL DESCRIPTION AND MAP

1. ***General Description of Property in the EIFD.*** California Barrel Company LLC, a Delaware limited liability company (previously defined as the "Developer"), or its affiliates own approximately 21.0 acres of developed and undeveloped land located in the City, generally bound by 22nd Street to the north, the San Francisco Bay to the east, 23rd Street to the south and Illinois Street to the west (the "Developer Property").

Pacific Gas & Electric Company, a California corporation ("PG&E"), owns approximately 8.8 acres of land located in the City that is adjacent to the Developer Property (the "PG&E Sub-Area"), 4.8 acres of which were recently re-zoned to accommodate the development of market rate and/or affordable housing, provided the owner joins the Development Agreement.

Harrigan, Weidenmuller Co. owns approximately 10.9 acres of land to the south of the Developer Property that are improved with warehouses and ancillary improvements (the "Weidenmuller Property").

The Developer Property, the PG&E Sub-Area, and the Weidenmuller Property 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 Boundaries - New Project Areas.*** The PFA has determined that (1) at formation there are nine identified Project Areas, (2) following the formation of the EIFD and adoption of this IFP, the Developer intends from time to time to subdivide the legal parcels constituting Project Area A and Project Area B, (3) following one or more subdivisions of the legal parcels constituting Project Area A, Project Areas 7, 8, and 12 will be created and ultimately replace Project Area A, (4) following one or more subdivisions of the legal parcels constituting Project Area B, Project Areas 9, 10, and 11 will be created and ultimately replace Project Area B, and (5) as a result of the subdivisions of the legal parcels constituting Project Area A and Project Area B and the creation, from time to time, of additional Project Areas, there will ultimately be 13 Project Areas within the EIFD.

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.

The creation of each new Project Area and the corresponding replacement of a part of Project Area B shall occur automatically upon (1) subdivision of the legal parcels constituting Project Area B that creates the new Project Area and (2) the assignment of tax rate areas to the development parcels comprising 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 or Project Area B 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. 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, (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 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 13 Project Areas following subdivision of Project Area A and Project Area B:

Table 2. Detailed Project Areas and Base Year Assessed Values, by Project Area

| At Formation of EIFD, Pre-Subdivision | | | Post Subdivision ¹ | | | | |
|---------------------------------------|-------------------------------------|---------------------------|---------------------------------|---|---------------------------|----------------------------------|--------------|
| Project Areas, at Formation of EIFD | Assessor Parcel Numbers, FY 2023/24 | FY 2023/24 Assessed Value | Project Areas, Post Subdivision | Share of Assessor Parcel Value/ Sq. Ft., FY 2023/24 | FY 2023/24 Assessed Value | Est. Project Area Formation Year | Block Number |
| 1 | 4175-024 | \$0 | 1 | Unchanged | \$17,327,367 | 2023/24 | 15 |
| | 4175-026 | \$17,327,367 | 2 | Unchanged | \$12,051,184 | 2023/24 | 7A & 7B |
| | <i>Subtotal, 1</i> | <i>\$17,327,367</i> | <i>3</i> | Unchanged | \$8,230,498 | 2023/24 | 11 |
| 2 | 4232-011 | \$0 | 4 | Unchanged | \$9,854,940 | 2023/24 | 8 |
| | 4232-019 | \$10,643,335 | 5 | Unchanged | \$6,497,763 | 2023/24 | 12 |
| | 4232-020 | \$1,407,849 | 6 | Unchanged | \$15,161,446 | 2023/24 | 2 |
| | <i>Subtotal, 2</i> | <i>\$12,051,184</i> | Futr. 7 (from A) | 4175-019 (66%) | \$2,306,347 | 2024/25 | 5 |
| 3 | 4232-012 | \$0 | | 4175-020 (100%) | \$0 | | |
| | 4232-021 | \$8,230,498 | | 4175-025 (100%) | \$0 | | |
| | <i>Subtotal, 3</i> | <i>\$8,230,498</i> | | <i>Subtotal, 7</i> | <i>\$2,306,347</i> | | |
| 4 | 4232-013 | \$0 | Futr. 8 (from A) | 4175-018 (12%) | \$4,544,085 | 2024/25 | 1 & 14 |
| | 4232-022 | \$9,854,940 | | 4175-019 (32%) | \$1,136,477 | | |
| | <i>Subtotal, 4</i> | <i>\$9,854,940</i> | | <i>Subtotal, 8</i> | <i>\$5,680,561</i> | | |
| 5 | 4232-023 | \$6,497,763 | Futr. 9 (from B) | 4175-022 (100%) | \$0 | 2025/26 | 3 |
| 6 | 4175-023 | \$0 | | 4175-028 (28%) | \$6,345,497 | | |
| | 4175-027 | \$15,161,446 | | <i>Subtotal, 9</i> | <i>\$6,345,497</i> | | |
| | 4175-021 | \$0 | Futr. 10 (from B) | 4175-028 (18%) | \$4,216,136 | 2025/26 | 4 |
| | <i>Subtotal, 6</i> | <i>\$15,161,446</i> | Futr. 11 (from B) | 4175-028 (54%) | \$12,486,604 | 2025/26 | 9 |
| 13 | 4232-010 | \$6,248,879 | | 4232-014 (100%) | \$0 | | |
| A | 4175-018 | \$36,971,000 ² | | 4232-015 (100%) | \$0 | | |
| | 4175-019 | \$3,519,619 | | 4232-016 (100%) | \$0 | | |
| | 4175-020 | \$0 | | 4232-017 (100%) | \$0 | | |
| | 4175-025 | \$0 | | 4232-018 (100%) | \$0 | | |
| | <i>Subtotal, A</i> | <i>\$40,490,619</i> | | <i>Subtotal, 11</i> | <i>\$12,486,604</i> | | |
| B | 4175-022 | \$0 | Futr. 12 (from A) | 4175-018 (88%) | \$32,426,915 | 2024/25 | 13 |
| | 4175-028 | \$23,048,237 | | 4175-019 (2%) | \$76,795 | | |
| | 4232-014 | \$0 | | <i>Subtotal, 12</i> | <i>\$32,503,710</i> | | |
| | 4232-015 | \$0 | 13 | Unchanged | \$6,248,879 | 2023/24 | NA |
| | 4232-016 | \$0 | | | | | |
| | 4232-017 | \$0 | | | | | |
| | 4232-018 | \$0 | | | | | |
| | <i>Subtotal, B</i> | <i>\$23,048,237</i> | | | | | |
| Total | | \$138,910,933 | Total | | \$138,910,933 | | |

¹ The allocation of APN FY 2023/24 assessed values among the future Project Areas is proportionate to the distribution of land area of each APN among the Project Areas.

² Parcel is currently owned by PG&E. California Barrel Company, LLC has determined that the property is 8.64 acres. The property's assessed land value is \$18,485,500. It has been determined that the property's improvement value is equal to its land value. A land and improvement value totaling \$36,971,000 will be recognized as the 2023/24 equalized value of APN 4175-018.

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 Law) 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 tax increment bonds (the "Bonds") 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.

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 defined herein) as described in this IFP.

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

(a) Potrero Power Station Project.

Description of the Potrero Power Station Project. The Developer Property and, if the owner elects to join the Development Agreement, a portion of the PG&E Sub-Area is expected to be developed with the Potrero Power Station Project, which is summarized in Table 3 below.

Table 3. Anticipated Development Program – San Francisco EIFD No. 1 (Power Station)

| | Building Area (Square Feet) | Units/Hotel/Pkg. Spaces | Anticipated Construction Period |
|--|--|------------------------------------|--|
| Commercial Uses | | | |
| Office | 453,967 | - | 2030-2032 |
| R&D | 1,045,999 | - | 2024-2035 |
| Retail | 108,028 | - | 2025-2036 |
| PDR ¹ | 133,144 | - | 2027-2029 |
| Hotel | 200,000 | 200 | 2033-2037 |
| Commercial Subtotal | 1,941,138 | - | - |
| Parking² | 854,724 | 2,332 | - |
| Community Facilities | 33,645 | - | 2026-2037 |
| Total, Non Residential | 2,829,507 | | |
| Residential Uses | | | |
| Market-Rate For Sale ³ | | 551 | 2029-2034 |
| Market-Rate Rental ³ | | 1,326 | 2024-2038 |
| Affordable Rental, Inclusionary Units | | 260 | 2024-2038 |
| Affordable Rental, Stand- alone Units | | 178 | 2024-2028 |
| Residential Subtotal | | 2,315 | - |

¹ Includes 118,000 square feet of existing building area.

² Includes 86,800 square feet of existing parking area.

³ The anticipated development program includes a total of 1,877 new market rate residential units. 258 of these market rate units are permitted by the Developer paying a fee in-lieu of providing 258 on-site affordable units.

Table 4 below summarizes the proposed Potrero Power Station Project by Project Area (after subdivision of Project Area A and Project Area B).

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

| Project Area | Commercial Development | | Market Rate Residential ¹ | | Affordable Residential | | Public Facilities | Anticipated Construction Period |
|--------------|------------------------|------------------|--------------------------------------|--------------|------------------------|---------------|-------------------|---------------------------------|
| | Type | Sq. ft. | Type | Units | Type | Units | | |
| #1 | Office | 453,967 | - | - | - | - | - | 2030-2032 |
| #2 | Retail | 10,883 | For Sale | 383 | For Rent | 98 | 4,545 | 2024-2032 |
| #3 | R&D, Retail, PDR | 205,769 | - | - | - | - | - | 2026-2028 |
| #4 | Retail | 11,901 | For Rent | 372 | - | - | 4,100 | 2027-2029 |
| #5 | R&D, Retail, PDR | 171,289 | - | - | - | - | - | 2024-2026 |
| #6 | R&D, Retail | 358,703 | - | - | - | - | - | 2026-2029 |
| #7 | Retail | 20,390 | For Rent | 258 | For Rent | 44 | - | 2028-2031 |
| #8 | Retail | 11,907 | For Rent | 346 | For Rent | 146 | - | 2026-2028 |
| #9 | R&D, Retail | 358,703 | - | - | - | - | - | 2033-2035 |
| #10 | Retail | 7,757 | For Sale | 168 | - | - | - | 2032-2034 |
| #11 | Retail, Hotel | 205,000 | - | - | - | - | - | 2033-2037 |
| #12 | Retail | 6,869 | For Rent | 350 | For Rent | 150 | 25,000 | 2035-2038 |
| #13 | PDR | 118,000 | - | - | - | - | - | 2027-2029 |
| Total | | 1,941,138 | | 1,877 | 438 | 33,645 | | |

¹ 258 of the project's market rate residential units are permitted by the Developer paying a fee in-lieu of providing 258 on-site affordable units.

THE TYPE OF DEVELOPMENT AND THE NUMBER OF RESIDENTIAL UNITS AND SQUARE FOOTAGE OF RETAIL/COMMERCIAL SPACE SET FORTH IN TABLES 2 AND 3 ARE BASED ON CURRENT PROJECTIONS PROVIDED BY THE DEVELOPER; ACTUAL DEVELOPMENT MAY, AND WILL LIKELY, VARY. NOTHING IN THIS IFP SHALL LIMIT THE ABILITY OF THE DEVELOPER TO REVISE THE SCOPE AND TIMING OF THE POTRERO POWER STATION PROJECT, AND ANY CHANGE IN THE NATURE OF THE POTRERO POWER STATION PROJECT WILL NOT REQUIRE AN AMENDMENT OF THIS IFP.

Development Agreement and Financing Plan. The Developer and the City executed the Development Agreement for the Potrero Power Station Project, dated as of September 22, 2020 and recorded in the Official Records on October 2, 2020 as Document No. 2020025312 (as it may be further amended from time to time, "Development Agreement"). The Development Agreement was corrected by that certain Correction to Development Agreement, dated as of September 30, 2021 and recorded in the Official Records on

October 13, 2021 as Document No. 2021157025, and modified by that certain first Memorandum of Minor Modification of Development Agreement, dated as of June 20, 2023, as Document No. 2023044096 and by that certain second Memorandum of Minor Modification of Development Agreement, dated as of June 20, 2023, as Document No. 2023044102.

In connection with establishing the EIFD, the Developer and the City are amending the Development Agreement, including an amendment and restatement of the Financing Plan that is Exhibit C to the Development Agreement (herein, the "Development Agreement Financing Plan"). As amended, 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 Acquisition and Financing Agreement described below. The Development Agreement, as amended in connection with establishing the EIFD, will be recorded in the Official Records.

Certain terms used in this IFP but not defined herein have the meanings given to them in the Development Agreement Financing Plan.

Acquisition and Financing Agreement. Upon formation of the EIFD, the City, the EIFD, and the Developer will enter into an Acquisition and Financing Agreement. The Acquisition and Financing Agreement will describe (1) the conditions under which the City will acquire Acquisition Facilities (as defined in the Acquisition and Financing Agreement) or reimburse the Actual Costs (as defined in the Acquisition and Financing Agreement) of the Developer for construction of the Privately-Owned Facilities (as defined in the Acquisition and Financing Agreement), (2) the circumstances in which the EIFD may finance Privately-Owned Facilities at the request of the Developer, including issuing Bonds to finance construction of Privately-Owned Facilities constructed by parties other than the Developer and (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. The Acquisition Facilities and Privately-Owned Facilities are the Facilities referenced in this IFP and described in Exhibit C hereto.

Total Cost of the Potrero Power Station Project and Related Improvements. The Developer of the Potrero Power Station Project estimates that the total cost of the Potrero Power Station Project will be approximately \$3.9 billion (2023 dollars), of which nearly \$3.35 billion (2023 dollars) is estimated to be attributable to development of the private elements of the project not being financed by the EIFD (the "Privately-Financed Elements"). The Privately-Financed Elements will be paid, or caused to be paid, by the Developer of the Potrero Power Station Project without assistance from the EIFD. The following elements of the Potrero Power Station Project constitute Facilities that are eligible for financing by the EIFD:

- Acquisition Facilities, which are expected to cost approximately \$178.5 million (2023 dollars)
- Privately-Owned Facilities, including:
 - Privately-owned parks and streets that will be open to the public, which are expected to cost approximately \$111.6 million (2023 dollars)

- Privately-owned affordable housing units, which are expected to cost approximately \$258.1 million (2023 dollars)

(b) **PG&E Sub-Area.**

A portion of the PG&E Sub-Area was recently re-zoned to accommodate the development of market rate and/or affordable housing, but only if the owner of that portion of the PG&E Sub-Area joins the Development Agreement. See Tables 3 and 4.

(c) **Weidenmuller Property.**

The Weidenmuller Property is currently improved with approximately 118,000 square feet of industrial and warehouse space and 217 parking spaces; the referred to improvements are included in Table 3. The PFA is not currently aware of any proposed new or additional development of the Weidenmuller Property.

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 Developer are described in Appendix 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 will be restricted by recorded covenants or restrictions to occupancy 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 other forms of public finance, including special tax financing by City and County of San Francisco Special Tax District No. 2022-1 (Power Station) (“CFD”), which was established by the City for the Potrero Power Station Project), the costs of the Facilities will be borne by the Developer, 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 Potrero Power Station Project 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 Developer, either directly, indirectly, or through payment of in-lieu fees, subject to City approval. Affordable housing financed with in-lieu fees will not necessarily be built within the EIFD boundaries.

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 \$548 million (estimated in 2023 dollars) in Actual Costs of Facilities, including public capital facilities (estimated to be approximately \$178.5 million in 2023 dollars), privately-owned parks and streets (estimated to be approximately \$111.6 million in 2023 dollars), and privately-owned affordable housing costs (estimated to be approximately \$258.1 million in 2023 dollars).

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

| Public Facility | Estimated Improvement Costs (\$millions) * | Estimated Timing | Location |
|-----------------------|--|------------------|----------------------|
| Parks / Open Spaces | \$111.58 | 2023 - 2033 | Sitewide and Offsite |
| Streets | \$42.18 | 2023 - 2028 | Sitewide and Offsite |
| Site Work / Shoreline | \$89.49 | 2023 - 2028 | Sitewide and Offsite |
| Utilities | \$46.83 | 2023 - 2028 | Sitewide and Offsite |
| Affordable Housing | \$258.14 | 2023 - 2038 | Sitewide and Offsite |
| Total | \$548.22 | | |

The obligation to provide financing for the Facilities to the extent that Allocated Tax Revenue is available as set forth in the 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 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 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 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 Potrero Power Station Project, which the City has determined 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, intended to constitute thirty percent (30%)² of the total number of housing units to be constructed within the EIFD; (ii) workforce obligations, including significant training, employment, and economic development opportunities, related to the development and operation of the Potrero Power Station Project; (iii) construction and maintenance of publicly accessible open space, totaling approximately 6.9 acres, including a series of contiguous, integrated parks, plazas, and green spaces, a publicly-accessible soccer field, and extension of the Blue Greenway and Bay Trail; (iv) delivery of child care spaces; (v) one or more community facilities; (vi) sea level rise improvements; and (vii) measures to prioritize and promote travel by walking, biking, and transit for new residents, tenants, employees, and visitors, all as set forth in greater detail in the 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 In addition to providing on-site affordable units that comprise 19% of total on-site units, the Potrero Power Station Project will provide in-lieu fees for the construction of additional affordable units, resulting in a total affordable housing contribution equivalent to 30% of the project's units. Affordable housing financed with in-lieu fees will not necessarily be built within the EIFD boundaries.

(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 \$100,000 in 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 2023-24), 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 time 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 coverage on the EIFD Bonds, (ii) pay debt service on Bonds, and (iii) replenish debt service reserve funds for such Bonds 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.*

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.³

"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 adopted pursuant to Section 53398.69 to create the EIFD. The Base Year for each of the 13 Project

³ For the benefit of eligible development projects, like the Power Station Project, 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.

Areas is fiscal year 2023-24. 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 7, 8, and 12 as shown in Table 2. Upon subdivision of the parcels constituting Project Area B and the creation of new Project Areas as described in Section A.4, the Base Year assessed value for Project Area B will be allocated to each of newly-created Project Areas 9, 10, and 11 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 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 | 1.0000% |
| 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

| | <i>Amount Available</i> | <i>Allocated Tax Revenue</i> | <i>Conditional Tax Revenue</i> |
|--|-------------------------|------------------------------|--------------------------------|
| 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 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.

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. Prior to each issuance of Bonds by the EIFD, an authorized representative of the City shall certify in writing that the proceeds of the proposed Bonds will be used for authorized purposes under the EIFD Law and this IFP, which certificate shall represent a determination by the City that the proceeds of the Bonds are being used for authorized purposes under the EIFD Law and this IFP

and that the allocation of Allocated Tax Revenue for the purpose of paying debt service on such Bonds or replenishing a debt service reserve fund for such Bonds shall be irrevocable.

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. Subject to the final sentence of this paragraph, 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. Prior to each issuance of Bonds by the EIFD, an authorized representative of the City shall certify in writing that the proceeds of the proposed Bonds will be used for authorized purposes under the EIFD Law and this IFP, which certificate shall represent a determination by the City that the proceeds of the Bonds are being used for authorized purposes under the EIFD Law and this IFP and that the allocation of Conditional Tax Revenue for the purpose of paying debt service on such Bonds or replenishing a debt service reserve fund for such Bonds shall be irrevocable.

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 1, 2, 3, 4, 5, 6, or 13 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,

(ii) the Commencement Date for Project Areas 7, 8, or 12 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 7, 8, or 12 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, and

(iii) the Commencement Date for Project Areas 9, 10, or 11 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 B has been subdivided and, as applicable, Project Area 9, 10, or 11 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 7, 8, and 12 may be created at different times as Project Area A is subdivided from time to time; likewise, Project Areas 9, 10, and 11 may be created at different times as Project Area B 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 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 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 by the EIFD. 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 Developer 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 Director of the Controller’s Office of Public Finance written confirmation to the Developer 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 Developer 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 Developer 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.

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, pay debt service on Bonds issued by the EIFD and replenish debt service reserve funds for such Bonds to the

extent that Allocated Tax Revenue is not available to pay debt service or replenish debt service reserve funds.

(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 Appendix D.

The Allocated Tax Revenue is projected to total approximately \$1.64 billion across all Project Areas over the 45-year term of each Project Area.

The Conditional Tax Revenue is projected to total approximately \$1.18 billion 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 | | | | | | | | |
|---|-------------|--|--|---|--|--|--|---|
| IFD 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 = \$150,000 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 |
| | 2024/25 | \$2,000 | \$20 | \$13 | \$0 | \$0 | \$0 | \$0 |
| | 2025/26 | \$5,327 | \$53 | \$34 | \$0 | \$0 | \$0 | \$0 |
| 1 | 2026/27 | \$62,426 | \$624 | \$403 | \$197 | \$164 | \$33 | \$141 |
| 2 | 2027/28 | \$300,698 | \$3,007 | \$1,942 | \$1,082 | \$169 | \$913 | \$776 |
| 3 | 2028/29 | \$448,838 | \$4,488 | \$2,899 | \$1,633 | \$174 | \$1,460 | \$1,171 |
| 4 | 2029/30 | \$1,302,541 | \$13,025 | \$8,413 | \$4,771 | \$179 | \$4,591 | \$3,419 |
| 5 | 2030/31 | \$2,379,715 | \$23,797 | \$15,370 | \$8,894 | \$184 | \$8,710 | \$6,374 |
| 6 | 2031/32 | \$2,477,910 | \$24,779 | \$16,004 | \$9,257 | \$190 | \$9,067 | \$6,634 |
| 7 | 2032/33 | \$2,997,044 | \$29,970 | \$19,357 | \$11,235 | \$196 | \$11,040 | \$8,052 |
| 8 | 2033/34 | \$4,307,571 | \$43,076 | \$27,822 | \$16,161 | \$202 | \$15,960 | \$11,582 |
| 9 | 2034/35 | \$4,459,656 | \$44,597 | \$28,804 | \$16,732 | \$208 | \$16,524 | \$11,991 |
| 10 | 2035/36 | \$4,960,569 | \$49,606 | \$32,039 | \$18,618 | \$214 | \$18,404 | \$13,343 |
| 11 | 2036/37 | \$5,728,488 | \$57,285 | \$36,999 | \$21,503 | \$220 | \$21,283 | \$15,411 |
| 12 | 2037/38 | \$5,917,611 | \$59,176 | \$38,221 | \$22,225 | \$227 | \$21,999 | \$15,928 |
| 13 | 2038/39 | \$6,429,316 | \$64,293 | \$41,526 | \$24,190 | \$234 | \$23,956 | \$17,336 |
| 14 | 2039/40 | \$7,012,149 | \$70,121 | \$45,290 | \$26,383 | \$241 | \$26,142 | \$18,908 |
| 15 | 2040/41 | \$7,166,458 | \$71,665 | \$46,287 | \$26,963 | \$248 | \$26,715 | \$19,324 |
| 16 | 2041/42 | \$7,324,098 | \$73,241 | \$47,305 | \$27,556 | \$255 | \$27,301 | \$19,749 |
| 17 | 2042/43 | \$7,485,143 | \$74,851 | \$48,345 | \$28,162 | \$263 | \$27,899 | \$20,183 |
| 18 | 2043/44 | \$7,649,665 | \$76,497 | \$49,408 | \$28,781 | \$271 | \$28,510 | \$20,627 |
| 19 | 2044/45 | \$7,817,740 | \$78,177 | \$50,493 | \$29,414 | \$279 | \$29,135 | \$21,080 |
| 20 | 2045/46 | \$7,989,445 | \$79,894 | \$51,602 | \$30,060 | \$287 | \$29,772 | \$21,543 |
| 21 | 2046/47 | \$8,164,857 | \$81,649 | \$52,735 | \$30,720 | \$296 | \$30,424 | \$22,016 |
| 22 | 2047/48 | \$8,344,057 | \$83,441 | \$53,893 | \$31,394 | \$305 | \$31,089 | \$22,499 |
| 23 | 2048/49 | \$8,527,127 | \$85,271 | \$55,075 | \$32,083 | \$314 | \$31,769 | \$22,993 |
| 24 | 2049/50 | \$8,714,151 | \$87,142 | \$56,283 | \$32,786 | \$323 | \$32,463 | \$23,497 |
| 25 | 2050/51 | \$8,905,213 | \$89,052 | \$57,517 | \$33,505 | \$333 | \$33,172 | \$24,012 |
| 26 | 2051/52 | \$9,100,402 | \$91,004 | \$58,778 | \$34,240 | \$343 | \$33,896 | \$24,538 |
| 27 | 2052/53 | \$9,299,806 | \$92,998 | \$60,066 | \$34,990 | \$353 | \$34,636 | \$25,076 |
| 28 | 2053/54 | \$9,503,517 | \$95,035 | \$61,382 | \$35,756 | \$364 | \$35,392 | \$25,625 |
| 29 | 2054/55 | \$9,711,627 | \$97,116 | \$62,726 | \$36,539 | \$375 | \$36,164 | \$26,186 |
| 30 | 2055/56 | \$9,924,232 | \$99,242 | \$64,099 | \$37,339 | \$386 | \$36,953 | \$26,760 |
| 31 | 2056/57 | \$10,141,429 | \$101,414 | \$65,502 | \$38,156 | \$398 | \$37,758 | \$27,345 |
| 32 | 2057/58 | \$10,363,317 | \$103,633 | \$66,935 | \$38,991 | \$410 | \$38,581 | \$27,944 |
| 33 | 2058/59 | \$10,589,997 | \$105,900 | \$68,399 | \$39,844 | \$422 | \$39,422 | \$28,555 |
| 34 | 2059/60 | \$10,821,573 | \$108,216 | \$69,895 | \$40,715 | \$435 | \$40,281 | \$29,179 |
| 35 | 2060/61 | \$11,058,151 | \$110,582 | \$71,423 | \$41,605 | \$448 | \$41,158 | \$29,817 |
| 36 | 2061/62 | \$11,299,839 | \$112,998 | \$72,984 | \$42,515 | \$461 | \$42,054 | \$30,469 |
| 37 | 2062/63 | \$11,546,747 | \$115,467 | \$74,578 | \$43,444 | \$475 | \$42,969 | \$31,135 |
| 38 | 2063/64 | \$11,798,989 | \$117,990 | \$76,208 | \$44,393 | \$489 | \$43,903 | \$31,815 |
| 39 | 2064/65 | \$12,056,679 | \$120,567 | \$77,872 | \$45,362 | \$504 | \$44,858 | \$32,510 |
| 40 | 2065/66 | \$12,319,936 | \$123,199 | \$79,572 | \$46,353 | \$519 | \$45,834 | \$33,219 |
| 41 | 2066/67 | \$12,588,879 | \$125,889 | \$81,309 | \$47,365 | \$535 | \$46,830 | \$33,945 |
| 42 | 2067/68 | \$12,863,632 | \$128,636 | \$83,084 | \$48,398 | \$551 | \$47,848 | \$34,686 |
| 43 | 2068/69 | \$13,144,319 | \$131,443 | \$84,897 | \$49,454 | \$567 | \$48,887 | \$35,442 |
| 44 | 2069/70 | \$13,431,071 | \$134,311 | \$86,749 | \$50,533 | \$584 | \$49,949 | \$36,216 |
| 45 | 2070/71 | \$13,724,016 | \$137,240 | \$88,641 | \$51,636 | \$602 | \$51,034 | \$37,005 |
| 46 | 2071/72 | \$11,569,852 | \$115,699 | \$74,728 | \$43,531 | \$620 | \$42,911 | \$31,197 |
| 47 | 2072/73 | \$11,820,266 | \$118,203 | \$76,345 | \$44,473 | \$638 | \$43,834 | \$31,872 |
| 48 | 2073/74 | \$10,138,549 | \$101,385 | \$65,483 | \$38,145 | \$658 | \$37,488 | \$27,338 |
| 49 | 2074/75 | \$7,399,562 | \$73,996 | \$47,792 | \$27,840 | \$677 | \$27,163 | \$19,952 |
| 50 | 2075/76 | \$7,213,846 | \$72,138 | \$46,593 | \$27,142 | \$698 | \$26,444 | \$19,451 |
| 51 | 2076/77 | \$6,775,983 | \$67,760 | \$43,765 | \$25,494 | \$719 | \$24,776 | \$18,271 |
| 52 | 2077/78 | \$4,834,834 | \$48,348 | \$31,227 | \$18,191 | \$740 | \$17,451 | \$13,037 |
| 53 | 2078/79 | \$4,940,333 | \$49,403 | \$31,909 | \$18,588 | \$762 | \$17,825 | \$13,321 |
| 54 | 2079/80 | \$4,223,329 | \$42,233 | \$27,278 | \$15,890 | \$785 | \$15,105 | \$11,388 |
| 55 | 2080/81 | \$2,228,836 | \$22,288 | \$14,396 | \$8,386 | \$809 | \$7,577 | \$6,010 |
| 56 | 2081/82 | \$2,277,344 | \$22,773 | \$14,709 | \$8,568 | \$833 | \$7,735 | \$6,141 |
| 57 | 2082/83 | \$1,341,131 | \$13,411 | \$8,662 | \$5,046 | \$858 | \$4,188 | \$3,616 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | | | \$4,369,318 | \$2,822,064 | \$1,643,228 | \$23,994 | \$1,619,233 | \$1,177,647 |

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 Developer of the Potrero Power Station Project;
- 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 bonds and other debt issued by the City for the CFD;
- proceeds of special taxes levied by the City on the taxable property in the CFD;
- 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.

The EIFD shall consider the issuance of Bonds only upon the written request of the Developer and if the EIFD has received a copy of a Board of Supervisors resolution approving such Bonds. The Bonds will have a 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 issuing Bonds, the EIFD shall comply with the provisions of the Acquisition and Financing Agreement, including consulting with the City's Office of Public Finance as to the timing, parameters, and terms of any Bonds.

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 Developer's request, to pay directly or reimburse the Developer for the Actual Costs of Facilities.

(iv) *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 \$3.29 billion, which reflects a contingency factor of 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. 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 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 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 \$2.36 billion, which reflects a contingency factor

of 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 Appendix D.

(e) **Termination Date**

Each Project Area will have a unique date (the "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 the 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 Potrero Power Station Project 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 Potrero Power Station Project does 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.

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 Development Agreement and the Financing Plan.*

The provisions of the Development Agreement, the Development Agreement Financing Plan and the 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 Development Agreement, the Development Agreement Financing Plan and the Acquisition and Financing Agreement shall not require an amendment of this IFP. Nothing in this IFP shall prevent any amendment to the Development Agreement, the Development Agreement Financing Plan and the Acquisition and Financing Agreement.

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

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 and Project Area B.

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 Developer.*

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 Developer.

H. DEFAULTS AND REMEDIES

In the event that the EIFD defaults under its obligations under the Acquisition and Financing Agreement, and an Event of Default (as defined in the Acquisition and Financing Agreement) occurs, the City and the Developer may exercise all legal and equitable remedies available, including but not limited to, filing proceedings to compel injunctive relief or specific performance of the IFP and the Acquisition and Financing Agreement; provided however, the City, the Developer 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 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 Acquisition and Financing Agreement, will cause irreparable harm to the Developer that

cannot be fully compensated by monetary damages and shall entitle the Developer 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 Acquisition and Financing Agreement.

Due to the unique nature of the IFP and the Potrero Power Station Project and because time is of the essence in the performance of obligations under the IFP, the City and the EIFD have waived in the 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 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 Acquisition and Financing Agreement, the rights and remedies of the parties to the 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 Acquisition and Financing Agreement for the same breach by the applicable party. In addition, the remedies provided in the Acquisition and Financing Agreement regarding the enforcement of the IFP do not limit the remedies provided in other Potrero Power Station Project agreements (such as the Development Agreement).

Exhibit A - Legal Description

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 1

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot 6 and Lot Z, as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 1.18 acres of land, more or less.

APNs 4175-026 and -024

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 2

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot 7, Lot 10, and Lot X, as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 2.14 acres of land, more or less.

APNs 4232-019, -020, and -011

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 3

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot 11, and Lot Y, as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 0.92 acres of land, more or less.

APNs 4232-021, and -012

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 4

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot 8, and Lot AC, as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 1.74 acres of land, more or less.

APNs 4232-022, and -013

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 5

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot 12, as said Lot is shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 0.67 acres of land, more or less.

APN 4232-023

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 6

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot 2, Lot G (Louisiana Street) and Lot S (Craig Lane) as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 1.43 acres of land, more or less.

APN 4175-027, -021, and -023

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA A

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot A (Humboldt Street), Lot F (Georgia Lane), and Lot AA, as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco, and all of that certain parcel of land described in that certain grant deed recorded January 14, 2016, as Document Number 2016-K187756 of Official Records, in said Office of the Recorder of the City and County of San Francisco.

Containing 13.33 acres of land, more or less.

APNs 4175-025, -020, -019, and -018

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA B

Real property, situate in the City and County of San Francisco, State of California, described as follows:

Being all of Lot B (Delaware Street), Lot C (Maryland Street), Lot D (Maryland Street), Lot E (23rd Street), Lot N, Lot O and Lot AB, as said Lots are shown and so designated on Final Map No. 10714, recorded August 30, 2022, in Book 2 of Final Maps, at Page 132, in the Office of the Recorder of the City and County of San Francisco.

Containing 8.21 acres of land, more or less.

APNs 4232-014, -015, -016, -017, and -018, 4175-022, and -028

END OF DESCRIPTION

PROPOSED BOUNDARIES OF SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA 13

Real property, situate in the City and County of San Francisco, State of California, described as follows:

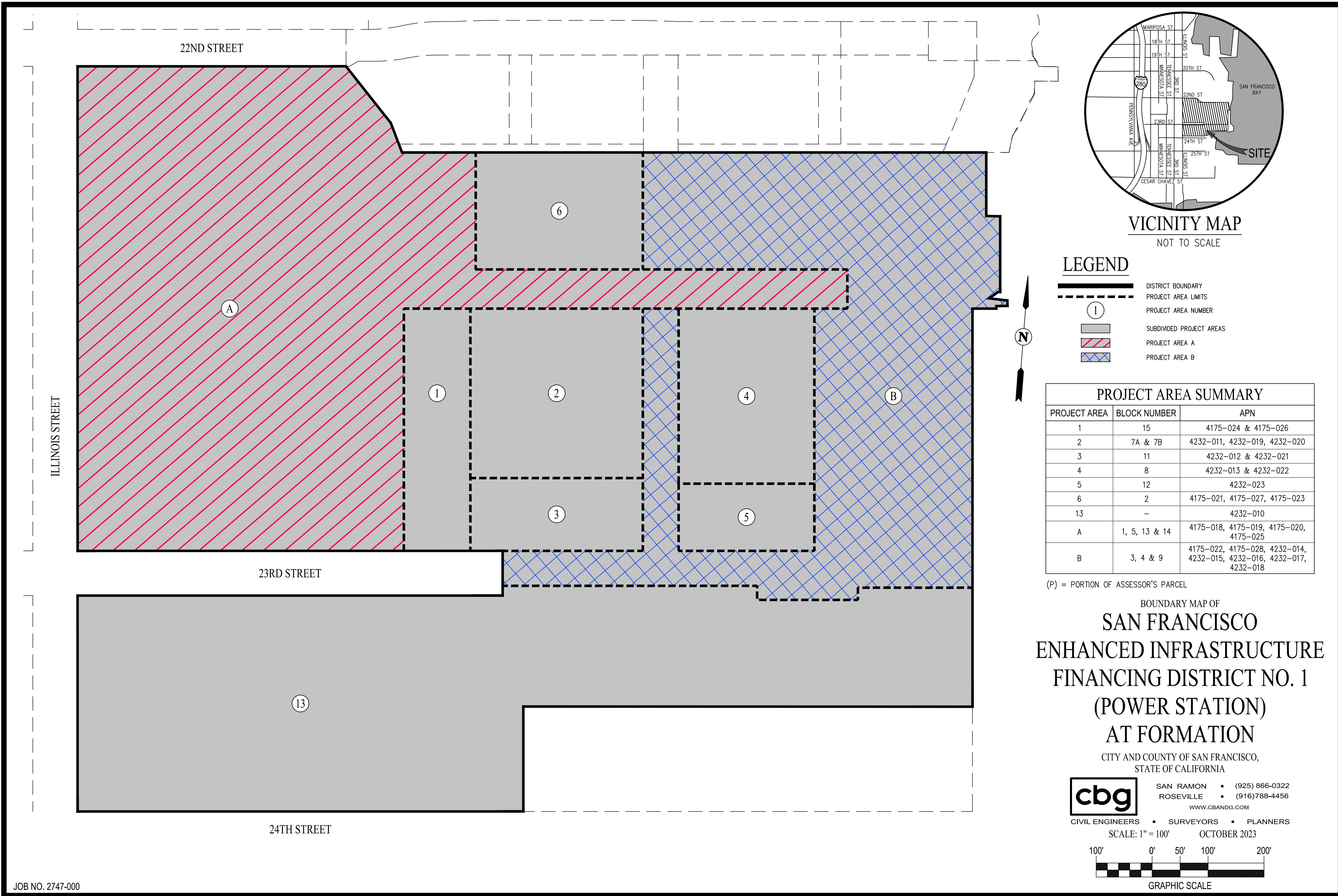
Being all that certain parcel of land described in that certain corporation grant deed recorded July 10, 1992, as Document Number 1992-F15446 of Official Records, in the Office of the Recorder of the City and County of San Francisco.

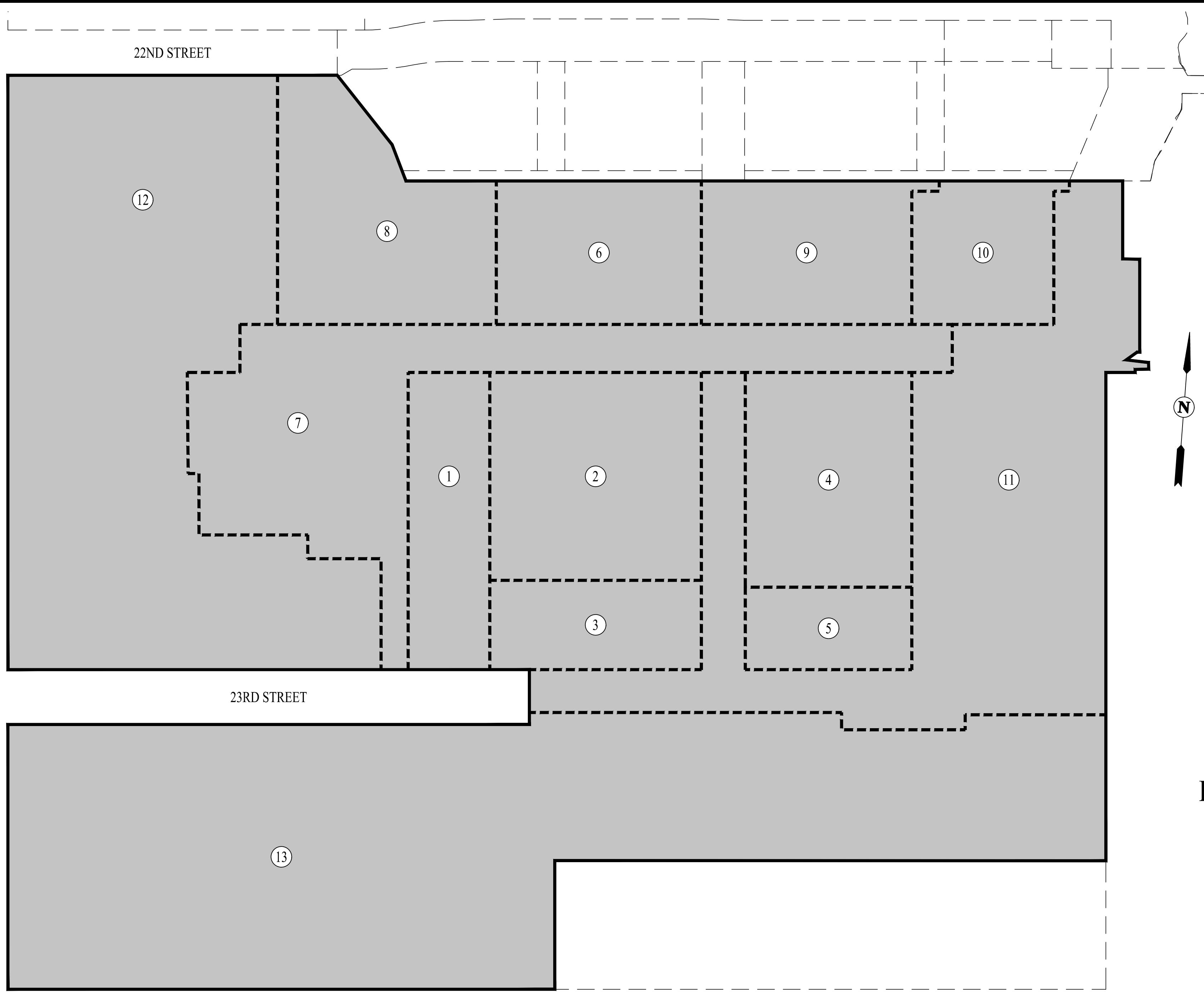
Containing 10.94 acres of land, more or less.

APN 4232-010

END OF DESCRIPTION

Exhibit B – Site Map





This map shows the San Francisco Bay area with a grid of streets. The grid includes 18th, 19th, 20th, 22nd, 23rd, 24th, 25th, and 3rd Streets. Between 18th and 20th Streets are Illinois, Tennessee, and Minnesota Streets. Between 22nd and 24th Streets are Tennessee and Minnesota Streets. CESAR CHAVEZ Street is located between 24th and 25th Streets. The map also shows Pennsylvania Avenue running parallel to the grid. A road sign for Highway 280 is shown on the left. The San Francisco Bay is to the east. A large shaded area labeled "SITE" is located on the peninsula between 22nd and 25th Streets, extending into the bay. The map is enclosed in a circle.

LEGEND

DISTRICT BOUNDARY
PROJECT AREA LIMITS
PROJECT AREA NUMBER
FINAL PROJECT AREA BOUNDARIES

PROJECT AREA SUMMARY

| PROJECT AREA | BLOCK NUMBER | APN |
|--------------|--------------|---|
| 1 | 15 | 4175-024 & 4175-026 |
| 2 | 7A & 7B | 4232-011, 4232-019, 4232-020 |
| 3 | 11 | 4232-012 & 4232-021 |
| 4 | 8 | 4232-013 & 4232-022 |
| 5 | 12 | 4232-023 |
| 6 | 2 | 4175-021, 4175-027, 4175-023 |
| 7 | 5 | 4175-020, 4175-025, 4175-019(P) |
| 8 | 1 & 14 | 4175-018(P) & 4175-019(P) |
| 9 | 3 | 4175-022 & 4175-028(P) |
| 10 | 4 | 4175-028(P) |
| 11 | 9 | 4232-014, 4232-015, 4232-016, 4232-017, 4232-018, 4175-028(P) |
| 12 | 13 | 4175-018(P) & 4175-019(P) |
| 13 | - | 4232-010 |

(P) = PORTION OF ASSESSOR'S PARCEL

BOUNDARY MAP OF

BOUNDRY MAP OF
**SAN FRANCISCO
ENHANCED INFRASTRUCTURE
FINANCING DISTRICT NO. 1
(POWER STATION)
AFTER SUBDIVISION**

CITY AND COUNTY OF SAN FRANCISCO,
STATE OF CALIFORNIA



- SAN RAMON (925) 866-0322
- ROSEVILLE (916)788-4456

CIVIL ENGINEERS ■ SURVEYORS ■ PLANNERS

SCALE: 1" = 100' OCTOBER 2023

SCALE: 1" = 100' OCTOBER 2023

0' 0' 50' 100' 200'

0 50 100 150 200

A horizontal checkerboard pattern consisting of 10 squares. The squares are arranged in a sequence of black, white, black, white, black, white, black, white, black, white from left to right.

GRAPHIC SCALE

GRAPHIC SCALE

F:\2747-000\ACAD\EXHIBITS\IFD MAP\XB_IFD AFTER S

JOB NO. 2747-000

Exhibit C -Facilities Eligible for Financing by the EIFD⁴

DESCRIPTION OF FACILITIES

The EIFD shall be authorized to finance all or a portion of the costs of the purchase, construction, expansion, improvement, seismic retrofit, rehabilitation, repair, replacement or maintenance of the public capital facilities or other projects (whether publicly- or privately-owned) of communitywide significance that are (i) authorized by the EIFD Law and (ii) required or permitted by the Development Agreement, the Plan Documents or the Approvals for the development of the project known as the Potrero Power Station Project, including, but not limited to, the actual costs of those facilities and projects of communitywide significance described below (the "Facilities") and those costs described below.

The Facilities may be owned by a public agency (including, but not limited to, the City and County of San Francisco (including through its Port Commission or other City agencies, collectively, "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.

Unless otherwise indicated, capitalized terms used herein but not defined herein have the meanings given them in the Development Agreement.

The Facilities include, but are not limited to, the following:

1. Infrastructure, as defined in the Development Agreement, constructed or caused to be constructed by Developer.
2. Parks and Open Space, as defined in the Development Agreement, including any Interim Uses, as defined in Planning Code section 249.87.
3. Public Improvements, as defined in the Development Agreement.
4. Privately-Owned Community Improvements, as defined in the Development Agreement, constructed or caused to be constructed by Developer and located within the EIFD or offsite on City- or privately-owned land.
5. Affordable Housing. The acquisition, construction, or rehabilitation of housing for 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.
6. TDM Measures, as defined in the Transportation Plan attached to the Development Agreement.
7. Improvements, Waterfront Park, and Recreational Dock, all as defined in the Ground Lease (No. L-16662) between the City, operating by and through the San Francisco Port Commission and California Barrel Company LLC dated as of March 15, 2021, as it may be amended from time to time (the "Port Lease").
8. Port Approval Items, as described on Exhibit G to the Port Lease.

⁴ The description of Facilities set forth in this Exhibit C has been modified from the description of Facilities included in Exhibit A of the Resolution of Intention.

9. Craig Lane, as defined in the Reciprocal Easement Agreement by and among California Barrel Company LLC, FC PIER 70, LLC, and the City, operating by and through the San Francisco Port Commission, dated as of March 15, 2021, as it may be amended from time to time.
10. The partial demolition, abatement, stabilization and/or rehabilitation of existing structures for incorporation into the Potrero Power Station Project, including "Station A", "Unit 3" and "The Stack."
11. Developer's contribution to the costs of developing an (i) Enlarged Pump Station on the Pier 70 site (which eliminates the need to build the pump station included in the Power Station Infrastructure Plan (see section 14.4.1.1, Northern Connection Alternative)) and (ii) the SFPUC Sewer Connection in connection therewith.
12. Developer's contribution for tenant improvements in YMCA or other community facilities located at Power Station and/or the surrounding area (such as Building 49 at Crane Cove Park).

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. The capitalized costs to maintain the Facilities financed in whole or in part by the Power Station EIFD.
4. 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.
5. Administrative fees of the City, the EIFD and the bond trustee or fiscal agent related to the bonds and other debt of the EIFD.
6. Reimbursement of costs related to the formation of the EIFD (and the 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.
7. 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 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

| Fiscal Year | Aggregate - Project Area 1 | | | | |
|--|---|--|---|---|---|
| | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (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 Year) | | | | | |
| 2024/25 | \$347 | \$3 | \$2 | \$0 | \$0 |
| 2025/26 | \$700 | \$7 | \$5 | \$0 | \$0 |
| 2026/27 | \$1,061 | \$11 | \$7 | \$0 | \$0 |
| 2027/28 | \$1,428 | \$14 | \$9 | \$0 | \$0 |
| 2028/29 | \$1,803 | \$18 | \$12 | \$0 | \$0 |
| 2029/30 | \$2,186 | \$22 | \$14 | \$0 | \$0 |
| 2030/31 | \$2,576 | \$26 | \$17 | \$0 | \$0 |
| 2031/32 | \$2,974 | \$30 | \$19 | \$0 | \$0 |
| 2032/33 | \$149,038 | \$1,490 | \$963 | \$561 | \$402 |
| 2033/34 | \$814,499 | \$8,145 | \$5,261 | \$3,064 | \$2,196 |
| 2034/35 | \$832,244 | \$8,322 | \$5,375 | \$3,131 | \$2,244 |
| 2035/36 | \$850,369 | \$8,504 | \$5,492 | \$3,199 | \$2,293 |
| 2036/37 | \$868,879 | \$8,689 | \$5,612 | \$3,269 | \$2,343 |
| 2037/38 | \$887,785 | \$8,878 | \$5,734 | \$3,340 | \$2,394 |
| 2038/39 | \$907,094 | \$9,071 | \$5,859 | \$3,413 | \$2,446 |
| 2039/40 | \$926,815 | \$9,268 | \$5,986 | \$3,487 | \$2,499 |
| 2040/41 | \$946,957 | \$9,470 | \$6,116 | \$3,563 | \$2,553 |
| 2041/42 | \$967,528 | \$9,675 | \$6,249 | \$3,640 | \$2,609 |
| 2042/43 | \$988,539 | \$9,885 | \$6,385 | \$3,719 | \$2,665 |
| 2043/44 | \$1,009,997 | \$10,100 | \$6,523 | \$3,800 | \$2,723 |
| 2044/45 | \$1,031,913 | \$10,319 | \$6,665 | \$3,882 | \$2,782 |
| 2045/46 | \$1,054,297 | \$10,543 | \$6,810 | \$3,967 | \$2,843 |
| 2046/47 | \$1,077,158 | \$10,772 | \$6,957 | \$4,053 | \$2,904 |
| 2047/48 | \$1,100,507 | \$11,005 | \$7,108 | \$4,141 | \$2,967 |
| 2048/49 | \$1,124,355 | \$11,244 | \$7,262 | \$4,230 | \$3,032 |
| 2049/50 | \$1,148,711 | \$11,487 | \$7,419 | \$4,322 | \$3,097 |
| 2050/51 | \$1,173,586 | \$11,736 | \$7,580 | \$4,416 | \$3,164 |
| 2051/52 | \$1,198,992 | \$11,990 | \$7,744 | \$4,511 | \$3,233 |
| 2052/53 | \$1,224,940 | \$12,249 | \$7,912 | \$4,609 | \$3,303 |
| 2053/54 | \$1,251,442 | \$12,514 | \$8,083 | \$4,708 | \$3,374 |
| 2054/55 | \$1,278,509 | \$12,785 | \$8,258 | \$4,810 | \$3,447 |
| 2055/56 | \$1,306,154 | \$13,062 | \$8,436 | \$4,914 | \$3,522 |
| 2056/57 | \$1,334,388 | \$13,344 | \$8,619 | \$5,021 | \$3,598 |
| 2057/58 | \$1,363,224 | \$13,632 | \$8,805 | \$5,129 | \$3,676 |
| 2058/59 | \$1,392,676 | \$13,927 | \$8,995 | \$5,240 | \$3,755 |
| 2059/60 | \$1,422,756 | \$14,228 | \$9,189 | \$5,353 | \$3,836 |
| 2060/61 | \$1,453,478 | \$14,535 | \$9,388 | \$5,469 | \$3,919 |
| 2061/62 | \$1,484,855 | \$14,849 | \$9,590 | \$5,587 | \$4,004 |
| 2062/63 | \$1,516,902 | \$15,169 | \$9,797 | \$5,707 | \$4,090 |
| 2063/64 | \$1,549,632 | \$15,496 | \$10,009 | \$5,830 | \$4,178 |
| 2064/65 | \$1,583,061 | \$15,831 | \$10,225 | \$5,956 | \$4,269 |
| 2065/66 | \$1,617,202 | \$16,172 | \$10,445 | \$6,085 | \$4,361 |
| 2066/67 | \$1,652,072 | \$16,521 | \$10,670 | \$6,216 | \$4,455 |
| 2067/68 | \$1,687,686 | \$16,877 | \$10,900 | \$6,350 | \$4,551 |
| 2068/69 | \$1,724,060 | \$17,241 | \$11,135 | \$6,487 | \$4,649 |
| 2069/70 | \$1,761,209 | \$17,612 | \$11,375 | \$6,626 | \$4,749 |
| 2070/71 | \$1,799,151 | \$17,992 | \$11,620 | \$6,769 | \$4,851 |
| 2071/72 | \$1,837,903 | \$18,379 | \$11,871 | \$6,915 | \$4,956 |
| 2072/73 | \$1,877,481 | \$18,775 | \$12,126 | \$7,064 | \$5,062 |
| 2073/74 | \$1,917,904 | \$19,179 | \$12,387 | \$7,216 | \$5,171 |
| 2074/75 | \$1,959,189 | \$19,592 | \$12,654 | \$7,371 | \$5,283 |
| 2075/76 | \$2,001,354 | \$20,014 | \$12,926 | \$7,530 | \$5,396 |
| 2076/77 | \$2,044,419 | \$20,444 | \$13,205 | \$7,692 | \$5,513 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$2,044,419 | \$591,140 | \$381,807 | \$222,362 | \$159,360 |

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

| Aggregate - Project Area 2 | | | | | |
|--|---|--|---|---|---|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (58.252419% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| 2024/25 | \$734 | \$7 | \$5 | \$0 | \$0 |
| 2025/26 | \$1,362 | \$14 | \$9 | \$0 | \$0 |
| 2026/27 | \$2,736 | \$27 | \$18 | \$0 | \$0 |
| 2027/28 | \$3,169 | \$32 | \$20 | \$0 | \$0 |
| 2028/29 | \$3,614 | \$36 | \$23 | \$0 | \$0 |
| 2029/30 | \$4,073 | \$41 | \$26 | \$0 | \$0 |
| 2030/31 | \$4,546 | \$45 | \$29 | \$0 | \$0 |
| 2031/32 | \$5,032 | \$50 | \$33 | \$0 | \$0 |
| 2032/33 | \$135,568 | \$1,356 | \$876 | \$510 | \$366 |
| 2033/34 | \$720,520 | \$7,205 | \$4,654 | \$2,711 | \$1,943 |
| 2034/35 | \$737,246 | \$7,372 | \$4,762 | \$2,774 | \$1,988 |
| 2035/36 | \$754,353 | \$7,544 | \$4,872 | \$2,838 | \$2,034 |
| 2036/37 | \$771,851 | \$7,719 | \$4,985 | \$2,904 | \$2,081 |
| 2037/38 | \$789,748 | \$7,897 | \$5,101 | \$2,971 | \$2,129 |
| 2038/39 | \$808,055 | \$8,081 | \$5,219 | \$3,040 | \$2,179 |
| 2039/40 | \$826,779 | \$8,268 | \$5,340 | \$3,111 | \$2,229 |
| 2040/41 | \$845,930 | \$8,459 | \$5,464 | \$3,183 | \$2,281 |
| 2041/42 | \$865,519 | \$8,655 | \$5,590 | \$3,256 | \$2,334 |
| 2042/43 | \$885,555 | \$8,856 | \$5,720 | \$3,332 | \$2,388 |
| 2043/44 | \$906,049 | \$9,060 | \$5,852 | \$3,409 | \$2,443 |
| 2044/45 | \$927,011 | \$9,270 | \$5,987 | \$3,488 | \$2,500 |
| 2045/46 | \$948,451 | \$9,485 | \$6,126 | \$3,568 | \$2,557 |
| 2046/47 | \$970,381 | \$9,704 | \$6,268 | \$3,651 | \$2,617 |
| 2047/48 | \$992,811 | \$9,928 | \$6,412 | \$3,735 | \$2,677 |
| 2048/49 | \$1,015,754 | \$10,158 | \$6,561 | \$3,822 | \$2,739 |
| 2049/50 | \$1,039,221 | \$10,392 | \$6,712 | \$3,910 | \$2,802 |
| 2050/51 | \$1,063,223 | \$10,632 | \$6,867 | \$4,000 | \$2,867 |
| 2051/52 | \$1,087,773 | \$10,878 | \$7,026 | \$4,093 | \$2,933 |
| 2052/53 | \$1,112,884 | \$11,129 | \$7,188 | \$4,187 | \$3,001 |
| 2053/54 | \$1,138,569 | \$11,386 | \$7,354 | \$4,284 | \$3,070 |
| 2054/55 | \$1,164,840 | \$11,648 | \$7,523 | \$4,383 | \$3,141 |
| 2055/56 | \$1,191,710 | \$11,917 | \$7,697 | \$4,484 | \$3,213 |
| 2056/57 | \$1,219,195 | \$12,192 | \$7,875 | \$4,587 | \$3,287 |
| 2057/58 | \$1,247,306 | \$12,473 | \$8,056 | \$4,693 | \$3,363 |
| 2058/59 | \$1,276,060 | \$12,761 | \$8,242 | \$4,801 | \$3,441 |
| 2059/60 | \$1,305,470 | \$13,055 | \$8,432 | \$4,912 | \$3,520 |
| 2060/61 | \$1,335,552 | \$13,356 | \$8,626 | \$5,025 | \$3,601 |
| 2061/62 | \$1,366,321 | \$13,663 | \$8,825 | \$5,141 | \$3,684 |
| 2062/63 | \$1,397,792 | \$13,978 | \$9,028 | \$5,259 | \$3,769 |
| 2063/64 | \$1,429,982 | \$14,300 | \$9,236 | \$5,380 | \$3,856 |
| 2064/65 | \$1,462,907 | \$14,629 | \$9,449 | \$5,504 | \$3,945 |
| 2065/66 | \$1,496,583 | \$14,966 | \$9,666 | \$5,631 | \$4,035 |
| 2066/67 | \$1,531,029 | \$15,310 | \$9,889 | \$5,760 | \$4,128 |
| 2067/68 | \$1,566,261 | \$15,663 | \$10,116 | \$5,893 | \$4,223 |
| 2068/69 | \$1,602,298 | \$16,023 | \$10,349 | \$6,029 | \$4,320 |
| 2069/70 | \$1,639,158 | \$16,392 | \$10,587 | \$6,167 | \$4,420 |
| 2070/71 | \$1,676,859 | \$16,769 | \$10,831 | \$6,309 | \$4,521 |
| 2071/72 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2072/73 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2073/74 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2074/75 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$1,676,859 | \$432,778 | \$279,524 | \$162,734 | \$116,626 |

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 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) | Tax Revenue Allocated to Project (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 Year) | | | | | |
| 2024/25 | \$165 | \$2 | \$1 | \$0 | \$0 |
| 2025/26 | \$333 | \$3 | \$2 | \$0 | \$0 |
| 2026/27 | \$504 | \$5 | \$3 | \$0 | \$0 |
| 2027/28 | \$678 | \$7 | \$4 | \$0 | \$0 |
| 2028/29 | \$67,331 | \$673 | \$435 | \$253 | \$182 |
| 2029/30 | \$369,576 | \$3,696 | \$2,387 | \$1,391 | \$997 |
| 2030/31 | \$377,636 | \$3,776 | \$2,439 | \$1,421 | \$1,018 |
| 2031/32 | \$385,868 | \$3,859 | \$2,492 | \$1,452 | \$1,040 |
| 2032/33 | \$394,276 | \$3,943 | \$2,547 | \$1,483 | \$1,063 |
| 2033/34 | \$402,862 | \$4,029 | \$2,602 | \$1,516 | \$1,086 |
| 2034/35 | \$411,632 | \$4,116 | \$2,659 | \$1,549 | \$1,110 |
| 2035/36 | \$420,589 | \$4,206 | \$2,717 | \$1,582 | \$1,134 |
| 2036/37 | \$429,738 | \$4,297 | \$2,776 | \$1,617 | \$1,159 |
| 2037/38 | \$439,081 | \$4,391 | \$2,836 | \$1,652 | \$1,184 |
| 2038/39 | \$448,624 | \$4,486 | \$2,898 | \$1,688 | \$1,210 |
| 2039/40 | \$458,370 | \$4,584 | \$2,961 | \$1,725 | \$1,236 |
| 2040/41 | \$468,324 | \$4,683 | \$3,025 | \$1,762 | \$1,263 |
| 2041/42 | \$478,490 | \$4,785 | \$3,090 | \$1,800 | \$1,290 |
| 2042/43 | \$488,874 | \$4,889 | \$3,158 | \$1,839 | \$1,318 |
| 2043/44 | \$499,479 | \$4,995 | \$3,226 | \$1,879 | \$1,347 |
| 2044/45 | \$510,310 | \$5,103 | \$3,296 | \$1,920 | \$1,376 |
| 2045/46 | \$521,372 | \$5,214 | \$3,367 | \$1,962 | \$1,406 |
| 2046/47 | \$532,670 | \$5,327 | \$3,440 | \$2,004 | \$1,436 |
| 2047/48 | \$544,209 | \$5,442 | \$3,515 | \$2,048 | \$1,467 |
| 2048/49 | \$555,995 | \$5,560 | \$3,591 | \$2,092 | \$1,499 |
| 2049/50 | \$568,032 | \$5,680 | \$3,669 | \$2,137 | \$1,532 |
| 2050/51 | \$580,325 | \$5,803 | \$3,748 | \$2,183 | \$1,565 |
| 2051/52 | \$592,881 | \$5,929 | \$3,829 | \$2,231 | \$1,599 |
| 2052/53 | \$605,705 | \$6,057 | \$3,912 | \$2,279 | \$1,633 |
| 2053/54 | \$618,802 | \$6,188 | \$3,997 | \$2,328 | \$1,669 |
| 2054/55 | \$632,179 | \$6,322 | \$4,083 | \$2,379 | \$1,705 |
| 2055/56 | \$645,841 | \$6,458 | \$4,171 | \$2,430 | \$1,741 |
| 2056/57 | \$659,794 | \$6,598 | \$4,261 | \$2,482 | \$1,779 |
| 2057/58 | \$674,046 | \$6,740 | \$4,354 | \$2,536 | \$1,817 |
| 2058/59 | \$688,601 | \$6,886 | \$4,448 | \$2,591 | \$1,857 |
| 2059/60 | \$703,466 | \$7,035 | \$4,544 | \$2,647 | \$1,897 |
| 2060/61 | \$718,649 | \$7,186 | \$4,642 | \$2,704 | \$1,938 |
| 2061/62 | \$734,156 | \$7,342 | \$4,742 | \$2,762 | \$1,980 |
| 2062/63 | \$749,994 | \$7,500 | \$4,844 | \$2,822 | \$2,022 |
| 2063/64 | \$766,169 | \$7,662 | \$4,949 | \$2,883 | \$2,066 |
| 2064/65 | \$782,690 | \$7,827 | \$5,055 | \$2,945 | \$2,110 |
| 2065/66 | \$799,563 | \$7,996 | \$5,164 | \$3,008 | \$2,156 |
| 2066/67 | \$816,796 | \$8,168 | \$5,276 | \$3,073 | \$2,202 |
| 2067/68 | \$834,396 | \$8,344 | \$5,389 | \$3,139 | \$2,250 |
| 2068/69 | \$852,372 | \$8,524 | \$5,505 | \$3,207 | \$2,298 |
| 2069/70 | \$870,732 | \$8,707 | \$5,624 | \$3,276 | \$2,348 |
| 2070/71 | \$889,483 | \$8,895 | \$5,745 | \$3,347 | \$2,398 |
| 2071/72 | \$908,634 | \$9,086 | \$5,869 | \$3,419 | \$2,450 |
| 2072/73 | \$928,194 | \$9,282 | \$5,995 | \$3,492 | \$2,503 |
| 2073/74 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2074/75 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$928,194 | \$268,285 | \$173,280 | \$100,934 | \$72,336 |

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 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 (64.58206%) (\$000) | Tax Revenue Allocated to Project (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 Year) | | | | | |
| 2024/25 | \$197 | \$2 | \$1 | \$0 | \$0 |
| 2025/26 | \$398 | \$4 | \$3 | \$0 | \$0 |
| 2026/27 | \$603 | \$6 | \$4 | \$0 | \$0 |
| 2027/28 | \$812 | \$8 | \$5 | \$0 | \$0 |
| 2028/29 | \$1,026 | \$10 | \$7 | \$0 | \$0 |
| 2029/30 | \$87,448 | \$874 | \$565 | \$329 | \$236 |
| 2030/31 | \$476,660 | \$4,767 | \$3,079 | \$1,793 | \$1,285 |
| 2031/32 | \$487,039 | \$4,870 | \$3,146 | \$1,832 | \$1,313 |
| 2032/33 | \$497,639 | \$4,976 | \$3,214 | \$1,872 | \$1,342 |
| 2033/34 | \$508,466 | \$5,085 | \$3,284 | \$1,913 | \$1,371 |
| 2034/35 | \$519,523 | \$5,195 | \$3,356 | \$1,955 | \$1,401 |
| 2035/36 | \$530,816 | \$5,308 | \$3,428 | \$1,997 | \$1,431 |
| 2036/37 | \$542,351 | \$5,424 | \$3,503 | \$2,041 | \$1,462 |
| 2037/38 | \$554,131 | \$5,541 | \$3,579 | \$2,085 | \$1,494 |
| 2038/39 | \$566,163 | \$5,662 | \$3,657 | \$2,130 | \$1,527 |
| 2039/40 | \$578,451 | \$5,785 | \$3,736 | \$2,176 | \$1,560 |
| 2040/41 | \$591,002 | \$5,910 | \$3,817 | \$2,224 | \$1,594 |
| 2041/42 | \$603,820 | \$6,038 | \$3,900 | \$2,272 | \$1,628 |
| 2042/43 | \$616,912 | \$6,169 | \$3,985 | \$2,321 | \$1,663 |
| 2043/44 | \$630,283 | \$6,303 | \$4,071 | \$2,371 | \$1,699 |
| 2044/45 | \$643,939 | \$6,439 | \$4,159 | \$2,423 | \$1,736 |
| 2045/46 | \$657,887 | \$6,579 | \$4,249 | \$2,475 | \$1,774 |
| 2046/47 | \$672,132 | \$6,721 | \$4,341 | \$2,529 | \$1,812 |
| 2047/48 | \$686,681 | \$6,867 | \$4,435 | \$2,584 | \$1,852 |
| 2048/49 | \$701,540 | \$7,015 | \$4,531 | \$2,639 | \$1,892 |
| 2049/50 | \$716,717 | \$7,167 | \$4,629 | \$2,697 | \$1,933 |
| 2050/51 | \$732,217 | \$7,322 | \$4,729 | \$2,755 | \$1,974 |
| 2051/52 | \$748,048 | \$7,480 | \$4,832 | \$2,814 | \$2,017 |
| 2052/53 | \$764,216 | \$7,642 | \$4,936 | \$2,875 | \$2,061 |
| 2053/54 | \$780,730 | \$7,807 | \$5,043 | \$2,937 | \$2,105 |
| 2054/55 | \$797,596 | \$7,976 | \$5,152 | \$3,001 | \$2,151 |
| 2055/56 | \$814,821 | \$8,148 | \$5,263 | \$3,066 | \$2,197 |
| 2056/57 | \$832,414 | \$8,324 | \$5,376 | \$3,132 | \$2,245 |
| 2057/58 | \$850,383 | \$8,504 | \$5,492 | \$3,199 | \$2,293 |
| 2058/59 | \$868,735 | \$8,687 | \$5,611 | \$3,269 | \$2,342 |
| 2059/60 | \$887,478 | \$8,875 | \$5,732 | \$3,339 | \$2,393 |
| 2060/61 | \$906,621 | \$9,066 | \$5,856 | \$3,411 | \$2,445 |
| 2061/62 | \$926,172 | \$9,262 | \$5,982 | \$3,485 | \$2,497 |
| 2062/63 | \$946,141 | \$9,461 | \$6,111 | \$3,560 | \$2,551 |
| 2063/64 | \$966,536 | \$9,665 | \$6,243 | \$3,637 | \$2,606 |
| 2064/65 | \$987,365 | \$9,874 | \$6,377 | \$3,715 | \$2,662 |
| 2065/66 | \$1,008,639 | \$10,086 | \$6,515 | \$3,795 | \$2,720 |
| 2066/67 | \$1,030,367 | \$10,304 | \$6,655 | \$3,877 | \$2,778 |
| 2067/68 | \$1,052,559 | \$10,526 | \$6,798 | \$3,960 | \$2,838 |
| 2068/69 | \$1,075,223 | \$10,752 | \$6,945 | \$4,045 | \$2,899 |
| 2069/70 | \$1,098,372 | \$10,984 | \$7,094 | \$4,133 | \$2,962 |
| 2070/71 | \$1,122,014 | \$11,220 | \$7,247 | \$4,221 | \$3,025 |
| 2071/72 | \$1,146,160 | \$11,462 | \$7,403 | \$4,312 | \$3,091 |
| 2072/73 | \$1,170,822 | \$11,708 | \$7,562 | \$4,405 | \$3,157 |
| 2073/74 | \$1,196,010 | \$11,960 | \$7,725 | \$4,500 | \$3,225 |
| 2074/75 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$1,196,010 | \$345,823 | \$223,361 | \$130,102 | \$93,240 |

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 D-5. Project Area 5: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD | | | | | |
|--|---|--|---|---|---|
| Aggregate - Project Area 5 | | | | | |
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (58.252419% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| 2024/25 | \$130 | \$1 | \$1 | \$0 | \$0 |
| 2025/26 | \$263 | \$3 | \$2 | \$0 | \$0 |
| 2026/27 | \$52,323 | \$523 | \$338 | \$197 | \$141 |
| 2027/28 | \$287,608 | \$2,876 | \$1,858 | \$1,082 | \$776 |
| 2028/29 | \$293,882 | \$2,939 | \$1,898 | \$1,106 | \$792 |
| 2029/30 | \$300,290 | \$3,003 | \$1,940 | \$1,130 | \$810 |
| 2030/31 | \$306,835 | \$3,068 | \$1,982 | \$1,154 | \$827 |
| 2031/32 | \$313,520 | \$3,135 | \$2,025 | \$1,180 | \$845 |
| 2032/33 | \$320,347 | \$3,203 | \$2,069 | \$1,205 | \$864 |
| 2033/34 | \$327,319 | \$3,273 | \$2,114 | \$1,232 | \$883 |
| 2034/35 | \$334,441 | \$3,344 | \$2,160 | \$1,258 | \$902 |
| 2035/36 | \$341,714 | \$3,417 | \$2,207 | \$1,286 | \$921 |
| 2036/37 | \$349,143 | \$3,491 | \$2,255 | \$1,314 | \$941 |
| 2037/38 | \$356,730 | \$3,567 | \$2,304 | \$1,342 | \$962 |
| 2038/39 | \$364,479 | \$3,645 | \$2,354 | \$1,371 | \$983 |
| 2039/40 | \$372,393 | \$3,724 | \$2,405 | \$1,401 | \$1,004 |
| 2040/41 | \$380,476 | \$3,805 | \$2,457 | \$1,432 | \$1,026 |
| 2041/42 | \$388,731 | \$3,887 | \$2,511 | \$1,463 | \$1,048 |
| 2042/43 | \$397,163 | \$3,972 | \$2,565 | \$1,494 | \$1,071 |
| 2043/44 | \$405,774 | \$4,058 | \$2,621 | \$1,527 | \$1,094 |
| 2044/45 | \$414,569 | \$4,146 | \$2,678 | \$1,560 | \$1,118 |
| 2045/46 | \$423,552 | \$4,236 | \$2,736 | \$1,594 | \$1,142 |
| 2046/47 | \$432,726 | \$4,327 | \$2,795 | \$1,628 | \$1,167 |
| 2047/48 | \$442,097 | \$4,421 | \$2,855 | \$1,663 | \$1,192 |
| 2048/49 | \$451,667 | \$4,517 | \$2,917 | \$1,699 | \$1,218 |
| 2049/50 | \$461,441 | \$4,614 | \$2,980 | \$1,736 | \$1,244 |
| 2050/51 | \$471,423 | \$4,714 | \$3,045 | \$1,774 | \$1,271 |
| 2051/52 | \$481,619 | \$4,816 | \$3,111 | \$1,812 | \$1,299 |
| 2052/53 | \$492,032 | \$4,920 | \$3,178 | \$1,851 | \$1,327 |
| 2053/54 | \$502,668 | \$5,027 | \$3,247 | \$1,891 | \$1,355 |
| 2054/55 | \$513,530 | \$5,135 | \$3,317 | \$1,932 | \$1,385 |
| 2055/56 | \$524,624 | \$5,246 | \$3,388 | \$1,974 | \$1,415 |
| 2056/57 | \$535,954 | \$5,360 | \$3,462 | \$2,016 | \$1,445 |
| 2057/58 | \$547,527 | \$5,475 | \$3,536 | \$2,060 | \$1,476 |
| 2058/59 | \$559,346 | \$5,593 | \$3,613 | \$2,104 | \$1,508 |
| 2059/60 | \$571,417 | \$5,714 | \$3,691 | \$2,150 | \$1,541 |
| 2060/61 | \$583,746 | \$5,837 | \$3,770 | \$2,196 | \$1,574 |
| 2061/62 | \$596,338 | \$5,963 | \$3,852 | \$2,244 | \$1,608 |
| 2062/63 | \$609,198 | \$6,092 | \$3,935 | \$2,292 | \$1,643 |
| 2063/64 | \$622,333 | \$6,223 | \$4,020 | \$2,341 | \$1,678 |
| 2064/65 | \$635,748 | \$6,357 | \$4,106 | \$2,392 | \$1,714 |
| 2065/66 | \$649,449 | \$6,494 | \$4,195 | \$2,444 | \$1,751 |
| 2066/67 | \$663,443 | \$6,634 | \$4,285 | \$2,496 | \$1,789 |
| 2067/68 | \$677,735 | \$6,777 | \$4,377 | \$2,550 | \$1,827 |
| 2068/69 | \$692,332 | \$6,923 | \$4,472 | \$2,605 | \$1,867 |
| 2069/70 | \$707,240 | \$7,072 | \$4,568 | \$2,661 | \$1,907 |
| 2070/71 | \$722,467 | \$7,225 | \$4,666 | \$2,718 | \$1,948 |
| 2071/72 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2072/73 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2073/74 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2074/75 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$722,467 | \$208,798 | \$134,859 | \$78,557 | \$56,299 |

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

| Aggregate - Project Area 6 | | | | | |
|--|--|---|--|--|--|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (58.252419% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| 2024/25 | \$303 | \$3 | \$2 | \$0 | \$0 |
| 2025/26 | \$613 | \$6 | \$4 | \$0 | \$0 |
| 2026/27 | \$928 | \$9 | \$6 | \$0 | \$0 |
| 2027/28 | \$1,250 | \$12 | \$8 | \$0 | \$0 |
| 2028/29 | \$1,578 | \$16 | \$10 | \$0 | \$0 |
| 2029/30 | \$123,260 | \$1,233 | \$796 | \$464 | \$332 |
| 2030/31 | \$676,948 | \$6,769 | \$4,372 | \$2,547 | \$1,825 |
| 2031/32 | \$691,713 | \$6,917 | \$4,468 | \$2,603 | \$1,865 |
| 2032/33 | \$706,793 | \$7,068 | \$4,565 | \$2,659 | \$1,906 |
| 2033/34 | \$722,194 | \$7,222 | \$4,665 | \$2,717 | \$1,947 |
| 2034/35 | \$737,925 | \$7,379 | \$4,766 | \$2,776 | \$1,990 |
| 2035/36 | \$753,991 | \$7,540 | \$4,870 | \$2,837 | \$2,033 |
| 2036/37 | \$770,399 | \$7,704 | \$4,976 | \$2,899 | \$2,077 |
| 2037/38 | \$787,158 | \$7,872 | \$5,084 | \$2,962 | \$2,122 |
| 2038/39 | \$804,274 | \$8,043 | \$5,195 | \$3,026 | \$2,169 |
| 2039/40 | \$821,755 | \$8,218 | \$5,308 | \$3,092 | \$2,216 |
| 2040/41 | \$839,609 | \$8,396 | \$5,423 | \$3,159 | \$2,264 |
| 2041/42 | \$857,845 | \$8,578 | \$5,541 | \$3,228 | \$2,313 |
| 2042/43 | \$876,469 | \$8,765 | \$5,661 | \$3,298 | \$2,363 |
| 2043/44 | \$895,490 | \$8,955 | \$5,784 | \$3,369 | \$2,415 |
| 2044/45 | \$914,917 | \$9,149 | \$5,909 | \$3,442 | \$2,467 |
| 2045/46 | \$934,759 | \$9,348 | \$6,037 | \$3,517 | \$2,520 |
| 2046/47 | \$955,024 | \$9,550 | \$6,168 | \$3,593 | \$2,575 |
| 2047/48 | \$975,721 | \$9,757 | \$6,302 | \$3,671 | \$2,631 |
| 2048/49 | \$996,860 | \$9,969 | \$6,439 | \$3,751 | \$2,688 |
| 2049/50 | \$1,018,450 | \$10,184 | \$6,578 | \$3,832 | \$2,746 |
| 2050/51 | \$1,040,500 | \$10,405 | \$6,720 | \$3,915 | \$2,806 |
| 2051/52 | \$1,063,021 | \$10,630 | \$6,866 | \$4,000 | \$2,866 |
| 2052/53 | \$1,086,022 | \$10,860 | \$7,014 | \$4,086 | \$2,928 |
| 2053/54 | \$1,109,514 | \$11,095 | \$7,166 | \$4,174 | \$2,992 |
| 2054/55 | \$1,133,507 | \$11,335 | \$7,321 | \$4,265 | \$3,056 |
| 2055/56 | \$1,158,012 | \$11,580 | \$7,479 | \$4,357 | \$3,122 |
| 2056/57 | \$1,183,040 | \$11,830 | \$7,641 | \$4,451 | \$3,190 |
| 2057/58 | \$1,208,602 | \$12,086 | \$7,806 | \$4,547 | \$3,259 |
| 2058/59 | \$1,234,709 | \$12,347 | \$7,975 | \$4,645 | \$3,329 |
| 2059/60 | \$1,261,372 | \$12,614 | \$8,147 | \$4,746 | \$3,401 |
| 2060/61 | \$1,288,605 | \$12,886 | \$8,323 | \$4,848 | \$3,475 |
| 2061/62 | \$1,316,419 | \$13,164 | \$8,503 | \$4,953 | \$3,550 |
| 2062/63 | \$1,344,826 | \$13,448 | \$8,686 | \$5,060 | \$3,626 |
| 2063/64 | \$1,373,839 | \$13,738 | \$8,873 | \$5,169 | \$3,704 |
| 2064/65 | \$1,403,471 | \$14,035 | \$9,065 | \$5,280 | \$3,784 |
| 2065/66 | \$1,433,735 | \$14,337 | \$9,260 | \$5,394 | \$3,866 |
| 2066/67 | \$1,464,645 | \$14,646 | \$9,460 | \$5,511 | \$3,949 |
| 2067/68 | \$1,496,214 | \$14,962 | \$9,664 | \$5,629 | \$4,034 |
| 2068/69 | \$1,528,457 | \$15,285 | \$9,872 | \$5,751 | \$4,121 |
| 2069/70 | \$1,561,387 | \$15,614 | \$10,085 | \$5,875 | \$4,210 |
| 2070/71 | \$1,595,020 | \$15,950 | \$10,302 | \$6,001 | \$4,301 |
| 2071/72 | \$1,629,371 | \$16,294 | \$10,524 | \$6,130 | \$4,393 |
| 2072/73 | \$1,664,454 | \$16,645 | \$10,750 | \$6,262 | \$4,488 |
| 2073/74 | \$1,700,286 | \$17,003 | \$10,982 | \$6,397 | \$4,585 |
| 2074/75 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$1,700,286 | \$491,453 | \$317,420 | \$184,887 | \$132,503 |

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 D-7. Project Area 7: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

| Aggregate - Project Area 7 | | | | | |
|--|--|---|---|---|--|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.58206%) (\$000) | Tax Revenue Allocated to Project (58.2524193% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| 2025/26 | \$93 | \$1 | \$1 | \$0 | \$0 |
| 2026/27 | \$141 | \$1 | \$1 | \$0 | \$0 |
| 2027/28 | \$190 | \$2 | \$1 | \$0 | \$0 |
| 2028/29 | \$240 | \$2 | \$2 | \$0 | \$0 |
| 2029/30 | \$291 | \$3 | \$2 | \$0 | \$0 |
| 2030/31 | \$343 | \$3 | \$2 | \$0 | \$0 |
| 2031/32 | \$44,843 | \$448 | \$290 | \$169 | \$121 |
| 2032/33 | \$233,443 | \$2,334 | \$1,508 | \$878 | \$629 |
| 2033/34 | \$238,472 | \$2,385 | \$1,540 | \$897 | \$643 |
| 2034/35 | \$243,609 | \$2,436 | \$1,573 | \$917 | \$657 |
| 2035/36 | \$248,855 | \$2,489 | \$1,607 | \$936 | \$671 |
| 2036/37 | \$254,213 | \$2,542 | \$1,642 | \$956 | \$685 |
| 2037/38 | \$259,685 | \$2,597 | \$1,677 | \$977 | \$700 |
| 2038/39 | \$265,274 | \$2,653 | \$1,713 | \$998 | \$715 |
| 2039/40 | \$270,983 | \$2,710 | \$1,750 | \$1,020 | \$731 |
| 2040/41 | \$276,813 | \$2,768 | \$1,788 | \$1,041 | \$746 |
| 2041/42 | \$282,768 | \$2,828 | \$1,826 | \$1,064 | \$762 |
| 2042/43 | \$288,849 | \$2,888 | \$1,866 | \$1,087 | \$779 |
| 2043/44 | \$295,061 | \$2,951 | \$1,906 | \$1,110 | \$796 |
| 2044/45 | \$301,404 | \$3,014 | \$1,947 | \$1,134 | \$813 |
| 2045/46 | \$307,883 | \$3,079 | \$1,989 | \$1,158 | \$830 |
| 2046/47 | \$314,501 | \$3,145 | \$2,031 | \$1,183 | \$848 |
| 2047/48 | \$321,259 | \$3,213 | \$2,075 | \$1,209 | \$866 |
| 2048/49 | \$328,162 | \$3,282 | \$2,120 | \$1,235 | \$885 |
| 2049/50 | \$335,212 | \$3,352 | \$2,165 | \$1,261 | \$904 |
| 2050/51 | \$342,413 | \$3,424 | \$2,212 | \$1,288 | \$923 |
| 2051/52 | \$349,767 | \$3,498 | \$2,259 | \$1,316 | \$943 |
| 2052/53 | \$357,277 | \$3,573 | \$2,308 | \$1,344 | \$963 |
| 2053/54 | \$364,949 | \$3,649 | \$2,357 | \$1,373 | \$984 |
| 2054/55 | \$372,783 | \$3,728 | \$2,408 | \$1,403 | \$1,005 |
| 2055/56 | \$380,785 | \$3,808 | \$2,459 | \$1,433 | \$1,027 |
| 2056/57 | \$388,958 | \$3,890 | \$2,512 | \$1,463 | \$1,049 |
| 2057/58 | \$397,305 | \$3,973 | \$2,566 | \$1,495 | \$1,071 |
| 2058/59 | \$405,830 | \$4,058 | \$2,621 | \$1,527 | \$1,094 |
| 2059/60 | \$414,537 | \$4,145 | \$2,677 | \$1,560 | \$1,118 |
| 2060/61 | \$423,429 | \$4,234 | \$2,735 | \$1,593 | \$1,142 |
| 2061/62 | \$432,512 | \$4,325 | \$2,794 | \$1,627 | \$1,166 |
| 2062/63 | \$441,788 | \$4,418 | \$2,853 | \$1,662 | \$1,191 |
| 2063/64 | \$451,262 | \$4,513 | \$2,915 | \$1,698 | \$1,217 |
| 2064/65 | \$460,938 | \$4,609 | \$2,977 | \$1,734 | \$1,243 |
| 2065/66 | \$470,821 | \$4,708 | \$3,041 | \$1,771 | \$1,270 |
| 2066/67 | \$480,914 | \$4,809 | \$3,106 | \$1,809 | \$1,297 |
| 2067/68 | \$491,223 | \$4,912 | \$3,173 | \$1,848 | \$1,325 |
| 2068/69 | \$501,751 | \$5,018 | \$3,241 | \$1,888 | \$1,353 |
| 2069/70 | \$512,505 | \$5,125 | \$3,310 | \$1,928 | \$1,382 |
| 2070/71 | \$523,487 | \$5,235 | \$3,381 | \$1,970 | \$1,412 |
| 2071/72 | \$534,704 | \$5,347 | \$3,454 | \$2,012 | \$1,442 |
| 2072/73 | \$546,160 | \$5,462 | \$3,528 | \$2,055 | \$1,473 |
| 2073/74 | \$557,861 | \$5,579 | \$3,603 | \$2,099 | \$1,504 |
| 2074/75 | \$569,811 | \$5,698 | \$3,680 | \$2,144 | \$1,536 |
| 2075/76 | \$582,016 | \$5,820 | \$3,759 | \$2,190 | \$1,569 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$582,016 | \$168,684 | \$108,950 | \$63,461 | \$45,480 |

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 both of the following have occurred: 1) the parcels constituting Project Area A have been subdivided and the Project Area has been established pursuant to Section A.4 of this IFP, and 2) the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-8. Project Area 8: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

| Aggregate - Project Area 8 | | | | | |
|--|---|--|---|---|---|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (58.252419% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| | \$0 | \$0 | \$0 | \$0 | \$0 |
| | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2025/26 | \$348 | \$3 | \$2 | \$0 | \$0 |
| 2027/28 | \$468 | \$5 | \$3 | \$0 | \$0 |
| 2028/29 | \$72,931 | \$729 | \$471 | \$274 | \$197 |
| 2029/30 | \$387,376 | \$3,874 | \$2,502 | \$1,457 | \$1,045 |
| 2030/31 | \$395,761 | \$3,958 | \$2,556 | \$1,489 | \$1,067 |
| 2031/32 | \$404,325 | \$4,043 | \$2,611 | \$1,521 | \$1,090 |
| 2032/33 | \$413,072 | \$4,131 | \$2,668 | \$1,554 | \$1,114 |
| 2033/34 | \$422,006 | \$4,220 | \$2,726 | \$1,588 | \$1,138 |
| 2034/35 | \$431,130 | \$4,311 | \$2,785 | \$1,622 | \$1,162 |
| 2035/36 | \$440,448 | \$4,404 | \$2,845 | \$1,657 | \$1,188 |
| 2036/37 | \$449,966 | \$4,500 | \$2,906 | \$1,693 | \$1,213 |
| 2037/38 | \$459,686 | \$4,597 | \$2,969 | \$1,730 | \$1,239 |
| 2038/39 | \$469,614 | \$4,696 | \$3,033 | \$1,767 | \$1,266 |
| 2039/40 | \$479,753 | \$4,798 | \$3,099 | \$1,805 | \$1,294 |
| 2040/41 | \$490,109 | \$4,901 | \$3,166 | \$1,844 | \$1,322 |
| 2041/42 | \$500,686 | \$5,007 | \$3,234 | \$1,884 | \$1,350 |
| 2042/43 | \$511,489 | \$5,115 | \$3,304 | \$1,924 | \$1,379 |
| 2043/44 | \$522,522 | \$5,225 | \$3,375 | \$1,966 | \$1,409 |
| 2044/45 | \$533,790 | \$5,338 | \$3,448 | \$2,008 | \$1,439 |
| 2045/46 | \$545,299 | \$5,453 | \$3,522 | \$2,052 | \$1,470 |
| 2046/47 | \$557,053 | \$5,571 | \$3,598 | \$2,096 | \$1,502 |
| 2047/48 | \$569,058 | \$5,691 | \$3,675 | \$2,141 | \$1,534 |
| 2048/49 | \$581,319 | \$5,813 | \$3,755 | \$2,187 | \$1,567 |
| 2049/50 | \$593,842 | \$5,938 | \$3,836 | \$2,234 | \$1,601 |
| 2050/51 | \$606,631 | \$6,066 | \$3,918 | \$2,282 | \$1,636 |
| 2051/52 | \$619,694 | \$6,197 | \$4,002 | \$2,332 | \$1,671 |
| 2052/53 | \$633,035 | \$6,330 | \$4,089 | \$2,382 | \$1,707 |
| 2053/54 | \$646,661 | \$6,467 | \$4,177 | \$2,433 | \$1,744 |
| 2054/55 | \$660,578 | \$6,606 | \$4,267 | \$2,485 | \$1,781 |
| 2055/56 | \$674,792 | \$6,748 | \$4,358 | \$2,539 | \$1,820 |
| 2056/57 | \$689,308 | \$6,893 | \$4,452 | \$2,593 | \$1,859 |
| 2057/58 | \$704,135 | \$7,041 | \$4,548 | \$2,649 | \$1,899 |
| 2058/59 | \$719,277 | \$7,193 | \$4,646 | \$2,706 | \$1,939 |
| 2059/60 | \$734,743 | \$7,347 | \$4,746 | \$2,764 | \$1,981 |
| 2060/61 | \$750,539 | \$7,505 | \$4,848 | \$2,824 | \$2,024 |
| 2061/62 | \$766,672 | \$7,667 | \$4,952 | \$2,885 | \$2,067 |
| 2062/63 | \$783,148 | \$7,831 | \$5,058 | \$2,947 | \$2,112 |
| 2063/64 | \$799,977 | \$8,000 | \$5,167 | \$3,010 | \$2,157 |
| 2064/65 | \$817,164 | \$8,172 | \$5,278 | \$3,075 | \$2,203 |
| 2065/66 | \$834,718 | \$8,347 | \$5,391 | \$3,141 | \$2,251 |
| 2066/67 | \$852,647 | \$8,526 | \$5,507 | \$3,208 | \$2,299 |
| 2067/68 | \$870,958 | \$8,710 | \$5,625 | \$3,277 | \$2,348 |
| 2068/69 | \$889,659 | \$8,897 | \$5,746 | \$3,347 | \$2,399 |
| 2069/70 | \$908,760 | \$9,088 | \$5,870 | \$3,419 | \$2,450 |
| 2070/71 | \$928,268 | \$9,283 | \$5,996 | \$3,493 | \$2,503 |
| 2071/72 | \$948,192 | \$9,482 | \$6,124 | \$3,567 | \$2,557 |
| 2072/73 | \$968,541 | \$9,685 | \$6,256 | \$3,644 | \$2,612 |
| 2073/74 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2074/75 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$968,541 | \$280,401 | \$181,106 | \$105,496 | \$75,605 |

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 both of the following have occurred: 1) the parcels constituting Project Area A have been subdivided and the Project Area has been established pursuant to Section A.4 of this IFP, and 2) the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-9. Project Area 9: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

| Aggregate - Project Area 9 | | | | | |
|--|--|---|--|--|--|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (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 | \$388 | \$4 | \$3 | \$0 | \$0 |
| 2027/28 | \$523 | \$5 | \$3 | \$0 | \$0 |
| 2028/29 | \$660 | \$7 | \$4 | \$0 | \$0 |
| 2029/30 | \$801 | \$8 | \$5 | \$0 | \$0 |
| 2030/31 | \$943 | \$9 | \$6 | \$0 | \$0 |
| 2031/32 | \$1,089 | \$11 | \$7 | \$0 | \$0 |
| 2032/33 | \$1,238 | \$12 | \$8 | \$0 | \$0 |
| 2033/34 | \$1,390 | \$14 | \$9 | \$0 | \$0 |
| 2034/35 | \$1,544 | \$15 | \$10 | \$0 | \$0 |
| 2035/36 | \$158,937 | \$1,589 | \$1,027 | \$598 | \$429 |
| 2036/37 | \$820,069 | \$8,201 | \$5,297 | \$3,085 | \$2,211 |
| 2037/38 | \$837,699 | \$8,377 | \$5,411 | \$3,152 | \$2,259 |
| 2038/39 | \$855,706 | \$8,557 | \$5,527 | \$3,220 | \$2,307 |
| 2039/40 | \$874,096 | \$8,741 | \$5,646 | \$3,289 | \$2,357 |
| 2040/41 | \$892,879 | \$8,929 | \$5,767 | \$3,359 | \$2,408 |
| 2041/42 | \$912,062 | \$9,121 | \$5,891 | \$3,432 | \$2,459 |
| 2042/43 | \$931,655 | \$9,317 | \$6,017 | \$3,505 | \$2,512 |
| 2043/44 | \$951,666 | \$9,517 | \$6,147 | \$3,581 | \$2,566 |
| 2044/45 | \$972,103 | \$9,721 | \$6,279 | \$3,657 | \$2,621 |
| 2045/46 | \$992,977 | \$9,930 | \$6,413 | \$3,736 | \$2,677 |
| 2046/47 | \$1,014,296 | \$10,143 | \$6,551 | \$3,816 | \$2,735 |
| 2047/48 | \$1,036,069 | \$10,361 | \$6,692 | \$3,898 | \$2,794 |
| 2048/49 | \$1,058,308 | \$10,583 | \$6,835 | \$3,982 | \$2,854 |
| 2049/50 | \$1,081,020 | \$10,810 | \$6,982 | \$4,067 | \$2,915 |
| 2050/51 | \$1,104,217 | \$11,042 | \$7,132 | \$4,155 | \$2,977 |
| 2051/52 | \$1,127,909 | \$11,279 | \$7,285 | \$4,244 | \$3,041 |
| 2052/53 | \$1,152,107 | \$11,521 | \$7,441 | \$4,335 | \$3,107 |
| 2053/54 | \$1,176,820 | \$11,768 | \$7,601 | \$4,428 | \$3,173 |
| 2054/55 | \$1,202,061 | \$12,021 | \$7,764 | \$4,523 | \$3,241 |
| 2055/56 | \$1,227,841 | \$12,278 | \$7,930 | \$4,620 | \$3,311 |
| 2056/57 | \$1,254,170 | \$12,542 | \$8,100 | \$4,719 | \$3,382 |
| 2057/58 | \$1,281,061 | \$12,811 | \$8,274 | \$4,820 | \$3,454 |
| 2058/59 | \$1,308,526 | \$13,085 | \$8,452 | \$4,923 | \$3,528 |
| 2059/60 | \$1,336,576 | \$13,366 | \$8,633 | \$5,029 | \$3,604 |
| 2060/61 | \$1,365,225 | \$13,652 | \$8,818 | \$5,137 | \$3,681 |
| 2061/62 | \$1,394,485 | \$13,945 | \$9,007 | \$5,247 | \$3,760 |
| 2062/63 | \$1,424,370 | \$14,244 | \$9,200 | \$5,359 | \$3,841 |
| 2063/64 | \$1,454,892 | \$14,549 | \$9,397 | \$5,474 | \$3,923 |
| 2064/65 | \$1,486,065 | \$14,861 | \$9,598 | \$5,591 | \$4,007 |
| 2065/66 | \$1,517,903 | \$15,179 | \$9,804 | \$5,711 | \$4,093 |
| 2066/67 | \$1,550,420 | \$15,504 | \$10,014 | \$5,833 | \$4,181 |
| 2067/68 | \$1,583,631 | \$15,836 | \$10,228 | \$5,958 | \$4,270 |
| 2068/69 | \$1,617,551 | \$16,176 | \$10,447 | \$6,086 | \$4,362 |
| 2069/70 | \$1,652,194 | \$16,522 | \$10,671 | \$6,216 | \$4,455 |
| 2070/71 | \$1,687,576 | \$16,876 | \$10,900 | \$6,349 | \$4,550 |
| 2071/72 | \$1,723,713 | \$17,237 | \$11,133 | \$6,485 | \$4,648 |
| 2072/73 | \$1,760,621 | \$17,606 | \$11,372 | \$6,624 | \$4,747 |
| 2073/74 | \$1,798,316 | \$17,983 | \$11,615 | \$6,766 | \$4,849 |
| 2074/75 | \$1,836,815 | \$18,368 | \$11,864 | \$6,911 | \$4,953 |
| 2075/76 | \$1,876,136 | \$18,761 | \$12,118 | \$7,059 | \$5,059 |
| 2076/77 | \$1,916,296 | \$19,163 | \$12,377 | \$7,210 | \$5,167 |
| 2077/78 | \$1,957,312 | \$19,573 | \$12,642 | \$7,364 | \$5,278 |
| 2078/79 | \$1,999,203 | \$19,992 | \$12,912 | \$7,522 | \$5,391 |
| 2079/80 | \$2,041,989 | \$20,420 | \$13,189 | \$7,683 | \$5,506 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$2,041,989 | \$592,141 | \$382,453 | \$222,756 | \$159,642 |

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 both of the following have occurred: 1) the parcels constituting Project Area B have been subdivided and the Project Area has been established pursuant to Section A.4 of this IFP, and 2) the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-10. Project Area 10: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

| Aggregate - Project Area 10 | | | | | |
|--|--|---|---|--|--|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.58206%) (\$000) | Tax Revenue Allocated to Project (\$8,252,419% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| 2026/27 | \$258 | \$3 | \$2 | \$0 | \$0 |
| 2027/28 | \$348 | \$3 | \$2 | \$0 | \$0 |
| 2028/29 | \$439 | \$4 | \$3 | \$0 | \$0 |
| 2029/30 | \$532 | \$5 | \$3 | \$0 | \$0 |
| 2030/31 | \$627 | \$6 | \$4 | \$0 | \$0 |
| 2031/32 | \$724 | \$7 | \$5 | \$0 | \$0 |
| 2032/33 | \$823 | \$8 | \$5 | \$0 | \$0 |
| 2033/34 | \$923 | \$9 | \$6 | \$0 | \$0 |
| 2034/35 | \$57,246 | \$572 | \$370 | \$215 | \$154 |
| 2035/36 | \$303,094 | \$3,031 | \$1,958 | \$1,140 | \$817 |
| 2036/37 | \$310,104 | \$3,101 | \$2,003 | \$1,167 | \$836 |
| 2037/38 | \$317,273 | \$3,173 | \$2,049 | \$1,194 | \$855 |
| 2038/39 | \$324,605 | \$3,246 | \$2,097 | \$1,221 | \$875 |
| 2039/40 | \$332,105 | \$3,321 | \$2,145 | \$1,250 | \$895 |
| 2040/41 | \$339,776 | \$3,398 | \$2,195 | \$1,278 | \$916 |
| 2041/42 | \$347,622 | \$3,476 | \$2,245 | \$1,308 | \$937 |
| 2042/43 | \$355,647 | \$3,556 | \$2,297 | \$1,338 | \$959 |
| 2043/44 | \$363,855 | \$3,639 | \$2,350 | \$1,369 | \$981 |
| 2044/45 | \$372,251 | \$3,723 | \$2,404 | \$1,401 | \$1,004 |
| 2045/46 | \$380,838 | \$3,808 | \$2,460 | \$1,433 | \$1,027 |
| 2046/47 | \$389,620 | \$3,896 | \$2,516 | \$1,466 | \$1,051 |
| 2047/48 | \$398,603 | \$3,986 | \$2,575 | \$1,500 | \$1,075 |
| 2048/49 | \$407,791 | \$4,078 | \$2,634 | \$1,534 | \$1,100 |
| 2049/50 | \$417,189 | \$4,172 | \$2,695 | \$1,570 | \$1,125 |
| 2050/51 | \$426,801 | \$4,268 | \$2,757 | \$1,606 | \$1,151 |
| 2051/52 | \$436,632 | \$4,366 | \$2,820 | \$1,643 | \$1,177 |
| 2052/53 | \$446,688 | \$4,467 | \$2,885 | \$1,681 | \$1,204 |
| 2053/54 | \$456,973 | \$4,570 | \$2,952 | \$1,719 | \$1,232 |
| 2054/55 | \$467,492 | \$4,675 | \$3,019 | \$1,759 | \$1,261 |
| 2055/56 | \$478,252 | \$4,783 | \$3,089 | \$1,799 | \$1,290 |
| 2056/57 | \$489,257 | \$4,893 | \$3,160 | \$1,841 | \$1,319 |
| 2057/58 | \$500,513 | \$5,005 | \$3,233 | \$1,883 | \$1,350 |
| 2058/59 | \$512,025 | \$5,120 | \$3,307 | \$1,926 | \$1,381 |
| 2059/60 | \$523,801 | \$5,238 | \$3,383 | \$1,971 | \$1,412 |
| 2060/61 | \$535,845 | \$5,358 | \$3,461 | \$2,016 | \$1,445 |
| 2061/62 | \$548,164 | \$5,482 | \$3,540 | \$2,062 | \$1,478 |
| 2062/63 | \$560,764 | \$5,608 | \$3,622 | \$2,110 | \$1,512 |
| 2063/64 | \$573,651 | \$5,737 | \$3,705 | \$2,158 | \$1,547 |
| 2064/65 | \$586,832 | \$5,868 | \$3,790 | \$2,208 | \$1,582 |
| 2065/66 | \$600,314 | \$6,003 | \$3,877 | \$2,259 | \$1,619 |
| 2066/67 | \$614,104 | \$6,141 | \$3,966 | \$2,311 | \$1,656 |
| 2067/68 | \$628,208 | \$6,282 | \$4,057 | \$2,364 | \$1,694 |
| 2068/69 | \$642,634 | \$6,426 | \$4,151 | \$2,418 | \$1,733 |
| 2069/70 | \$657,389 | \$6,574 | \$4,246 | \$2,473 | \$1,773 |
| 2070/71 | \$672,481 | \$6,725 | \$4,343 | \$2,530 | \$1,813 |
| 2071/72 | \$687,917 | \$6,879 | \$4,443 | \$2,588 | \$1,855 |
| 2072/73 | \$703,705 | \$7,037 | \$4,545 | \$2,648 | \$1,897 |
| 2073/74 | \$719,853 | \$7,199 | \$4,649 | \$2,708 | \$1,941 |
| 2074/75 | \$736,370 | \$7,364 | \$4,756 | \$2,771 | \$1,986 |
| 2075/76 | \$753,263 | \$7,533 | \$4,865 | \$2,834 | \$2,031 |
| 2076/77 | \$770,542 | \$7,705 | \$4,977 | \$2,899 | \$2,078 |
| 2077/78 | \$788,215 | \$7,882 | \$5,091 | \$2,966 | \$2,125 |
| 2078/79 | \$806,292 | \$8,063 | \$5,208 | \$3,034 | \$2,174 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$806,292 | \$227,473 | \$146,921 | \$85,567 | \$61,323 |

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 both of the following have occurred: 1) the parcels constituting Project Area B have been subdivided and the Project Area has been established pursuant to Section A.4 of this IFP, and 2) the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-11. Project Area 11: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

| Aggregate - Project Area 11 | | | | | |
|--|--|---|--|--|--|
| Fiscal Year (Commencement Year) | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (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 | \$764 | \$8 | \$5 | \$0 | \$0 |
| 2027/28 | \$1,029 | \$10 | \$7 | \$0 | \$0 |
| 2028/29 | \$1,300 | \$13 | \$8 | \$0 | \$0 |
| 2029/30 | \$1,575 | \$16 | \$10 | \$0 | \$0 |
| 2030/31 | \$1,857 | \$19 | \$12 | \$0 | \$0 |
| 2031/32 | \$2,143 | \$21 | \$14 | \$0 | \$0 |
| 2032/33 | \$2,436 | \$24 | \$16 | \$0 | \$0 |
| 2033/34 | \$2,734 | \$27 | \$18 | \$0 | \$0 |
| 2034/35 | \$3,039 | \$30 | \$20 | \$0 | \$0 |
| 2035/36 | \$3,349 | \$33 | \$22 | \$0 | \$0 |
| 2036/37 | \$3,666 | \$37 | \$24 | \$0 | \$0 |
| 2037/38 | \$66,381 | \$664 | \$429 | \$250 | \$179 |
| 2038/39 | \$381,849 | \$3,818 | \$2,466 | \$1,437 | \$1,030 |
| 2039/40 | \$390,262 | \$3,903 | \$2,521 | \$1,468 | \$1,052 |
| 2040/41 | \$398,854 | \$3,989 | \$2,576 | \$1,501 | \$1,075 |
| 2041/42 | \$407,629 | \$4,076 | \$2,633 | \$1,534 | \$1,099 |
| 2042/43 | \$416,591 | \$4,166 | \$2,691 | \$1,567 | \$1,123 |
| 2043/44 | \$425,745 | \$4,257 | \$2,750 | \$1,602 | \$1,148 |
| 2044/45 | \$435,094 | \$4,351 | \$2,810 | \$1,637 | \$1,173 |
| 2045/46 | \$444,642 | \$4,446 | \$2,872 | \$1,673 | \$1,199 |
| 2046/47 | \$454,394 | \$4,544 | \$2,935 | \$1,710 | \$1,225 |
| 2047/48 | \$464,354 | \$4,644 | \$2,999 | \$1,747 | \$1,252 |
| 2048/49 | \$474,527 | \$4,745 | \$3,065 | \$1,785 | \$1,280 |
| 2049/50 | \$484,917 | \$4,849 | \$3,132 | \$1,824 | \$1,308 |
| 2050/51 | \$495,528 | \$4,955 | \$3,201 | \$1,864 | \$1,336 |
| 2051/52 | \$506,366 | \$5,064 | \$3,271 | \$1,905 | \$1,365 |
| 2052/53 | \$517,434 | \$5,174 | \$3,342 | \$1,947 | \$1,395 |
| 2053/54 | \$528,739 | \$5,287 | \$3,415 | \$1,989 | \$1,426 |
| 2054/55 | \$540,286 | \$5,403 | \$3,490 | \$2,033 | \$1,457 |
| 2055/56 | \$552,078 | \$5,521 | \$3,566 | \$2,077 | \$1,489 |
| 2056/57 | \$564,122 | \$5,641 | \$3,644 | \$2,122 | \$1,521 |
| 2057/58 | \$576,423 | \$5,764 | \$3,723 | \$2,169 | \$1,554 |
| 2058/59 | \$588,987 | \$5,890 | \$3,804 | \$2,216 | \$1,588 |
| 2059/60 | \$601,818 | \$6,018 | \$3,887 | \$2,264 | \$1,623 |
| 2060/61 | \$614,923 | \$6,149 | \$3,972 | \$2,314 | \$1,658 |
| 2061/62 | \$628,308 | \$6,283 | \$4,058 | \$2,364 | \$1,694 |
| 2062/63 | \$641,978 | \$6,420 | \$4,146 | \$2,415 | \$1,731 |
| 2063/64 | \$655,940 | \$6,559 | \$4,237 | \$2,468 | \$1,769 |
| 2064/65 | \$670,200 | \$6,702 | \$4,329 | \$2,522 | \$1,807 |
| 2065/66 | \$684,764 | \$6,848 | \$4,423 | \$2,576 | \$1,846 |
| 2066/67 | \$699,638 | \$6,996 | \$4,519 | \$2,632 | \$1,887 |
| 2067/68 | \$714,830 | \$7,148 | \$4,617 | \$2,689 | \$1,927 |
| 2068/69 | \$730,347 | \$7,303 | \$4,717 | \$2,748 | \$1,969 |
| 2069/70 | \$746,194 | \$7,462 | \$4,820 | \$2,807 | \$2,012 |
| 2070/71 | \$762,379 | \$7,624 | \$4,924 | \$2,868 | \$2,056 |
| 2071/72 | \$778,909 | \$7,789 | \$5,031 | \$2,931 | \$2,100 |
| 2072/73 | \$795,792 | \$7,958 | \$5,140 | \$2,994 | \$2,146 |
| 2073/74 | \$813,036 | \$8,130 | \$5,251 | \$3,059 | \$2,192 |
| 2074/75 | \$830,647 | \$8,306 | \$5,365 | \$3,125 | \$2,240 |
| 2075/76 | \$848,634 | \$8,486 | \$5,481 | \$3,193 | \$2,288 |
| 2076/77 | \$867,004 | \$8,670 | \$5,600 | \$3,262 | \$2,338 |
| 2077/78 | \$885,767 | \$8,858 | \$5,721 | \$3,333 | \$2,388 |
| 2078/79 | \$904,930 | \$9,049 | \$5,845 | \$3,405 | \$2,440 |
| 2079/80 | \$924,501 | \$9,245 | \$5,971 | \$3,478 | \$2,493 |
| 2080/81 | \$944,490 | \$9,445 | \$6,100 | \$3,554 | \$2,547 |
| 2081/82 | \$964,906 | \$9,649 | \$6,232 | \$3,630 | \$2,602 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$964,906 | \$278,490 | \$179,872 | \$104,690 | \$75,028 |

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 both of the following have occurred: 1) the parcels constituting Project Area B have been subdivided and the Project Area has been established pursuant to Section A.4 of this IFP, and 2) the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

Exhibit D-12. Project Area 12: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

| Aggregate - Project Area 12 | | | | | |
|--|--|---|---|--|--|
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.58206%) (\$000) | Tax Revenue Allocated to Project (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 Year) | | | | | |
| 2025/26 | \$1,313 | \$13 | \$8 | \$0 | \$0 |
| 2026/27 | \$1,989 | \$20 | \$13 | \$0 | \$0 |
| 2027/28 | \$2,679 | \$27 | \$17 | \$0 | \$0 |
| 2028/29 | \$3,383 | \$34 | \$22 | \$0 | \$0 |
| 2029/30 | \$4,101 | \$41 | \$26 | \$0 | \$0 |
| 2030/31 | \$4,833 | \$48 | \$31 | \$0 | \$0 |
| 2031/32 | \$5,580 | \$56 | \$36 | \$0 | \$0 |
| 2032/33 | \$6,341 | \$63 | \$41 | \$0 | \$0 |
| 2033/34 | \$7,118 | \$71 | \$46 | \$0 | \$0 |
| 2034/35 | \$7,911 | \$79 | \$51 | \$0 | \$0 |
| 2035/36 | \$8,719 | \$87 | \$56 | \$0 | \$0 |
| 2036/37 | \$9,543 | \$95 | \$62 | \$0 | \$0 |
| 2037/38 | \$10,384 | \$104 | \$67 | \$0 | \$0 |
| 2038/39 | \$78,337 | \$783 | \$506 | \$295 | \$211 |
| 2039/40 | \$521,699 | \$5,217 | \$3,370 | \$1,963 | \$1,407 |
| 2040/41 | \$533,522 | \$5,335 | \$3,446 | \$2,007 | \$1,439 |
| 2041/42 | \$545,597 | \$5,456 | \$3,524 | \$2,053 | \$1,471 |
| 2042/43 | \$557,930 | \$5,579 | \$3,604 | \$2,099 | \$1,504 |
| 2043/44 | \$570,526 | \$5,705 | \$3,685 | \$2,147 | \$1,538 |
| 2044/45 | \$583,390 | \$5,834 | \$3,768 | \$2,195 | \$1,573 |
| 2045/46 | \$596,529 | \$5,965 | \$3,853 | \$2,244 | \$1,608 |
| 2046/47 | \$609,949 | \$6,099 | \$3,940 | \$2,295 | \$1,645 |
| 2047/48 | \$623,654 | \$6,237 | \$4,028 | \$2,346 | \$1,682 |
| 2048/49 | \$637,652 | \$6,377 | \$4,118 | \$2,399 | \$1,719 |
| 2049/50 | \$651,949 | \$6,519 | \$4,211 | \$2,453 | \$1,758 |
| 2050/51 | \$666,551 | \$6,666 | \$4,305 | \$2,508 | \$1,797 |
| 2051/52 | \$681,464 | \$6,815 | \$4,401 | \$2,564 | \$1,837 |
| 2052/53 | \$696,695 | \$6,967 | \$4,500 | \$2,621 | \$1,879 |
| 2053/54 | \$712,251 | \$7,123 | \$4,600 | \$2,680 | \$1,921 |
| 2054/55 | \$728,139 | \$7,281 | \$4,703 | \$2,740 | \$1,963 |
| 2055/56 | \$744,366 | \$7,444 | \$4,808 | \$2,801 | \$2,007 |
| 2056/57 | \$760,940 | \$7,609 | \$4,915 | \$2,863 | \$2,052 |
| 2057/58 | \$777,866 | \$7,779 | \$5,024 | \$2,927 | \$2,097 |
| 2058/59 | \$795,154 | \$7,952 | \$5,136 | \$2,992 | \$2,144 |
| 2059/60 | \$812,811 | \$8,128 | \$5,250 | \$3,058 | \$2,192 |
| 2060/61 | \$830,844 | \$8,308 | \$5,366 | \$3,126 | \$2,240 |
| 2061/62 | \$849,263 | \$8,493 | \$5,485 | \$3,195 | \$2,290 |
| 2062/63 | \$868,074 | \$8,681 | \$5,607 | \$3,266 | \$2,341 |
| 2063/64 | \$887,286 | \$8,873 | \$5,731 | \$3,338 | \$2,392 |
| 2064/65 | \$906,908 | \$9,069 | \$5,858 | \$3,412 | \$2,445 |
| 2065/66 | \$926,949 | \$9,269 | \$5,987 | \$3,488 | \$2,499 |
| 2066/67 | \$947,417 | \$9,474 | \$6,119 | \$3,565 | \$2,555 |
| 2067/68 | \$968,322 | \$9,683 | \$6,254 | \$3,643 | \$2,611 |
| 2068/69 | \$989,673 | \$9,897 | \$6,392 | \$3,724 | \$2,669 |
| 2069/70 | \$1,011,480 | \$10,115 | \$6,533 | \$3,806 | \$2,727 |
| 2070/71 | \$1,033,751 | \$10,338 | \$6,677 | \$3,889 | \$2,787 |
| 2071/72 | \$1,056,498 | \$10,565 | \$6,824 | \$3,975 | \$2,849 |
| 2072/73 | \$1,079,730 | \$10,797 | \$6,974 | \$4,062 | \$2,911 |
| 2073/74 | \$1,103,458 | \$11,035 | \$7,127 | \$4,152 | \$2,975 |
| 2074/75 | \$1,127,691 | \$11,277 | \$7,284 | \$4,243 | \$3,041 |
| 2075/76 | \$1,152,442 | \$11,524 | \$7,443 | \$4,336 | \$3,107 |
| 2076/77 | \$1,177,721 | \$11,777 | \$7,607 | \$4,431 | \$3,176 |
| 2077/78 | \$1,203,539 | \$12,035 | \$7,773 | \$4,528 | \$3,245 |
| 2078/79 | \$1,229,908 | \$12,299 | \$7,944 | \$4,627 | \$3,316 |
| 2079/80 | \$1,256,840 | \$12,568 | \$8,118 | \$4,729 | \$3,389 |
| 2080/81 | \$1,284,346 | \$12,843 | \$8,295 | \$4,832 | \$3,463 |
| 2081/82 | \$1,312,438 | \$13,124 | \$8,477 | \$4,938 | \$3,539 |
| 2082/83 | \$1,341,131 | \$13,411 | \$8,662 | \$5,046 | \$3,616 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$1,341,131 | \$385,066 | \$248,707 | \$144,600 | \$103,630 |

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 both of the following have occurred: 1) the parcels constituting Project Area A have been subdivided and the Project Area has been established pursuant to Section A.4 of this IFP, and 2) the Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

| Exhibit D-13. Project Area 13: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD | | | | | |
|--|--|---|--|---|--|
| Aggregate - Project Area 13 | | | | | |
| Fiscal Year | Estimated Incremental Assessed Value (\$000) | Gross Tax Increment (1% Incremental Assessed Value) (\$000) | City Share of Increment (64.588206%) (\$000) | Tax Revenue Allocated to Project (58.2524193% of City Share of Increment) (\$000) | Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) |
| (Commencement Year) | | | | | |
| 2024/25 | \$125 | \$1 | \$1 | \$0 | \$0 |
| 2025/26 | \$252 | \$3 | \$2 | \$0 | \$0 |
| 2026/27 | \$382 | \$4 | \$2 | \$0 | \$0 |
| 2027/28 | \$515 | \$5 | \$3 | \$0 | \$0 |
| 2028/29 | \$650 | \$7 | \$4 | \$0 | \$0 |
| 2029/30 | \$21,031 | \$210 | \$136 | \$0 | \$0 |
| 2030/31 | \$130,150 | \$1,301 | \$841 | \$490 | \$351 |
| 2031/32 | \$133,060 | \$1,331 | \$859 | \$501 | \$359 |
| 2032/33 | \$136,032 | \$1,360 | \$879 | \$512 | \$367 |
| 2033/34 | \$139,067 | \$1,391 | \$898 | \$523 | \$375 |
| 2034/35 | \$142,167 | \$1,422 | \$918 | \$535 | \$383 |
| 2035/36 | \$145,333 | \$1,453 | \$939 | \$547 | \$392 |
| 2036/37 | \$148,567 | \$1,486 | \$960 | \$559 | \$401 |
| 2037/38 | \$151,870 | \$1,519 | \$981 | \$571 | \$410 |
| 2038/39 | \$155,243 | \$1,552 | \$1,003 | \$584 | \$419 |
| 2039/40 | \$158,688 | \$1,587 | \$1,025 | \$597 | \$428 |
| 2040/41 | \$162,207 | \$1,622 | \$1,048 | \$610 | \$437 |
| 2041/42 | \$165,801 | \$1,658 | \$1,071 | \$624 | \$447 |
| 2042/43 | \$169,471 | \$1,695 | \$1,095 | \$638 | \$457 |
| 2043/44 | \$173,220 | \$1,732 | \$1,119 | \$652 | \$467 |
| 2044/45 | \$177,048 | \$1,770 | \$1,144 | \$666 | \$477 |
| 2045/46 | \$180,959 | \$1,810 | \$1,169 | \$681 | \$488 |
| 2046/47 | \$184,952 | \$1,850 | \$1,195 | \$696 | \$499 |
| 2047/48 | \$189,031 | \$1,890 | \$1,221 | \$711 | \$510 |
| 2048/49 | \$193,197 | \$1,932 | \$1,248 | \$727 | \$521 |
| 2049/50 | \$197,452 | \$1,975 | \$1,275 | \$743 | \$532 |
| 2050/51 | \$201,798 | \$2,018 | \$1,303 | \$759 | \$544 |
| 2051/52 | \$206,236 | \$2,062 | \$1,332 | \$776 | \$556 |
| 2052/53 | \$210,769 | \$2,108 | \$1,361 | \$793 | \$568 |
| 2053/54 | \$215,399 | \$2,154 | \$1,391 | \$810 | \$581 |
| 2054/55 | \$220,127 | \$2,201 | \$1,422 | \$828 | \$594 |
| 2055/56 | \$224,957 | \$2,250 | \$1,453 | \$846 | \$607 |
| 2056/57 | \$229,889 | \$2,299 | \$1,485 | \$865 | \$620 |
| 2057/58 | \$234,927 | \$2,349 | \$1,517 | \$884 | \$633 |
| 2058/59 | \$240,072 | \$2,401 | \$1,551 | \$903 | \$647 |
| 2059/60 | \$245,327 | \$2,453 | \$1,585 | \$923 | \$661 |
| 2060/61 | \$250,694 | \$2,507 | \$1,619 | \$943 | \$676 |
| 2061/62 | \$256,175 | \$2,562 | \$1,655 | \$964 | \$691 |
| 2062/63 | \$261,773 | \$2,618 | \$1,691 | \$985 | \$706 |
| 2063/64 | \$267,491 | \$2,675 | \$1,728 | \$1,006 | \$721 |
| 2064/65 | \$273,331 | \$2,733 | \$1,765 | \$1,028 | \$737 |
| 2065/66 | \$279,295 | \$2,793 | \$1,804 | \$1,051 | \$753 |
| 2066/67 | \$285,387 | \$2,854 | \$1,843 | \$1,074 | \$770 |
| 2067/68 | \$291,608 | \$2,916 | \$1,883 | \$1,097 | \$786 |
| 2068/69 | \$297,963 | \$2,980 | \$1,924 | \$1,121 | \$803 |
| 2069/70 | \$304,453 | \$3,045 | \$1,966 | \$1,145 | \$821 |
| 2070/71 | \$311,081 | \$3,111 | \$2,009 | \$1,170 | \$839 |
| 2071/72 | \$317,851 | \$3,179 | \$2,053 | \$1,196 | \$857 |
| 2072/73 | \$324,765 | \$3,248 | \$2,098 | \$1,222 | \$876 |
| 2073/74 | \$331,826 | \$3,318 | \$2,143 | \$1,248 | \$895 |
| 2074/75 | \$339,039 | \$3,390 | \$2,190 | \$1,276 | \$914 |
| 2075/76 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2076/77 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2077/78 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2078/79 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2079/80 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2080/81 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2081/82 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2082/83 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2083/84 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2084/85 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2085/86 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2086/87 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Cumulative Total Over EIFD Term | \$339,039 | \$98,787 | \$63,805 | \$37,081 | \$26,575 |

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 -Power Station Fiscal Impact Analysis

Report

Power Station Fiscal Impact Analysis

The Economics of Land Use



Prepared for Use by:
City and County of San Francisco

Prepared by:
Economic & Planning Systems, Inc.

Revised February 8, 2024

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This report describes the results and methodology of a Fiscal Impact Analysis (FIA) for the redevelopment of the Power Station and adjacent property located at the San Francisco Eastern Waterfront. The City and County of San Francisco (CCSF) is considering forming an Enhanced Infrastructure Financing District (EIFD) encompassing the Power Station Property to reimburse the Project Sponsor for a portion of the cost of building new public infrastructure to serve the project and the broader community. The FIA has been prepared by Economic & Planning Systems, Inc. (EPS) under contract with Associate Capital, the project sponsor, at the request of CCSF staff to meet a component of the 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.

The Power Station Project envisions over 3.5 million square feet of mixed-use waterfront development, including about 2,315 residential units, commercial uses (office, R&D, retail, Production Distribution & Repair (PDR), and hospitality), and community facilities. This FIA covers the Power Station and additional adjacent properties contained within the boundary of the proposed EIFD. In total, the Power Station and adjacent properties ("Project") cover 14 blocks and include about seven acres of greenspace with 1,200 feet of waterfront frontage. **Table 3** presents the land use program for the full development project. The residential program will achieve 30 percent affordable housing through a combination of inclusionary housing, stand-alone affordable projects, and affordable housing fees.

This FIA evaluates the Project at the development's approximate midpoint as well as upon completion of construction and full stabilization ("buildout"). The analysis quantifies net redevelopment effects on the City's General Fund and Municipal Transportation Agency (MTA) Fund budgets and reflects data from sources including the City and County of San Francisco (CCSF) Fiscal Year 2022/23 Adopted Operating Budget, Project Environmental Impact Report, and market assumptions provided by Associate Capital. This report builds on an earlier EPS analysis of the project (Power Station Fiscal Impact Analysis, February 2023) with technical updates, MTA Fund impact analysis, maintenance cost analysis for dedicated streets, and a midpoint snapshot of fiscal impact during the development timeline.

The following **Key Findings** highlight the Project's estimated net fiscal impact. Actual fiscal impacts will depend on a variety of factors that cannot be predicted with certainty, including variable market conditions, future changes in City or State budgeting, the efficiency of various CCSF departments in providing services, and other factors. The analysis presents all impact estimates in constant 2023 dollars.

Key Findings

- Under the proposed EIFD framework, the Project is projected to generate an ongoing annual net fiscal benefit of over \$15 million to the CCSF's General Fund at Project buildout.¹** This annual General Fund surplus represents the net impact of increased tax revenues, after municipal service costs, and will be available to fund additional and improved services elsewhere in the city. Property Tax is the largest revenue item throughout the Project's development, accounting for almost 30 percent of General Fund revenue (before mandated General Fund requirements) at Project buildout. The increase in property tax revenue is directly attributable to the addition of assessed value on the CCSF tax roll, accounting for property tax increment pledged to the EIFD. Fully built out, the Project will generate an increase in the CCSF tax roll by about 1.4 percent (nearly \$4.6 billion over the current level).

Table ES-1 Summary of Annual Fiscal Impact with EIFD (2023\$)

| Revenue / Expense Category | PA1 - PA6 | PA7 - PA13 | Buildout |
|--|---------------------|---------------------|---------------------|
| <u>General Fund</u> | | | |
| Annual General Fund Revenues | \$26,865,000 | \$15,621,000 | \$42,486,000 |
| (Less) General Fund Baseline Requirements | <u>\$7,639,000</u> | <u>\$4,442,000</u> | <u>\$12,081,000</u> |
| Annual GF Revenues After Baseline Funding | \$19,226,000 | \$11,180,000 | \$30,406,000 |
| (Less) General Fund Expenditures | <u>\$7,391,000</u> | <u>\$7,872,000</u> | <u>\$15,263,000</u> |
| Net Impact on General Fund | \$11,835,000 | \$3,308,000 | \$15,142,000 |
| <u>MTA Fund</u> | | | |
| MTA General Fund Baseline Funding | \$2,469,000 | \$1,436,000 | \$3,904,000 |
| MTA General Fund Expenses | <u>\$1,284,000</u> | <u>\$1,087,000</u> | <u>\$2,371,000</u> |
| Net Impact on the MTA Fund | \$1,185,000 | \$349,000 | \$1,534,000 |
| Total Fiscal Benefit Estimate | \$13,019,000 | \$3,656,000 | \$16,676,000 |

Note: Totals may not sum due to rounding.

¹ Associate Capital and CCSF have agreed on a framework for an Enhanced Infrastructure Financing District (EIFD). As currently conceived, the EIFD would divert 58.25% of CCSF property tax (including property tax dedicated to CCSF's Children's Services Fund, Library Preservation Fund, and Open Space Acquisition Fund) to infrastructure and other qualified capital facilities.

- 2. Over three-quarters of the Project’s annual net fiscal benefit to the General Fund is estimated to be generated through development of the first six Project Areas, the approximate midpoint of the development program.²** During this period, over 70 percent of the commercial space is developed, generating significant property tax and property transfer tax. At buildout, property tax and property transfer tax together make up almost 60 percent of the Project’s annual revenue (before mandated transfers). Further, hotel rooms are delivered within Project Areas (PAs) 1 through 6, generating all of the Project’s annual transient occupancy tax (TOT) revenue, which contributes 9 percent to annual revenue at Project buildout (before mandated transfers). Correspondingly, less of the Project’s annual property tax and property transfer tax, and no TOT revenues are generated by the second half of the Project’s development.
- 3. Based on MTA’s share of mandated General Fund transfers and the General Fund’s contribution toward MTA Fund expenses, the FIA estimates that the Project will generate a net fiscal benefit to the MTA Fund under the proposed EIFD framework.** The MTA analysis focuses on General Fund-related impacts on MTA in order to reasonably isolate the Project’s effect on the MTA, implicitly assuming that other funding sources for MTA operations (e.g., federal and state funding) will increase commensurately. Though the estimates show the second half of the Power Station’s development generates only a modest net fiscal benefit for the MTA Fund, the fiscal benefit generated during the first half of the Project’s development is over \$1.1 million per year, and on a cumulative basis the fully built out Project adds over \$1.5 million in annual net fiscal benefit to the MTA Fund.
- 4. 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 over 50 percent.** A hypothetical calculation of fiscal impacts under a scenario with reduced assessed values, rents, room rates, parking rates, and gross receipts tax shows that Project values can be significantly lower without resulting in a projected net negative fiscal impact. Reducing Project value factors downward, the fiscal impact model still yields a slight positive fiscal impact (i.e., including the General Fund and MTA Fund) with a 50 percent reduction in the value assumptions.

² Under State law, a project utilizing an infrastructure financing district must evaluate its fiscal impacts on city or county services during development (e.g., at a midpoint) as well as at project completion. Dividing Power Station’s timeline of development by two construction phases (i.e., the development of Project Areas 1 through 6, and Project Areas 7 through 14) satisfies this requirement.

Assumptions and Methodology

This section describes the methodology and calculations underlying the fiscal impact analysis estimates detailed in **Table 1**. Table 1 presents fiscal impact results during development and at Project buildout after a reduction of General Fund property tax revenue and associated mandated transfers, assuming that 58.25 percent of CCSF property tax (including property tax dedicated to CCSF's Children's Services Fund, Library Preservation Fund, and Open Space Acquisition Fund) are devoted to a tax increment district fund for Project-related infrastructure, with remaining property tax revenue accruing to the General Fund. Additional tables that follow detail supporting calculations for the Project with the proposed EIFD framework, including both General Fund revenue calculations and General Fund and MTA Fund cost calculations at buildout. The **Appendix** contains FIA calculations for PAs 1-6 and PAs 7-14. **Table 2** provides an overview of the Project program and assumptions related to new employment and calculates the service population resulting from the Project.³

General Fund Revenue Estimates

- **Table 3** summarizes the CCSF General Fund revenues by line item and the associated estimating factors used by this fiscal impact analysis to quantify new revenues from Project development.
- **Table 4** documents assumptions related to the projected assessed value of the site based on market assumptions provided to EPS by Associate Capital.
- **Table 5** shows property tax revenue calculations. The table shows that CCSF will capture 64.59 percent of new base property tax growth and will allocate 58.25 percent of this tax increment revenue to an EIFD for Project infrastructure.
- **Table 6** shows 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. Property tax in lieu of VLF accrues to the General Fund and will not be allocated to the EIFD.
- **Table 7** estimates property transfer tax revenue that will be generated to the CCSF General Fund. The analysis assumes that income-generating assets trade every 20 years (5 percent turnover rate), and for-sale housing sells every 10 years (10 percent turnover rate). The analysis assumes that all commercial real estate transactions will be over \$25 million, and that the different land uses do not necessarily sell in unique transactions. The tax rate applied to the transfer of ownership of 60 percent Area Median Income housing to a not-for-profit entity is 0.75% regardless of transaction value.

³ 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, a well-accepted approach to evaluating per capita demand for municipal services. The 50% weight applied to employees reflects their relatively low demand for CCSF public services.

- **Table 8** documents the assumptions and calculations for household taxable retail spending potential. New households drive sales with expenditures on taxable items expressed as weighted average household spending. The spending estimates differentiate between market rate rental households, market rate for-sale households, renter households at 80 percent of Area Median Income, renter households at 70 percent of Area Median Income, and renter households at 60 percent of Area Median Income.
- **Table 9** relies on household spending estimates derived in Table 8 to calculate sales tax revenue, and documents additional assumptions and calculations for employee and other on-site taxable spending. Key assumptions include: i) 80 percent of new taxable residential spending is captured in San Francisco, ii) new office, R&D, and PDR employment generate \$25 per workday per worker, and iii) on-site retail uses capture 30 percent of taxable retail spending made by Project residents and employees 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 taxable sales.
- **Table 10** documents the assumptions and calculations for transient occupancy tax (TOT). Associate Capital supplied EPS with hotel market assumptions, including (i) an average daily rate of \$550 per hotel room and (ii) an average occupancy of 80 percent. The City collects 14 percent of hotel revenue. CCSF's capture of hotel revenue will be distributed between allocations to the General Fund (12.5 percent of hotel revenue) and arts and culture (1.5 percent of hotel revenue).
- **Table 11** documents the assumptions and calculations for parking tax. Existing parking in PA 13 is excluded from the parking tax revenue calculation. Key commercial parking assumptions include i) an average parking vacancy of 7.5 percent and ii) an average monthly parking rate of \$200 per space. CCSF collects a 25 percent parking tax from commercial off-street parking charges. Only 20 percent of parking tax revenue accrues to the General Fund, with the remaining 80 percent dedicated to the MTA Fund.
- **Table 12** documents CCSF's other General Fund revenue, which includes revenue from utility users' tax and business' gross receipts. 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 13** estimates gross receipts revenue on commercial rents (CRT). The total rental proceeds are based on rental rates provided by Associate Capital. The analysis conservatively assumes retailers within the Project will be "non-formula" establishments (i.e., small- to medium-sized, independent establishments with non-standardized branding) that are exempt from the CRT under the CCSF code.
- **Table 14** 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. The baseline General Fund transfer to MTA shown in this table is the full extent of the revenue estimate used in the MTA Fund impact analysis.

- **Table 15** summarizes the CCSF General Fund expenditures by line item and documents the assumptions and calculations to estimate new General Fund costs resulting from 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-capita cost approach to estimate department costs. The variable portion of each department budget is used to determine the per-capita cost, and per-capita 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 16** considers annual maintenance cost estimates for net new public facilities that are to be built as part of the Power Station Project and will be maintained by the City. The estimates focus on street maintenance costs for the Project, which comprise regular reconstruction of roadway surfaces. The costs are annualized based on roadway surface service life. Associate Capital provided EPS cost estimates for street reconstruction based on data sourced from the Phase 1 Street Improvement Plan (2023). The public roadways will be delivered and dedicated to CCSF within the first few years of development. The analysis finds that street maintenance costs are well below total estimated Public Works expenses for PAs 1 through 6 (\$748,000 per year), and thus no additional fiscal impact is identified.
- **Table 17** presents an overview of the MTA fiscal impact analysis. MTA revenues considered by this analysis include the required baseline transfers to MTA from the General Fund. MTA cost impacts reflect only the portion of MTA Fund expenses supported by CCSF’s General Fund contributions, in order to isolate the Project’s direct impact on the MTA. This analysis assumes that other MTA funding sources beyond Power Station contributions to the CCSF General Fund, such as State and Federal support, MTA farebox recovery, and marketing revenues, increase proportionally with the expansion of the General Fund’s contribution to the MTA Fund.
- **Table 18** 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 low municipal service burden attributable to local workers.

The FIA projects that the Project with EIFD will result in a net fiscal benefit to the City of San Francisco General Fund and MTA Fund. Importantly, 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. For example, hotel value assumptions are informed by Project Sponsor conversations with hotel operators who have expressed interest in the Project. Current underwriting assumes that the hotel would be positioned as a luxury boutique hotel developed in partnership with one of the premier global hotel flags, commanding one of the highest average daily room rates in the City. Given the planned amenities, waterfront location, proximity to commercial space, and the

partnership's operational expertise, the Project Sponsor believes the assumptions to be achievable.

In response to a Controller's Office inquiry concerning assessed valuation assumptions and the Project's fiscal surplus given current market conditions, EPS performed a peer-reviewed sensitivity analysis of the FIA that estimates net fiscal benefits occur even when key valuation assumptions are reduced by over 50 percent. This hypothetical calculation of fiscal impacts reflects a consistent percentage reduction in:

- All market-rate assessed values;
- Real estate lease rate levels;
- Hotel room rates;
- Parking revenues; and
- Gross receipts tax per employee.

The results of the sensitivity analysis showed that Project values likely can be significantly lower without resulting in a net negative fiscal impact to the City. Reducing Project value factors downward, the fiscal impact model still yields a slight positive fiscal impact (i.e., including the General Fund and MTA Fund) with a 50 percent reduction in the value assumptions.

Table 1
Annual Fiscal Impact Summary Detail with EIFD
Power Station FIA

Buildout

| Item | PA1 - PA6 | PA7 - PA13 | Project Buildout |
|--|---------------------|---------------------|---------------------|
| General Fund Revenues | | | |
| Property Tax | \$7,091,000 | \$5,198,000 | \$12,289,000 |
| Property Tax in Lieu of VLF | \$2,804,000 | \$2,055,000 | \$4,859,000 |
| Property Transfer Tax | \$7,007,000 | \$5,301,000 | \$12,308,000 |
| Sales Tax | \$502,000 | \$543,000 | \$1,045,000 |
| Transient Occupancy Tax (TOT) | \$4,015,000 | \$0 | \$4,015,000 |
| Utility User Tax | \$261,000 | \$278,000 | \$540,000 |
| Parking Tax | \$60,000 | \$175,000 | \$235,000 |
| Gross Receipts Tax | \$4,453,000 | \$1,809,000 | \$6,263,000 |
| Business Registration | \$190,000 | \$77,000 | \$267,000 |
| Commercial Rents Tax | <u>\$483,000</u> | <u>\$185,000</u> | <u>\$667,000</u> |
| Subtotal General Revenue | \$26,865,000 | \$15,621,000 | \$42,486,000 |
| (less) General Fund Baseline Requirements | \$7,639,000 | \$4,442,000 | \$12,081,000 |
| General Fund Revenue After Requirements | \$19,226,000 | \$11,180,000 | \$30,406,000 |
| General Fund Expenditures | | | |
| Community Health | \$920,000 | \$979,000 | \$1,899,000 |
| Culture & Recreation | \$156,000 | \$166,000 | \$323,000 |
| General Administration & Finance | \$267,000 | \$285,000 | \$552,000 |
| General City Responsibilities | \$179,000 | \$191,000 | \$371,000 |
| Human Welfare & Neighborhood Development | \$1,247,000 | \$1,328,000 | \$2,574,000 |
| Police | \$1,968,000 | \$2,096,000 | \$4,065,000 |
| Fire | \$1,430,000 | \$1,523,000 | \$2,952,000 |
| Other Public Protection | \$476,000 | \$507,000 | \$982,000 |
| Public Works, Transportation & Commerce | <u>\$748,000</u> | <u>\$797,000</u> | <u>\$1,545,000</u> |
| Service Cost Total | \$7,391,000 | \$7,872,000 | \$15,263,000 |
| NET Annual General Revenues | \$11,835,000 | \$3,308,000 | \$15,142,000 |
| MTA General Fund Baseline Funding | \$2,469,000 | \$1,436,000 | \$3,904,000 |
| MTA General Fund Expenses | <u>\$1,284,000</u> | <u>\$1,087,000</u> | <u>\$2,371,000</u> |
| Net Impact on the MTA Fund | \$1,185,000 | \$349,000 | \$1,534,000 |
| Total Fiscal Benefit Estimate | \$13,019,000 | \$3,656,000 | \$16,676,000 |

Note: Totals may not sum due to rounding.

Table 2
Project Program and Service Population
Power Station FIA

Buildout

| Item | Development Program | Resident or Worker Density Assumptions (1) | Resident Population | Employment | Service Population (2) |
|--|---------------------|--|---------------------|--------------|------------------------|
| Commercial Uses | | | | | |
| Office | 453,967 SF | 276 SF / Employee | | 1,645 | 822 |
| R&D | 1,045,999 SF | 405 SF / Employee | | 2,583 | 1,291 |
| Retail | 108,028 SF | 350 SF / Employee | | 309 | 154 |
| PDR (3) | 133,144 SF | 276 SF / Employee | | 482 | 241 |
| Community Facilities | <u>33,645</u> SF | 780 SF / Employee | | <u>43</u> | <u>22</u> |
| <i>Subtotal</i> | <i>1,774,783 SF</i> | | | <i>5,062</i> | <i>2,531</i> |
| Hotel | 200 Rooms | 0.90 Rooms / Employee | | 222 | 111 |
| Parking (3) | 2,332 Spaces | 270 Spaces / Employee | | 9 | 4 |
| Commercial Subtotal | | | | 5,293 | 2,646 |
| Residential Uses | | | | | |
| Market-Rate Rental (4) | 1,326 DU | 2.27 Residents / HH | 3,010 | 41 | 3,031 |
| Market-Rate For-Sale (5) | 551 DU | 2.27 Residents / HH | 1,251 | 17 | 1,259 |
| Below-Market-Rate Rental (80% AMI) | 98 DU | 2.27 Residents / HH | 222 | 3 | 224 |
| Below-Market-Rate Rental (70% AMI) (6) | 260 DU | 2.27 Residents / HH | 590 | 8 | 594 |
| Below-Market-Rate Rental (60% AMI) | 80 DU | 2.27 Residents / HH | 182 | 3 | 183 |
| Residential Subtotal (7) | 2,315 DU | | 5,255 | 72 | 5,291 |
| Total | | | 5,255 | 5,365 | 7,938 |

(1) Household and employment densities will vary by building format and tenanting. Assumptions reflect typical conditions, consistent with the project EIR.

(2) Per-person employee burden on City service is weighted at 50 percent of resident burden. No weight is applied to MTA service population.

(3) The Weidenmuller Property is currently improved with approximately 118,000 square feet of industrial and warehouse space and 217 parking spaces. The FIA includes these uses as net new given the anticipated increase in assessed value and economic activity that is likely in the future.

(4) Buildout includes 206 market-rate units enabled through the CCSF affordable housing fee program.

(5) Buildout includes 52 market-rate units enabled through the CCSF affordable housing fee program.

(6) Inclusionary affordable housing.

(7) Power Station (excluding PA13) achieves a total affordable housing contribution of 30% through a combination of 178 dedicated, 110 inclusionary, and 258 in-lieu fee units.

Table 3
FY2022-23 Revenue Budget Summary and Fiscal Impact Estimating Factors
Power Station FIA

Buildout

| Item | FY2022-23 Adopted General Fund | Estimating Factors Applied to Estimate Project Revenue |
|----------------------------------|-----------------------------------|---|
| <u>Property Taxes</u> | \$2,379,530,000 | |
| Property Tax in Lieu of VLF | \$345,570,000 | % of Citywide Assessed Value |
| Other Property Taxes (1) | \$2,033,960,000 | 64.59% of base property tax rate (1%) |
| <u>Other Local Taxes</u> | \$1,050,820,000 | |
| Sales Tax | \$182,870,000 | 1.00% of estimated taxable sales |
| Hotel Room Tax | \$188,880,000 | 14% Transient Occupancy Tax |
| Parking Tax | \$80,180,000 | 25% of parking charges |
| Property Transfer Tax | \$390,480,000 | rate schedule |
| Utility Users Tax | \$82,630,000 | \$68.00 per service population |
| Access Line Tax | \$47,100,000 | |
| Other Local Taxes | \$78,680,000 | |
| <u>Business Taxes (2)</u> | \$902,300,000 | |
| Gross Receipts Tax | \$869,300,000 | \$1,167.31 per employee |
| Business Registration Fees | \$37,000,000 | \$49.68 per employee |
| <u>Other Revenues</u> | \$2,453,544,000 | |
| Rents & Concessions | \$13,131,000 | |
| Fines, Forfeiture, & Penalties | \$3,088,000 | |
| Interest & Investment Income | \$44,467,000 | |
| Licenses, Permits, & Franchises | \$26,818,000 | |
| Intergovernmental | \$1,511,286,000 | |
| Charges for Services | \$236,924,000 | |
| Other Revenues | \$19,420,000 | |
| Transfers In | \$203,001,000 | |
| Prior Year | \$395,409,000 | |
| Total Revenues (3) | \$6,786,194,000 | |

Sources: City and County of San Francisco Budget and Appropriation Ordinance 2022/2023; Economic & Planning Systems, Inc.

Note: Totals may not sum due to rounding.

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

(2) Business Tax total reflects negative \$4M related to payroll tax adjustment.

(3) CCSF Major Fund Budget Year 22-23 reports "Available Sources Total" at \$6,786,193.

Table 4
Assessed Value
Power Station FIA

Buildout

| Land Use | Program Assumptions | Assessed Value Factor (2023\$) | Total AV at Buildout (2023\$) |
|--|----------------------------------|--------------------------------|-------------------------------|
| <u>Commercial Uses</u> | | | |
| Office | 453,967 Square Feet | \$1,363 per Sq.Ft. | \$618,956,766 |
| R&D | 1,045,999 Square Feet | \$1,596 per Sq.Ft. | \$1,669,414,404 |
| Retail | 108,028 Square Feet | \$611 per Sq.Ft. | \$66,054,502 |
| PDR | 133,144 Square Feet | \$864 per Sq.Ft. | \$114,988,000 |
| Hotel | 200,000 Square Feet | \$1,250 per Sq.Ft. | \$250,000,000 |
| Community Facilities | 33,645 Square Feet | \$0 per Sq.Ft. | \$0 |
| Parking | <u>2,332</u> Stalls | \$38,069 per Stall | <u>\$88,779,948</u> |
| Commercial Subtotal | 1,974,783 Square Feet (1) | | \$2,808,193,620 |
| <u>Residential Uses</u> | | | |
| Market-Rate Rental | 1,326 DUs | \$803,464 per Unit | \$1,065,393,100 |
| Market-Rate For-Sale | 551 DUs | \$1,351,074 per Unit | \$744,441,600 |
| Below-Market-Rate Rental (80% AMI) (2) | 98 DUs | | <i>Tax Exempt</i> |
| Below-Market-Rate Rental (70% AMI) (3) | 260 DUs | \$302,099 per Unit | \$78,545,747 |
| Below-Market-Rate Rental (60% AMI) (2) | <u>80</u> DUs | | <i>Tax Exempt</i> |
| Residential Subtotal | 2,315 DUs | | \$1,888,380,447 |
| (Less) Existing Site Assessed Value | | | -\$138,910,933 |
| Total Net New Assessed Value | | | \$4,557,663,135 |

Source: Associate Capital

(1) Excludes parking stalls.

(2) Stand-alone low-Income housing is assumed tax exempt given likelihood of not-for-profit exemption.

(3) Inclusionary affordable housing.

Table 5
Property Tax Estimate
Power Station FIA

Buildout

| Land Use | Assumption / Factor | Total at Buildout (2023\$) |
|-------------------------------------|---|-------------------------------|
| Total Net New Assessed Value | | \$4,557,663,135 |
| Property Tax | 1.0% Base Property Tax Rate | \$45,576,631 |
| General Fund Revenue | 64.588206% Allocation to General Fund (before EIFD) | \$29,437,129 |
| Tax Increment Allocation | 58.252419% to EIFD | \$17,147,839 |
| Net Revenue to General Fund | 41.747581% to General Fund (1) | \$12,289,289 |

(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.

Table 6
Property Tax In Lieu of VLF Estimate
Power Station FIA

Buildout

| Land Use | Total at Buildout (2023\$) |
|---|---------------------------------------|
| Existing Citywide Property Tax in Lieu of Vehicle License Fee (VLF) (1) | \$346,523,669 |
| Citywide Assessed Value (2) | \$325,063,645,179 |
| Project Incremental Assessed Value | \$4,557,663,135 |
| Project Net Assessed Value Increase (3) | 1.40% |
| Property Tax In Lieu of VLF Revenue (4) | \$4,858,551 |
| <i>VLF Increase Per \$1B AV</i> | <i>\$1,066,017.91</i> |

(1) FY 2022-23 Citywide VLF recovered per Controller's Office Property Tax Manager.

(2) FY 2022-23 net total assessed value for VLF per Controller's Office Property Tax Manager.

(3) Calculated by dividing the new assessed value by citywide assessed value.

(4) Calculated by multiplying existing property tax in lieu of VLF by project net assessed value increase.

Table 7
Property Transfer Tax Estimate
Power Station FIA

Buildout

| Land Use | Turnover Rate (1) | Average Annual Taxable Transactions | Transfer Tax Rate (2) | Total at Buildout (2023\$) |
|--|-------------------|-------------------------------------|-----------------------|----------------------------|
| <u>Commercial Uses</u> | | | | |
| Office | 5.0% | \$30,947,838 | 6.00% | \$1,856,870 |
| R&D | 5.0% | \$83,470,720 | 6.00% | \$5,008,243 |
| Retail | 5.0% | \$3,302,725 | 6.00% | \$198,164 |
| PDR | 5.0% | \$5,749,400 | 6.00% | \$344,964 |
| Hotel | 5.0% | \$12,500,000 | 6.00% | \$750,000 |
| <u>Residential Uses</u> | | | | |
| Market-Rate Rental (With Inclusionary) (3) | 5.0% | \$57,196,942 | 6.00% | \$3,431,817 |
| Market-Rate For-Sale | 10.0% | \$74,444,160 | 0.68% | \$506,220 |
| Below-Market-Rate Rental (80% AMI) (4) | 5.0% | \$3,404,766 | 6.00% | \$204,286 |
| Below-Market-Rate Rental (60% AMI) (4) | 5.0% | \$960,000 | 0.75% | \$7,200 |
| Property Transfer Tax Revenue | | \$271,976,552 | | \$12,307,764 |

(1) EPS turnover rate assumptions are based on long-run averages. A turnover rate of 5.0 percent suggests that properties sell approximately once every 20 years. Similarly, a rate of 10.0 percent suggests that properties sell approximately once every 10 years. Annual transfer tax revenue ("total at buildout") is an expected value (or average) over time.

(2) Assumes all commercial real estate transactions will be over \$25 million. Distinct land uses likely bundled for sale.

(3) Includes 110 units of inclusionary affordable housing at 70% AMI.

(4) Stand-alone BMR at 60% AMI and 80% AMI is valued at \$240,000 and \$695,000 per unit, respectively, for the purposes of the transfer tax revenue estimate.

Table 8
Household Income and Retail Spending Potential
Power Station FIA

Buildout

| Item | Assumptions | Estimate (2023\$) |
|---|--------------------------------|----------------------|
| <u>Estimated Annual Household Income</u> | | |
| <u>Rental Housing Households</u> | | |
| Market Rate | 30% of income is Rent | \$167,879 |
| Below Market Rate (80% AMI) (1) | 80% AMI | \$88,675 |
| Below Market Rate (70% AMI) (2) | 70% AMI | \$77,600 |
| Below Market Rate (60% AMI) (1) | 60% AMI | \$66,500 |
| <u>For-Sale Housing Households (3)</u> | | |
| Market Rate | 30% of income is Housing Costs | \$234,371 |
| <u>Household Taxable Retail Spending (4)</u> | | |
| <u>Households in Rental Housing</u> | | |
| Market Rate | 22% of income | \$36,787 |
| Below Market Rate (80% AMI) | 25% of income | \$22,314 |
| Below Market Rate (70% AMI) | 30% of income | \$22,896 |
| Below Market Rate (60% AMI) | 34% of income | \$22,636 |
| <u>Households in For-Sale Housing</u> | | |
| Market Rate | 17% of income | \$40,869 |
| Below Market Rate | | N/A |
| Weighted Average Household Spending | | \$35,097 |

Sources: State Board of Equalization, ICSC Research Survey, U.S. Bureau of Labor Statistics

(1) Stand-alone below-market-rate housing units.

(2) Comprises 110 units of inclusionary affordable housing.

(3) Income estimate relies on typical mortgage financing and the assumption that housing costs represent 30 percent of gross household income.

(4) U.S. Bureau of Labor Statistics Consumer Expenditure Survey data for respective income groups.

Table 9
Annual Sales Tax Revenue Estimate
Power Station FIA

Buildout

| Item | Assumptions / Factor | Total at Buildout (2023\$) |
|---|-----------------------------|-------------------------------|
| <u>Household Taxable Spending</u> | | |
| Annual Household Retail Spending Potential | \$35,097 per household | \$81,249,399 |
| Net New Retail Sales Captured in San Francisco | 80% of retail expenditures | \$64,999,519 |
| <u>Employee Taxable Spending</u> | | |
| Annual Worker Retail Spending Potential (1) | \$25 per work day | \$4,779 |
| Net New Worker Taxable Spending in San Francisco (2) | 100% of retail expenditures | \$22,508,178 |
| <u>Additional On-Site Taxable Sales</u> | | |
| New Retail Space (Sq.Ft.) | | 108,028 |
| Gross Taxable Retail Sales | \$500 per square foot | \$54,014,000 |
| Sales Net of Redistributed Sales in City (3) | 80% of total taxable sales | \$43,211,200 |
| Net New On-Site Taxable Sales (4) | 39% of net taxable sales | \$16,958,891 |
| Net New Taxable Retail Sales | | \$104,466,588 |
| Total Sales Tax Revenue | 1.0% of taxable sales | \$1,044,666 |

Sources: State Board of Equalization, ICSC Research Survey, U.S. Bureau of Labor Statistics

(1) Per-day spending from ICSC survey data. Calculation assumes four days per week for 48 weeks each year.

(2) Daytime spending estimate applied to office, R&D, and PDR employment.

(3) Assumes 20% of sales shift from existing retailers in the city.

(4) Reflects net sales after 30% capture of new resident and office worker sales accounted for above.

Table 10
Transient Occupancy Tax Revenue Estimate
Power Station FIA

Buildout

| Item | Assumptions | Total at Buildout (2023\$) |
|---------------------------|--------------|-------------------------------|
| Hotel Rooms | | 200 |
| Average Daily Room Charge | \$550 | |
| Average Occupancy | 80% | |
| Average Annual Revenue | | \$32,120,000 |
| Total TOT Revenue | 14.0% | \$4,496,800 |
| | | |
| TOT to General Fund | 12.5% | \$4,015,000 |
| TOT to Arts & Culture (1) | <u>1.50%</u> | \$481,800 |
| | <u>14.0%</u> | |

(1) 1.5% of the 14% TOT rate is dedicated to the arts.

Table 11
Parking Tax Revenue Estimate
Power Station FIA

Buildout

| Item | Assumptions | Total at Buildout (2023\$) |
|--|---------------------------------|----------------------------|
| Commercial Off-Street Parking at Buildout (1) | | 2,115 |
| Occupied Off-Street Parking | 92.5% average occupancy | 1,956 |
| Average Revenue Rates | \$200 per space per month | \$391,292 |
| Gross Annual Parking Tax Revenue | 12 months per year | \$4,695,503 |
| San Francisco Parking Tax Revenue | 25.0% of annual parking revenue | \$1,173,876 |
| Total Parking Tax Revenue to MTA | 80.0% of tax proceeds | \$939,101 |
| Total Parking Tax Revenue to General Fund | 20.0% of tax proceeds | \$234,775 |

(1) Excludes 217 exiting parking spaces in PA13.

Table 12
Other Revenue Estimates
Power Station FIA

Buildout

| Item | Allocation Factor | Project Characteristic | Total at Buildout (2023\$) |
|--------------------------------|-----------------------------|--------------------------|-------------------------------|
| Utility User Tax | \$68 per service population | 7,938 Service Population | \$539,769 |
| Gross Receipts Tax | \$1,167 per Employee | 5,365 Employees | \$6,262,543 |
| Business Registration | \$49.68 per Employee | 5,365 Employees | \$266,553 |
| Commercial Rents Tax (CRT) (1) | 0.53% on rental revenue | \$127,097,788 per Year | \$667,263 |
| Total | | | \$7,736,128 |

(1) 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.

Table 13
Commercial Rental Revenue Detail
Power Station FIA

Buildout

| Land Use | Development Program | Rentable Square Feet | Rental Rates | Total at Buildout (2023\$) |
|---------------------------------------|---------------------|----------------------|----------------------------|----------------------------|
| Office | 453,967 SF | 417,650 SF | \$6.50 per Rentable Sq.Ft. | \$32,576,672 |
| R&D | 1,045,999 SF | 1,045,999 SF | \$7.00 per Rentable Sq.Ft. | \$87,863,916 |
| Retail (1) | 108,028 SF | 108,028 SF | N/A per Rentable Sq.Ft. | <i>exempt</i> |
| PDR | 133,144 SF | 133,144 SF | \$4.17 per Rentable Sq.Ft. | \$6,657,200 |
| Total Annual Rental Revenue | | | | \$127,097,788 |
| Gross Receipts Tax Revenue (2) | | 3.5% | | \$4,448,423 |
| General Fund Allocation (3) | | | | \$667,263 |
| Restricted Revenue (3) | | | | \$3,781,159 |

Source: Associate Capital

(1) Assumes retailers are tax-exempt, "non-formula" establishments.

(2) Includes General Fund and restricted revenues.

(3) CRT is allocated to General Fund (15% of total) and for restricted uses (85% of total).

Table 14
Aggregate Discretionary Revenue (ADR) and Mandated Transfers with EIFD
Power Station FIA

Buildout

Aggregate Discretionary Revenue (ADR)

| | |
|--|---------------------|
| Property Tax | \$12,289,289 |
| Property Tax In-Lieu of Vehicle License Fee | \$4,858,551 |
| Property Transfer Tax | \$12,307,764 |
| Transient Occupancy Tax Allocation to General Fund | \$4,015,000 |
| Sales Tax | \$1,044,666 |
| Parking Tax | \$234,775 |
| Gross Receipts Tax | \$6,262,543 |
| Business Registration Tax | \$266,553 |
| Utility User Tax | \$539,769 |
| Commercial Rents Tax | <u>\$667,263</u> |
| Total | \$42,486,173 |

General Fund Baseline Requirements

| | | |
|-----------------------------------|-----------------|---------------------|
| MTA Fund | 9.1900% | \$3,904,479 |
| Children's Services | 8.7600% | \$3,721,789 |
| Library Preservation | 2.2900% | \$972,933 |
| Street Tree | 0.5154% | \$218,974 |
| Early Care and Education Baseline | 2.1035% | \$893,697 |
| Housing Trust Fund | 1.0931% | \$464,416 |
| Recreation and Parks | 1.8887% | \$802,436 |
| Dignity Fund | 1.3785% | \$585,672 |
| Student Success Fund | <u>1.2148%</u> | <u>\$516,122</u> |
| Total Baseline Allocations | 28.4340% | \$12,080,518 |

Sources: City and County of San Francisco Controller's Office; Economic & Planning Systems, Inc.

Table 15
FY2022-23 Expenditure Budget Summary and Service Cost Estimating Factors
Power Station FIA

Buildout

| Item | Allocated General Fund Expenses (FY2022-23) | Percent Variable (1) | Citywide Service Population (2) | Per Capita General Fund Expense | Project Population/Service Population | Annual Service Cost Total at Buildout |
|--|---|----------------------|---------------------------------|---------------------------------|---------------------------------------|---------------------------------------|
| <u>General Fund Expense Factors</u> | | | | | | |
| Community Health | \$1,162,956,000 | 25% | 1,215,105 Service Pop. | \$239 | 7,938 | \$1,899,214 |
| Culture & Recreation | \$197,596,000 | 25% | 1,215,105 Service Pop. | \$41 | 7,938 | \$322,692 |
| General Administration & Finance | \$338,055,000 | 25% | 1,215,105 Service Pop. | \$70 | 7,938 | \$552,075 |
| General City Responsibilities | \$226,931,000 | 25% | 1,215,105 Service Pop. | \$47 | 7,938 | \$370,599 |
| Human Welfare & Neighborhood Development | \$1,576,410,000 | 25% | 1,215,105 Service Pop. | \$324 | 7,938 | \$2,574,422 |
| Public Protection | | | | | | |
| Police | \$622,273,000 | 100% | 1,215,105 Service Pop. | \$512 | 7,938 | \$4,064,916 |
| Fire | \$451,951,000 | 100% | 1,215,105 Service Pop. | \$372 | 7,938 | \$2,952,310 |
| Other Public Protection | \$601,577,000 | 25% | 1,215,105 Service Pop. | \$124 | 7,938 | \$982,430 |
| Public Works, Transportation & Commerce | <u>\$262,733,000</u> | 90% | 1,215,105 Service Pop. | <u>\$195</u> | 7,938 | \$1,544,642 |
| Total | \$5,440,482,000 | | | \$1,923 | | \$15,263,299 |
| <u>MTA Fund Expense Factors</u> | | | | | | |
| Fund Expenses (3) | \$472,540,000 | 75% | 1,587,455 Service Pop. | \$223 | 10,620 | \$2,370,946 |

Sources: City and County of San Francisco Budget and Appropriations Ordinance Fiscal Year Ending June 30, 2023 and Fiscal Year Ending June 30, 2024; EPS

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

(2) Assumes an employee service burden of 100 percent for MTA and 50 percent for all municipal cost categories.

(3) Reflects General Fund portion of MTA annual budget. Analysis assumes other MTA funding sources will increase proportionally with General Fund monies. Service population assumes per-capita resident and worker demand for service is similar and is calculated as project residents plus project employees (i.e., no downward weight is applied to workers).

Table 16
Public Works Street Maintenance Cost Estimate
Power Station FIA

Buildout

| Street Reconstruction Element (1) | Roadway Area (Sq.Ft.) | Street Reconstruction Cost (2) | | Service Life (Years) | Annual Street Maintenance Cost | |
|--|-----------------------|--------------------------------|--------------------|----------------------|--------------------------------|------------------|
| | | Per Sq.Ft. | Total | | Per Sq.Ft. | Total |
| 8" Portland Cement Concrete Under Slab | 159,670 | \$12.00 | \$1,916,040 | 15 | \$0.80 | \$127,736 |
| 4" Asphalt Concrete Slab | | \$5.00 | <u>\$798,350</u> | 10 | \$0.50 | <u>\$79,835</u> |
| Total (3) | | | \$2,714,390 | | | \$207,571 |

Sources: Associate Capital

(1) Roadway design calls for asphalt paving slab over concrete base.

(2) Concrete unit rates and paving unit rates are based on contracts for the Phase 1 Street Improvement Plan (2023).

(3) Maintenance costs are included within Public Works cost estimates provided in **Table 15**. It is anticipated that these roadways and associated ongoing costs commence in early phases of the Project.

Table 17
MTA Fund Fiscal Impact Analysis
Power Station FIA

Buildout

Annual MTA Fund Revenues (1)

| | |
|---|--------------------|
| ADR Accruing to the General Fund | \$42,486,173 |
| Baseline Allocation to MTA | 9.19% |
| Fund Revenue Attributable to Project | \$3,904,479 |

Annual MTA Fund Expenses (2)

| | |
|--|--------------------|
| MTA General Fund Support (3) | \$472,540,000 |
| Variable GF Support (75%) | \$354,405,000 |
| Service Population Citywide (4) | 1,587,455 |
| Per-Capita Variable General Fund Support | \$223 |
| Project Service Population | 10,620 |
| Annual MTA Fund Expenses | \$2,370,946 |
| Net Impact on the MTA Fund | \$1,533,534 |

(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 2022-23 Adopted budget; Revenue by Source.

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

Table 18
San Francisco Population, Employment, and Service Population
Power Station FIA

| Item | Amount | Sources |
|------------------------|---------------|--------------------------|
| Housing Units | 415,316 | DOF Jan 1, 2022 Estimate |
| Occupied Households | 378,316 | DOF Jan 1, 2022 Estimate |
| Population | 842,754 | DOF Jan 1, 2022 Estimate |
| Persons/Household | 2.14 | DOF Jan 1, 2022 Estimate |
| Employment | 744,701 | 2020 ACS 5-Year Estimate |
| Service Population [1] | 1,215,105 | DOF 2022 / ACS |

Sources: U.S. Census Bureau, CA Dept. of Finance

(1) Daytime population is calculated by adding total residential population and half of total employment. No weighting is used for MTA service population.

Appendix A

PA1 – PA6 Detailed Tables

The Economics of Land Use



Table A-1
Annual Fiscal Impact Summary Detail with EIFD
Power Station FIA

PA1-PA6

| Item | PA1 - PA6 | PA7 - PA13 | Project Buildout |
|--|---------------------|---------------------|---------------------|
| General Fund Revenues | | | |
| Property Tax | \$7,091,000 | \$5,198,000 | \$12,289,000 |
| Property Tax in Lieu of VLF | \$2,804,000 | \$2,055,000 | \$4,859,000 |
| Property Transfer Tax | \$7,007,000 | \$5,301,000 | \$12,308,000 |
| Sales Tax | \$502,000 | \$543,000 | \$1,045,000 |
| Transient Occupancy Tax (TOT) | \$4,015,000 | \$0 | \$4,015,000 |
| Utility User Tax | \$261,000 | \$278,000 | \$540,000 |
| Parking Tax | \$60,000 | \$175,000 | \$235,000 |
| Gross Receipts Tax | \$4,453,000 | \$1,809,000 | \$6,263,000 |
| Business Registration | \$190,000 | \$77,000 | \$267,000 |
| Commercial Rents Tax | <u>\$483,000</u> | <u>\$185,000</u> | <u>\$667,000</u> |
| Subtotal General Revenue | \$26,865,000 | \$15,621,000 | \$42,486,000 |
| (less) General Fund Baseline Requirements | \$7,639,000 | \$4,442,000 | \$12,081,000 |
| General Fund Revenue After Requirements | \$19,226,000 | \$11,180,000 | \$30,406,000 |
| General Fund Expenditures | | | |
| Community Health | \$920,000 | \$979,000 | \$1,899,000 |
| Culture & Recreation | \$156,000 | \$166,000 | \$323,000 |
| General Administration & Finance | \$267,000 | \$285,000 | \$552,000 |
| General City Responsibilities | \$179,000 | \$191,000 | \$371,000 |
| Human Welfare & Neighborhood Development | \$1,247,000 | \$1,328,000 | \$2,574,000 |
| Police | \$1,968,000 | \$2,096,000 | \$4,065,000 |
| Fire | \$1,430,000 | \$1,523,000 | \$2,952,000 |
| Other Public Protection | \$476,000 | \$507,000 | \$982,000 |
| Public Works, Transportation & Commerce | <u>\$748,000</u> | <u>\$797,000</u> | <u>\$1,545,000</u> |
| Service Cost Total | \$7,391,000 | \$7,872,000 | \$15,263,000 |
| NET Annual General Revenues | \$11,835,000 | \$3,308,000 | \$15,142,000 |
| MTA General Fund Baseline Funding | \$2,469,000 | \$1,436,000 | \$3,904,000 |
| MTA General Fund Expenses | <u>\$1,284,000</u> | <u>\$1,087,000</u> | <u>\$2,371,000</u> |
| Net Impact on the MTA Fund | \$1,185,000 | \$349,000 | \$1,534,000 |
| Total Fiscal Benefit Estimate | \$13,019,000 | \$3,656,000 | \$16,676,000 |

Note: Totals may not sum due to rounding.

Table A-2
Project Program and Service Population
Power Station FIA

PA1-PA6

| Item | Development Program | Resident or Worker Density Assumptions (1) | Resident Population | Employment | Service Population (2) |
|--|---------------------|--|---------------------|--------------|------------------------|
| Commercial Uses | | | | | |
| Office | 453,967 SF | 276 SF / Employee | | 1,645 | 822 |
| R&D | 697,296 SF | 405 SF / Employee | | 1,722 | 861 |
| Retail | 46,105 SF | 350 SF / Employee | | 132 | 66 |
| PDR (3) | 15,144 SF | 276 SF / Employee | | 55 | 27 |
| Community Facilities | <u>8,645</u> SF | 780 SF / Employee | | <u>11</u> | <u>6</u> |
| <i>Subtotal</i> | <i>1,221,157 SF</i> | | | <i>3,564</i> | <i>1,782</i> |
| Hotel | 200 Rooms | 0.90 Rooms / Employee | | 222 | 111 |
| Parking (3) | 538 Spaces | 270 Spaces / Employee | | 2 | 1 |
| Commercial Subtotal | | | | 3,788 | 1,894 |
| Residential Uses | | | | | |
| Market-Rate Rental (4) | 372 DU | 2.27 Residents / HH | 844 | 12 | 850 |
| Market-Rate For-Sale (5) | 383 DU | 2.27 Residents / HH | 869 | 12 | 875 |
| Below-Market-Rate Rental (80% AMI) | 98 DU | 2.27 Residents / HH | 222 | 3 | 224 |
| Below-Market-Rate Rental (70% AMI) (6) | 0 DU | 2.27 Residents / HH | 0 | 0 | 0 |
| Below-Market-Rate Rental (60% AMI) | 0 DU | 2.27 Residents / HH | 0 | 0 | 0 |
| Residential Subtotal (7) | 853 DU | | 1,936 | 27 | 1,950 |
| Total | | | 1,936 | 3,815 | 3,844 |

(1) Household and employment densities will vary by building format and tenanting. Assumptions reflect typical conditions, consistent with the project EIR.

(2) Per-person employee burden on City service is weighted at 50 percent of resident burden. No weight is applied to MTA service population.

(3) The Weidenmuller Property is currently improved with approximately 118,000 square feet of industrial and warehouse space and 217 parking spaces. The FIA includes these uses as net new given the anticipated increase in assessed value and economic activity that is likely in the future.

(4) Buildout includes 206 market-rate units enabled through the CCSF affordable housing fee program.

(5) Buildout includes 52 market-rate units enabled through the CCSF affordable housing fee program.

(6) Inclusionary affordable housing.

(7) Power Station (excluding PA13) achieves a total affordable housing contribution of 30% through a combination of 178 dedicated, 110 inclusionary, and 258 in-lieu fee units.

Table A-3
FY2022-23 Revenue Budget Summary and Fiscal Impact Estimating Factors
Power Station FIA

PA1-PA6

| Item | FY2022-23 Adopted General Fund | Estimating Factors Applied to Estimate Project Revenue |
|----------------------------------|-----------------------------------|---|
| <u>Property Taxes</u> | \$2,379,530,000 | |
| Property Tax in Lieu of VLF | \$345,570,000 | % of Citywide Assessed Value |
| Other Property Taxes (1) | \$2,033,960,000 | 64.59% of base property tax rate (1%) |
| <u>Other Local Taxes</u> | \$1,050,820,000 | |
| Sales Tax | \$182,870,000 | 1.00% of estimated taxable sales |
| Hotel Room Tax | \$188,880,000 | 14% Transient Occupancy Tax |
| Parking Tax | \$80,180,000 | 25% of parking charges |
| Property Transfer Tax | \$390,480,000 | rate schedule |
| Utility Users Tax | \$82,630,000 | \$68.00 per service population |
| Access Line Tax | \$47,100,000 | |
| Other Local Taxes | \$78,680,000 | |
| <u>Business Taxes (2)</u> | \$902,300,000 | |
| Gross Receipts Tax | \$869,300,000 | \$1,167.31 per employee |
| Business Registration Fees | \$37,000,000 | \$49.68 per employee |
| <u>Other Revenues</u> | \$2,453,544,000 | |
| Rents & Concessions | \$13,131,000 | |
| Fines, Forfeiture, & Penalties | \$3,088,000 | |
| Interest & Investment Income | \$44,467,000 | |
| Licenses, Permits, & Franchises | \$26,818,000 | |
| Intergovernmental | \$1,511,286,000 | |
| Charges for Services | \$236,924,000 | |
| Other Revenues | \$19,420,000 | |
| Transfers In | \$203,001,000 | |
| Prior Year | \$395,409,000 | |
| Total Revenues (3) | \$6,786,194,000 | |

Sources: City and County of San Francisco Budget and Appropriation Ordinance 2022/2023; Economic & Planning Systems, Inc.

Note: Totals may not sum due to rounding.

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

(2) Business Tax total reflects negative \$4M related to payroll tax adjustment.

(3) CCSF Major Fund Budget Year 22-23 reports "Available Sources Total" at \$6,786,193.

Table A-4
Assessed Value
Power Station FIA

PA1-PA6

| Land Use | Program Assumptions | Assessed Value Factor (2023\$) | Total AV at Buildout (2023\$) |
|--|----------------------------------|--------------------------------|-------------------------------|
| <u>Commercial Uses</u> | | | |
| Office | 453,967 Square Feet | \$1,363 per Sq.Ft. | \$618,956,766 |
| R&D | 697,296 Square Feet | \$1,596 per Sq.Ft. | \$1,112,884,416 |
| Retail | 46,105 Square Feet | \$598 per Sq.Ft. | \$27,549,655 |
| PDR | 15,144 Square Feet | \$864 per Sq.Ft. | \$13,078,909 |
| Hotel | 200,000 Square Feet | \$0 per Sq.Ft. | \$0 |
| Community Facilities | 8,645 Square Feet | \$0 per Sq.Ft. | \$0 |
| Parking | 538 Stalls | \$32,066 per Stall | <u>\$17,251,429</u> |
| Commercial Subtotal | 1,421,157 Square Feet (1) | | \$1,789,721,175 |
| <u>Residential Uses</u> | | | |
| Market-Rate Rental | 372 DUs | \$1,004,104 per Unit | \$373,526,573 |
| Market-Rate For-Sale | 383 DUs | \$1,398,960 per Unit | \$535,801,600 |
| Below-Market-Rate Rental (80% AMI) (2) | 98 DUs | | <i>Tax Exempt</i> |
| Below-Market-Rate Rental (70% AMI) (3) | 0 DUs | N/A per Unit | \$0 |
| Below-Market-Rate Rental (60% AMI) (2) | 0 DUs | | <i>Tax Exempt</i> |
| Residential Subtotal | 853 DUs | | \$909,328,173 |
| (Less) Existing Site Assessed Value | | | -\$69,123,198 |
| Total Net New Assessed Value | | | \$2,629,926,150 |

Source: Associate Capital

(1) Excludes parking stalls.

(2) Stand-alone low-Income housing is assumed tax exempt given likelihood of not-for-profit exemption.

(3) Inclusionary affordable housing.

Table A-5
Property Tax Estimate
Power Station FIA

PA1-PA6

| Land Use | Assumption / Factor | | Total at Buildout (2023\$) |
|-------------------------------------|---------------------|--|-------------------------------|
| Total Net New Assessed Value | | | \$2,629,926,150 |
| Property Tax | 1.0% | Base Property Tax Rate | \$26,299,262 |
| General Fund Revenue | 64.588206% | Allocation to General Fund (before EIFD) | \$16,986,221 |
| Tax Increment Allocation | 58.252419% | to EIFD | \$9,894,885 |
| Net Revenue to General Fund | 41.747581% | to General Fund (1) | \$7,091,336 |

(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.

Table A-6
Property Tax In Lieu of VLF Estimate
Power Station FIA

PA1-PA6

| Land Use | Total at Buildout (2023\$) |
|---|---------------------------------------|
| Existing Citywide Property Tax in Lieu of Vehicle License Fee (VLF) (1) | \$346,523,669 |
| Citywide Assessed Value (2) | \$325,063,645,179 |
| Project Incremental Assessed Value | \$2,629,926,150 |
| Project Net Assessed Value Increase (3) | 0.81% |
| Property Tax In Lieu of VLF Revenue (4) | \$2,803,548 |
| <i>VLF Increase Per \$1B AV</i> | <i>\$1,066,017.91</i> |

(1) FY 2022-23 Citywide VLF recovered per Controller's Office Property Tax Manager.

(2) FY 2022-23 net total assessed value for VLF per Controller's Office Property Tax Manager.

(3) Calculated by dividing the new assessed value by citywide assessed value.

(4) Calculated by multiplying existing property tax in lieu of VLF by project net assessed value increase.

Table A-7
Property Transfer Tax Estimate
Power Station FIA

PA1-PA6

| Land Use | Turnover Rate (1) | Average Annual Taxable Transactions | Transfer Tax Rate (2) | Total at Buildout (2023\$) |
|--|-------------------|-------------------------------------|-----------------------|----------------------------|
| <u>Commercial Uses</u> | | | | |
| Office | 5.0% | \$30,947,838 | 6.00% | \$1,856,870 |
| R&D | 5.0% | \$55,644,221 | 6.00% | \$3,338,653 |
| Retail | 5.0% | \$1,377,483 | 6.00% | \$82,649 |
| PDR | 5.0% | \$653,945 | 6.00% | \$39,237 |
| Hotel | 5.0% | \$0 | 6.00% | \$0 |
| <u>Residential Uses</u> | | | | |
| Market-Rate Rental (With Inclusionary) (3) | 5.0% | \$18,676,329 | 6.00% | \$1,120,580 |
| Market-Rate For-Sale | 10.0% | \$53,580,160 | 0.68% | \$364,345 |
| Below-Market-Rate Rental (80% AMI) (4) | 5.0% | \$3,404,766 | 6.00% | \$204,286 |
| Below-Market-Rate Rental (60% AMI) (4) | 5.0% | \$0 | 0.75% | \$0 |
| Property Transfer Tax Revenue | | \$164,284,742 | | \$7,006,620 |

(1) EPS turnover rate assumptions are based on long-run averages. A turnover rate of 5.0 percent suggests that properties sell approximately once every 20 years. Similarly, a rate of 10.0 percent suggests that properties sell approximately once every 10 years. Annual transfer tax revenue ("total at buildout") is an expected value (or average) over time.

(2) Assumes all commercial real estate transactions will be over \$25 million. Distinct land uses likely bundled for sale.

(3) Includes 110 units of inclusionary affordable housing at 70% AMI.

(4) Stand-alone BMR at 60% AMI and 80% AMI is valued at \$240,000 and \$695,000 per unit, respectively, for the purposes of the transfer tax revenue estimate.

Table A-8
Household Income and Retail Spending Potential
Power Station FIA

PA1-PA6

| Item | Assumptions | Estimate (2023\$) |
|---|--------------------------------|----------------------|
| <u>Estimated Annual Household Income</u> | | |
| <u>Rental Housing Households</u> | | |
| Market Rate | 30% of income is Rent | \$218,680 |
| Below Market Rate (80% AMI) (1) | 80% AMI | \$88,675 |
| Below Market Rate (70% AMI) (2) | 70% AMI | \$77,600 |
| Below Market Rate (60% AMI) (1) | 60% AMI | \$66,500 |
| <u>For-Sale Housing Households (3)</u> | | |
| Market Rate | 30% of income is Housing Costs | \$242,678 |
| <u>Household Taxable Retail Spending (4)</u> | | |
| <u>Households in Rental Housing</u> | | |
| Market Rate | 22% of income | \$47,919 |
| Below Market Rate (80% AMI) | 25% of income | \$22,314 |
| Below Market Rate (70% AMI) | 30% of income | \$22,896 |
| Below Market Rate (60% AMI) | 34% of income | \$22,636 |
| <u>Households in For-Sale Housing</u> | | |
| Market Rate | 17% of income | \$42,318 |
| Below Market Rate | | N/A |
| Weighted Average Household Spending | | \$42,462 |

Sources: State Board of Equalization, ICSC Research Survey, U.S. Bureau of Labor Statistics

(1) Stand-alone below-market-rate housing units.

(2) Comprises 110 units of inclusionary affordable housing.

(3) Income estimate relies on typical mortgage financing and the assumption that housing costs represent 30 percent of gross household income.

(4) U.S. Bureau of Labor Statistics Consumer Expenditure Survey data for respective income groups.

Table A-9
Annual Sales Tax Revenue Estimate
Power Station FIA

PA1-PA6

| Item | Assumptions / Factor | Total at Buildout (2023\$) |
|---|-----------------------------|-------------------------------|
| <u>Household Taxable Spending</u> | | |
| Annual Household Retail Spending Potential | \$42,462 per household | \$36,220,368 |
| Net New Retail Sales Captured in San Francisco | 80% of retail expenditures | \$28,976,294 |
| <u>Employee Taxable Spending</u> | | |
| Annual Worker Retail Spending Potential (1) | \$25 per work day | \$4,779 |
| Net New Worker Taxable Spending in San Francisco (2) | 100% of retail expenditures | \$16,350,441 |
| <u>Additional On-Site Taxable Sales</u> | | |
| New Retail Space (Sq.Ft.) | | 46,105 |
| Gross Taxable Retail Sales | \$500 per square foot | \$23,052,500 |
| Sales Net of Redistributed Sales in City (3) | 80% of total taxable sales | \$18,442,000 |
| Net New On-Site Taxable Sales (4) | 26% of net taxable sales | \$4,843,979 |
| Net New Taxable Retail Sales | | \$50,170,715 |
| Total Sales Tax Revenue | 1.0% of taxable sales | \$501,707 |

Sources: State Board of Equalization, ICSC Research Survey, U.S. Bureau of Labor Statistics

(1) Per-day spending from ICSC survey data. Calculation assumes four days per week for 48 weeks each year.

(2) Daytime spending estimate applied to office, R&D, and PDR employment.

(3) Assumes 20% of sales shift from existing retailers in the city.

(4) Reflects net sales after 30% capture of new resident and office worker sales accounted for above.

Table A-10
Transient Occupancy Tax Revenue Estimate
Power Station FIA

PA1-PA6

| Item | Assumptions | Total at Buildout (2023\$) |
|---------------------------|--------------|-------------------------------|
| Hotel Rooms | | 200 |
| Average Daily Room Charge | \$550 | |
| Average Occupancy | 80% | |
| Average Annual Revenue | | \$32,120,000 |
| Total TOT Revenue | 14.0% | \$4,496,800 |
| | | |
| TOT to General Fund | 12.5% | \$4,015,000 |
| TOT to Arts & Culture (1) | <u>1.50%</u> | \$481,800 |
| | <u>14.0%</u> | |

(1) 1.5% of the 14% TOT rate is dedicated to the arts.

Table A-11
Parking Tax Revenue Estimate
Power Station FIA

PA1-PA6

| Item | Assumptions | Total at Buildout (2023\$) |
|--|---------------------------------|----------------------------------|
| Commercial Off-Street Parking at Buildout (1) | | 538 |
| Occupied Off-Street Parking | 92.5% average occupancy | 498 |
| Average Revenue Rates | \$200 per space per month | \$99,530 |
| Gross Annual Parking Tax Revenue | 12 months per year | \$1,194,360 |
| San Francisco Parking Tax Revenue | 25.0% of annual parking revenue | \$298,590 |
| Total Parking Tax Revenue to MTA | 80.0% of tax proceeds | \$238,872 |
| Total Parking Tax Revenue to General Fund | 20.0% of tax proceeds | \$59,718 |

(1) Excludes 217 exiting parking spaces in PA13.

Table A-12
Other Revenue Estimates
Power Station FIA

PA1-PA6

| Item | Allocation Factor | Project Characteristic | Total at Buildout (2023\$) |
|--------------------------------|-----------------------------|--------------------------|-------------------------------|
| Utility User Tax | \$68 per service population | 3,844 Service Population | \$261,391 |
| Gross Receipts Tax | \$1,167 per Employee | 3,815 Employees | \$4,453,396 |
| Business Registration | \$49.68 per Employee | 3,815 Employees | \$189,550 |
| Commercial Rents Tax (CRT) (1) | 0.53% on rental revenue | \$91,906,736 per Year | \$482,510 |
| Total | | | \$5,386,847 |

(1) 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.

Table A-13
Commercial Rental Revenue Detail
Power Station FIA

PA1-PA6

| Land Use | Development Program | Rentable Square Feet | Rental Rates | Total at Buildout (2023\$) |
|---------------------------------------|---------------------|----------------------|--------------------------------|----------------------------|
| Office | 453,967 SF | 417,650 SF | \$6.50 per Rentable Sq.Ft. | \$32,576,672 |
| R&D | 697,296 SF | 697,296 SF | \$7.00 per Rentable Sq.Ft. | \$58,572,864 |
| Retail (1) | 46,105 SF | 46,105 SF | <i>N/A</i> per Rentable Sq.Ft. | <i>exempt</i> |
| PDR | 15,144 SF | 15,144 SF | \$4.17 per Rentable Sq.Ft. | \$757,200 |
| Total Annual Rental Revenue | | | | \$91,906,736 |
| Gross Receipts Tax Revenue (2) | | 3.5% | | \$3,216,736 |
| General Fund Allocation (3) | | | | \$482,510 |
| Restricted Revenue (3) | | | | \$2,734,225 |

Source: Associate Capital

(1) Assumes retailers are tax-exempt, "non-formula" establishments.

(2) Includes General Fund and restricted revenues.

(3) CRT is allocated to General Fund (15% of total) and for restricted uses (85% of total).

Table A-14
Aggregate Discretionary Revenue (ADR) and Mandated Transfers with EIFD
Power Station FIA

PA1-PA6

Aggregate Discretionary Revenue (ADR)

| | |
|--|---------------------|
| Property Tax | \$7,091,336 |
| Property Tax In-Lieu of Vehicle License Fee | \$2,803,548 |
| Property Transfer Tax | \$7,006,620 |
| Transient Occupancy Tax Allocation to General Fund | \$4,015,000 |
| Sales Tax | \$501,707 |
| Parking Tax | \$59,718 |
| Gross Receipts Tax | \$4,453,396 |
| Business Registration Tax | \$189,550 |
| Utility User Tax | \$261,391 |
| Commercial Rents Tax | <u>\$482,510</u> |
| Total | \$26,864,777 |

General Fund Baseline Requirements

| | | |
|-----------------------------------|-----------------|--------------------|
| MTA Fund | 9.1900% | \$2,468,873 |
| Children's Services | 8.7600% | \$2,353,354 |
| Library Preservation | 2.2900% | \$615,203 |
| Street Tree | 0.5154% | \$138,461 |
| Early Care and Education Baseline | 2.1035% | \$565,101 |
| Housing Trust Fund | 1.0931% | \$293,659 |
| Recreation and Parks | 1.8887% | \$507,395 |
| Dignity Fund | 1.3785% | \$370,331 |
| Student Success Fund | <u>1.2148%</u> | <u>\$326,353</u> |
| Total Baseline Allocations | 28.4340% | \$7,638,731 |

Sources: City and County of San Francisco Controller's Office; Economic & Planning Systems, Inc.

Table A-15
FY2022-23 Expenditure Budget Summary and Service Cost Estimating Factors
Power Station FIA

PA1-PA6

| Item | Allocated General Fund Expenses (FY2022-23) | Percent Variable (1) | Citywide Service Population (2) | Per Capita General Fund Expense | Project Population/Service Population | Annual Service Cost Total at Buildout |
|--|---|----------------------|---------------------------------|---------------------------------|---------------------------------------|---------------------------------------|
| <u>General Fund Expense Factors</u> | | | | | | |
| Community Health | \$1,162,956,000 | 25% | 1,215,105 Service Pop. | \$239 | 3,844 | \$919,721 |
| Culture & Recreation | \$197,596,000 | 25% | 1,215,105 Service Pop. | \$41 | 3,844 | \$156,268 |
| General Administration & Finance | \$338,055,000 | 25% | 1,215,105 Service Pop. | \$70 | 3,844 | \$267,350 |
| General City Responsibilities | \$226,931,000 | 25% | 1,215,105 Service Pop. | \$47 | 3,844 | \$179,468 |
| Human Welfare & Neighborhood Development | \$1,576,410,000 | 25% | 1,215,105 Service Pop. | \$324 | 3,844 | \$1,246,700 |
| Public Protection | | | | | | |
| Police | \$622,273,000 | 100% | 1,215,105 Service Pop. | \$512 | 3,844 | \$1,968,492 |
| Fire | \$451,951,000 | 100% | 1,215,105 Service Pop. | \$372 | 3,844 | \$1,429,697 |
| Other Public Protection | \$601,577,000 | 25% | 1,215,105 Service Pop. | \$124 | 3,844 | \$475,756 |
| Public Works, Transportation & Commerce | <u>\$262,733,000</u> | 90% | 1,215,105 Service Pop. | <u>\$195</u> | 3,844 | \$748,014 |
| Total | \$5,440,482,000 | | | \$1,923 | | \$7,391,466 |
| <u>MTA Fund Expense Factors</u> | | | | | | |
| Fund Expenses (3) | \$472,540,000 | 75% | 1,587,455 Service Pop. | \$223 | 5,751 | \$1,284,018 |

Sources: City and County of San Francisco Budget and Appropriations Ordinance Fiscal Year Ending June 30, 2023 and Fiscal Year Ending June 30, 2024; EPS

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

(2) Assumes an employee service burden of 100 percent for MTA and 50 percent for all municipal cost categories.

(3) Reflects General Fund portion of MTA annual budget. Analysis assumes other MTA funding sources will increase proportionally with General Fund monies. Service population assumes per-capita resident and worker demand for service is similar and is calculated as project residents plus project employees (i.e., no downward weight is applied to workers).

Table A-16
Public Works Street Maintenance Cost Estimate
Power Station FIA

PA1-PA6

| Street Reconstruction Element (1) | Roadway Area (Sq.Ft.) | Street Reconstruction Cost (2) | | Service Life (Years) | Annual Street Maintenance Cost | |
|--|-----------------------|--------------------------------|--------------------|----------------------|--------------------------------|------------------|
| | | Per Sq.Ft. | Total | | Per Sq.Ft. | Total |
| 8" Portland Cement Concrete Under Slab | 159,670 | \$12.00 | \$1,916,040 | 15 | \$0.80 | \$127,736 |
| 4" Asphalt Concrete Slab | | \$5.00 | <u>\$798,350</u> | 10 | \$0.50 | <u>\$79,835</u> |
| Total (3) | | | \$2,714,390 | | | \$207,571 |

Sources: Associate Capital

(1) Roadway design calls for asphalt paving slab over concrete base.

(2) Concrete unit rates and paving unit rates are based on contracts for the Phase 1 Street Improvement Plan (2023).

(3) Maintenance costs are included within Public Works cost estimates provided in **Table 15**. It is anticipated that these roadways and associated ongoing costs commence in early phases of the Project.

Table A-17
MTA Fund Fiscal Impact Analysis
Power Station FIA

PA1-PA6

Annual MTA Fund Revenues (1)

| | |
|---|--------------------|
| ADR Accruing to the General Fund | \$26,864,777 |
| Baseline Allocation to MTA | 9.19% |
| Fund Revenue Attributable to Project | \$2,468,873 |

Annual MTA Fund Expenses (2)

| | |
|--|--------------------|
| MTA General Fund Support (3) | \$472,540,000 |
| Variable GF Support (75%) | \$354,405,000 |
| Service Population Citywide (4) | 1,587,455 |
| Per-Capita Variable General Fund Support | \$223 |
| Project Service Population | 5,751 |
| Annual MTA Fund Expenses | \$1,284,018 |
| Net Impact on the MTA Fund | \$1,184,855 |

(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 2022-23 Adopted budget; Revenue by Source.

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

Table A-18
San Francisco Population, Employment, and Service Population
Power Station FIA

PA1-PA6

| Item | Amount | Sources |
|------------------------|---------------|--------------------------|
| Housing Units | 415,316 | DOF Jan 1, 2022 Estimate |
| Occupied Households | 378,316 | DOF Jan 1, 2022 Estimate |
| Population | 842,754 | DOF Jan 1, 2022 Estimate |
| Persons/Household | 2.14 | DOF Jan 1, 2022 Estimate |
| Employment | 744,701 | 2020 ACS 5-Year Estimate |
| Service Population [1] | 1,215,105 | DOF 2022 / ACS |

Sources: U.S. Census Bureau, CA Dept. of Finance

(1) Daytime population is calculated by adding total residential population and half of total employment. No weighting is used for MTA service population.



Appendix B

PA7 – PA14 Detailed Tables

Table B-1
Annual Fiscal Impact Summary Detail with EIFD
Power Station FIA

PA7-PA13

| Item | PA1 - PA6 | PA7 - PA13 | Project Buildout |
|--|---------------------|---------------------|---------------------|
| General Fund Revenues | | | |
| Property Tax | \$7,091,000 | \$5,198,000 | \$12,289,000 |
| Property Tax in Lieu of VLF | \$2,804,000 | \$2,055,000 | \$4,859,000 |
| Property Transfer Tax | \$7,007,000 | \$5,301,000 | \$12,308,000 |
| Sales Tax | \$502,000 | \$543,000 | \$1,045,000 |
| Transient Occupancy Tax (TOT) | \$4,015,000 | \$0 | \$4,015,000 |
| Utility User Tax | \$261,000 | \$278,000 | \$540,000 |
| Parking Tax | \$60,000 | \$175,000 | \$235,000 |
| Gross Receipts Tax | \$4,453,000 | \$1,809,000 | \$6,263,000 |
| Business Registration | \$190,000 | \$77,000 | \$267,000 |
| Commercial Rents Tax | <u>\$483,000</u> | <u>\$185,000</u> | <u>\$667,000</u> |
| Subtotal General Revenue | \$26,865,000 | \$15,621,000 | \$42,486,000 |
| (less) General Fund Baseline Requirements | \$7,639,000 | \$4,442,000 | \$12,081,000 |
| General Fund Revenue After Requirements | \$19,226,000 | \$11,180,000 | \$30,406,000 |
| General Fund Expenditures | | | |
| Community Health | \$920,000 | \$979,000 | \$1,899,000 |
| Culture & Recreation | \$156,000 | \$166,000 | \$323,000 |
| General Administration & Finance | \$267,000 | \$285,000 | \$552,000 |
| General City Responsibilities | \$179,000 | \$191,000 | \$371,000 |
| Human Welfare & Neighborhood Development | \$1,247,000 | \$1,328,000 | \$2,574,000 |
| Police | \$1,968,000 | \$2,096,000 | \$4,065,000 |
| Fire | \$1,430,000 | \$1,523,000 | \$2,952,000 |
| Other Public Protection | \$476,000 | \$507,000 | \$982,000 |
| Public Works, Transportation & Commerce | <u>\$748,000</u> | <u>\$797,000</u> | <u>\$1,545,000</u> |
| Service Cost Total | \$7,391,000 | \$7,872,000 | \$15,263,000 |
| NET Annual General Revenues | \$11,835,000 | \$3,308,000 | \$15,142,000 |
| MTA General Fund Baseline Funding | \$2,469,000 | \$1,436,000 | \$3,904,000 |
| MTA General Fund Expenses | <u>\$1,284,000</u> | <u>\$1,087,000</u> | <u>\$2,371,000</u> |
| Net Impact on the MTA Fund | \$1,185,000 | \$349,000 | \$1,534,000 |
| Total Fiscal Benefit Estimate | \$13,019,000 | \$3,656,000 | \$16,676,000 |

Note: Totals may not sum due to rounding.

Table B-2
Project Program and Service Population
Power Station FIA

PA7-PA13

| Item | Development Program | Resident or Worker Density Assumptions (1) | Resident Population | Employment | Service Population (2) |
|--|---------------------|--|---------------------|--------------|------------------------|
| Commercial Uses | | | | | |
| Office | 0 SF | 276 SF / Employee | | 0 | 0 |
| R&D | 348,703 SF | 405 SF / Employee | | 861 | 430 |
| Retail | 61,923 SF | 350 SF / Employee | | 177 | 88 |
| PDR (3) | 118,000 SF | 276 SF / Employee | | 428 | 214 |
| Community Facilities | <u>25,000</u> SF | 780 SF / Employee | | <u>32</u> | <u>16</u> |
| <i>Subtotal</i> | <i>553,626 SF</i> | | | <i>1,498</i> | <i>749</i> |
| Hotel | 0 Rooms | 0.90 Rooms / Employee | | 0 | 0 |
| Parking (3) | 1,794 Spaces | 270 Spaces / Employee | | 7 | 3 |
| Commercial Subtotal | | | | 1,504 | 752 |
| Residential Uses | | | | | |
| Market-Rate Rental (4) | 954 DU | 2.27 Residents / HH | 2,166 | 30 | 2,180 |
| Market-Rate For-Sale (5) | 168 DU | 2.27 Residents / HH | 381 | 5 | 384 |
| Below-Market-Rate Rental (80% AMI) | 0 DU | 2.27 Residents / HH | 0 | 0 | 0 |
| Below-Market-Rate Rental (70% AMI) (6) | 260 DU | 2.27 Residents / HH | 590 | 8 | 594 |
| Below-Market-Rate Rental (60% AMI) | 80 DU | 2.27 Residents / HH | 182 | 3 | 183 |
| Residential Subtotal (7) | 1,462 DU | | 3,319 | 46 | 3,342 |
| Total | | | 3,319 | 1,550 | 4,094 |

(1) Household and employment densities will vary by building format and tenanting. Assumptions reflect typical conditions, consistent with the project EIR.

(2) Per-person employee burden on City service is weighted at 50 percent of resident burden. No weight is applied to MTA service population.

(3) The Weidenmuller Property is currently improved with approximately 118,000 square feet of industrial and warehouse space and 217 parking spaces. The FIA includes these uses as net new given the anticipated increase in assessed value and economic activity that is likely in the future.

(4) Buildout includes 206 market-rate units enabled through the CCSF affordable housing fee program.

(5) Buildout includes 52 market-rate units enabled through the CCSF affordable housing fee program.

(6) Inclusionary affordable housing.

(7) Power Station (excluding PA13) achieves a total affordable housing contribution of 30% through a combination of 178 dedicated, 110 inclusionary, and 258 in-lieu fee units.

Table B-3
FY2022-23 Revenue Budget Summary and Fiscal Impact Estimating Factors
Power Station FIA

PA7-PA13

| Item | FY2022-23 Adopted General Fund | Estimating Factors Applied to Estimate Project Revenue |
|----------------------------------|-----------------------------------|---|
| <u>Property Taxes</u> | \$2,379,530,000 | |
| Property Tax in Lieu of VLF | \$345,570,000 | % of Citywide Assessed Value |
| Other Property Taxes (1) | \$2,033,960,000 | 64.59% of base property tax rate (1%) |
| <u>Other Local Taxes</u> | \$1,050,820,000 | |
| Sales Tax | \$182,870,000 | 1.00% of estimated taxable sales |
| Hotel Room Tax | \$188,880,000 | 14% Transient Occupancy Tax |
| Parking Tax | \$80,180,000 | 25% of parking charges |
| Property Transfer Tax | \$390,480,000 | rate schedule |
| Utility Users Tax | \$82,630,000 | \$68.00 per service population |
| Access Line Tax | \$47,100,000 | |
| Other Local Taxes | \$78,680,000 | |
| <u>Business Taxes (2)</u> | \$902,300,000 | |
| Gross Receipts Tax | \$869,300,000 | \$1,167.31 per employee |
| Business Registration Fees | \$37,000,000 | \$49.68 per employee |
| <u>Other Revenues</u> | \$2,453,544,000 | |
| Rents & Concessions | \$13,131,000 | |
| Fines, Forfeiture, & Penalties | \$3,088,000 | |
| Interest & Investment Income | \$44,467,000 | |
| Licenses, Permits, & Franchises | \$26,818,000 | |
| Intergovernmental | \$1,511,286,000 | |
| Charges for Services | \$236,924,000 | |
| Other Revenues | \$19,420,000 | |
| Transfers In | \$203,001,000 | |
| Prior Year | \$395,409,000 | |
| Total Revenues (3) | \$6,786,194,000 | |

Sources: City and County of San Francisco Budget and Appropriation Ordinance 2022/2023; Economic & Planning Systems, Inc.

Note: Totals may not sum due to rounding.

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

(2) Business Tax total reflects negative \$4M related to payroll tax adjustment.

(3) CCSF Major Fund Budget Year 22-23 reports "Available Sources Total" at \$6,786,193.

Table B-4
Assessed Value
Power Station FIA

PA7-PA13

| Land Use | Program Assumptions | Assessed Value Factor (2023\$) | Total AV at Buildout (2023\$) |
|--|--------------------------------|--------------------------------|-------------------------------|
| <u>Commercial Uses</u> | | | |
| Office | 0 Square Feet | N/A per Sq.Ft. | \$0 |
| R&D | 348,703 Square Feet | \$1,596 per Sq.Ft. | \$566,529,988 |
| Retail | 61,923 Square Feet | \$622 per Sq.Ft. | \$38,504,847 |
| PDR | 118,000 Square Feet | \$864 per Sq.Ft. | \$101,909,091 |
| Hotel | 0 Square Feet | N/A per Sq.Ft. | \$250,000,000 |
| Community Facilities | 25,000 Square Feet | \$0 per Sq.Ft. | \$0 |
| Parking | <u>1,794</u> Stalls | \$39,869 per Stall | <u>\$71,528.520</u> |
| Commercial Subtotal | 553,626 Square Feet (1) | | \$1,018,472,446 |
| <u>Residential Uses</u> | | | |
| Market-Rate Rental | 954 DUs | \$725,227 per Unit | \$691,866,527 |
| Market-Rate For-Sale | 168 DUs | \$1,241,905 per Unit | \$208,640,000 |
| Below-Market-Rate Rental (80% AMI) (2) | 0 DUs | | <i>Tax Exempt</i> |
| Below-Market-Rate Rental (70% AMI) (3) | 260 DUs | \$302,099 per Unit | \$78,545,747 |
| Below-Market-Rate Rental (60% AMI) (2) | <u>80</u> DUs | | <i>Tax Exempt</i> |
| Residential Subtotal | 1,462 DUs | | \$979,052,274 |
| (Less) Existing Site Assessed Value | | | -\$69,787,735 |
| Total Net New Assessed Value | | | \$1,927,736,985 |

Source: Associate Capital

(1) Excludes parking stalls.

(2) Stand-alone low-Income housing is assumed tax exempt given likelihood of not-for-profit exemption.

(3) Inclusionary affordable housing.

Table B-5
Property Tax Estimate
Power Station FIA

PA7-PA13

| Land Use | Assumption / Factor | Total at Buildout (2023\$) |
|-------------------------------------|---|-------------------------------|
| Total Net New Assessed Value | | \$1,927,736,985 |
| Property Tax | 1.0% Base Property Tax Rate | \$19,277,370 |
| General Fund Revenue | 64.588206% Allocation to General Fund (before EIFD) | \$12,450,907 |
| Tax Increment Allocation | 58.252419% to EIFD | \$7,252,955 |
| Net Revenue to General Fund | 41.747581% to General Fund (1) | \$5,197,953 |

(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.

Table B-6
Property Tax In Lieu of VLF Estimate
Power Station FIA

PA7-PA13

| Land Use | Total at Buildout (2023\$) |
|---|-------------------------------|
| Existing Citywide Property Tax in Lieu of Vehicle License Fee (VLF) (1) | \$346,523,669 |
| Citywide Assessed Value (2) | \$325,063,645,179 |
| Project Incremental Assessed Value | \$1,927,736,982 |
| Project Net Assessed Value Increase (3) | 0.59% |
| Property Tax In Lieu of VLF Revenue (4) | \$2,055,002 |
| <i>VLF Increase Per \$1B AV</i> | <i>\$1,066,017.91</i> |

(1) FY 2022-23 Citywide VLF recovered per Controller's Office Property Tax Manager.

(2) FY 2022-23 net total assessed value for VLF per Controller's Office Property Tax Manager.

(3) Calculated by dividing the new assessed value by citywide assessed value.

(4) Calculated by multiplying existing property tax in lieu of VLF by project net assessed value increase.

Table B-7
Property Transfer Tax Estimate
Power Station FIA

PA7-PA13

| Land Use | Turnover Rate (1) | Average Annual Taxable Transactions | Transfer Tax Rate (2) | Total at Buildout (2023\$) |
|--|-------------------|-------------------------------------|-----------------------|----------------------------|
| <u>Commercial Uses</u> | | | | |
| Office | 5.0% | \$0 | 6.00% | \$0 |
| R&D | 5.0% | \$27,826,499 | 6.00% | \$1,669,590 |
| Retail | 5.0% | \$1,925,242 | 6.00% | \$115,515 |
| PDR | 5.0% | \$5,095,455 | 6.00% | \$305,727 |
| Hotel | 5.0% | \$12,500,000 | 6.00% | \$750,000 |
| <u>Residential Uses</u> | | | | |
| Market-Rate Rental (With Inclusionary) (3) | 5.0% | \$38,520,614 | 6.00% | \$2,311,237 |
| Market-Rate For-Sale | 10.0% | \$20,864,000 | 0.68% | \$141,875 |
| Below-Market-Rate Rental (80% AMI) (4) | 5.0% | \$0 | 6.00% | \$0 |
| Below-Market-Rate Rental (60% AMI) (4) | 5.0% | \$960,000 | 0.75% | \$7,200 |
| Property Transfer Tax Revenue | | \$107,691,810 | | \$5,301,144 |

(1) EPS turnover rate assumptions are based on long-run averages. A turnover rate of 5.0 percent suggests that properties sell approximately once every 20 years. Similarly, a rate of 10.0 percent suggests that properties sell approximately once every 10 years. Annual transfer tax revenue ("total at buildout") is an expected value (or average) over time.

(2) Assumes all commercial real estate transactions will be over \$25 million. Distinct land uses likely bundled for sale.

(3) Includes 110 units of inclusionary affordable housing at 70% AMI.

(4) Stand-alone BMR at 60% AMI and 80% AMI is valued at \$240,000 and \$695,000 per unit, respectively, for the purposes of the transfer tax revenue estimate.

Table B-8
Household Income and Retail Spending Potential
Power Station FIA

PA7-PA13

| Item | Assumptions | Estimate (2023\$) |
|---|--------------------------------|----------------------|
| <u>Estimated Annual Household Income</u> | | |
| <u>Rental Housing Households</u> | | |
| Market Rate | 30% of income is Rent | \$148,071 |
| Below Market Rate (80% AMI) (1) | 80% AMI | \$88,675 |
| Below Market Rate (70% AMI) (2) | 70% AMI | \$77,600 |
| Below Market Rate (60% AMI) (1) | 60% AMI | \$66,500 |
| <u>For-Sale Housing Households (3)</u> | | |
| Market Rate | 30% of income is Housing Costs | \$215,434 |
| <u>Household Taxable Retail Spending (4)</u> | | |
| <u>Households in Rental Housing</u> | | |
| Market Rate | 22% of income | \$32,447 |
| Below Market Rate (80% AMI) | 25% of income | \$22,314 |
| Below Market Rate (70% AMI) | 30% of income | \$22,896 |
| Below Market Rate (60% AMI) | 34% of income | \$22,636 |
| <u>Households in For-Sale Housing</u> | | |
| Market Rate | 17% of income | \$37,567 |
| Below Market Rate | | N/A |
| Weighted Average Household Spending | | \$30,800 |

Sources: State Board of Equalization, ICSC Research Survey, U.S. Bureau of Labor Statistics

(1) Stand-alone below-market-rate housing units.

(2) Comprises 110 units of inclusionary affordable housing.

(3) Income estimate relies on typical mortgage financing and the assumption that housing costs represent 30 percent of gross household income.

(4) U.S. Bureau of Labor Statistics Consumer Expenditure Survey data for respective income groups.

Table B-9
Annual Sales Tax Revenue Estimate
Power Station FIA

PA7-PA13

| Item | Assumptions / Factor | Total at Buildout (2023\$) |
|---|-----------------------------|-------------------------------|
| <u>Household Taxable Spending</u> | | |
| Annual Household Retail Spending Potential | \$30,800 per household | \$45,029,031 |
| Net New Retail Sales Captured in San Francisco | 80% of retail expenditures | \$36,023,225 |
| <u>Employee Taxable Spending</u> | | |
| Annual Worker Retail Spending Potential (1) | \$25 per work day | \$4,779 |
| Net New Worker Taxable Spending in San Francisco (2) | 100% of retail expenditures | \$6,157,736 |
| <u>Additional On-Site Taxable Sales</u> | | |
| New Retail Space (Sq.Ft.) | | 61,923 |
| Gross Taxable Retail Sales | \$500 per square foot | \$30,961,500 |
| Sales Net of Redistributed Sales in City (3) | 80% of total taxable sales | \$24,769,200 |
| Net New On-Site Taxable Sales (4) | 49% of net taxable sales | \$12,114,912 |
| Net New Taxable Retail Sales | | \$54,295,873 |
| Total Sales Tax Revenue | 1.0% of taxable sales | \$542,959 |

Sources: State Board of Equalization, ICSC Research Survey, U.S. Bureau of Labor Statistics

(1) Per-day spending from ICSC survey data. Calculation assumes four days per week for 48 weeks each year.

(2) Daytime spending estimate applied to office, R&D, and PDR employment.

(3) Assumes 20% of sales shift from existing retailers in the city.

(4) Reflects net sales after 30% capture of new resident and office worker sales accounted for above.

Table B-10
Transient Occupancy Tax Revenue Estimate
Power Station FIA

PA7-PA13

| Item | Assumptions | Total at Buildout (2023\$) |
|---------------------------|--------------|-------------------------------|
| Hotel Rooms | | 0 |
| Average Daily Room Charge | \$550 | |
| Average Occupancy | 80% | |
| Average Annual Revenue | | \$0 |
| Total TOT Revenue | 14.0% | \$0 |
| | | |
| TOT to General Fund | 12.5% | \$0 |
| TOT to Arts & Culture (1) | <u>1.50%</u> | <u>\$0</u> |
| | <u>14.0%</u> | |

(1) 1.5% of the 14% TOT rate is dedicated to the arts.

Table B-11
Parking Tax Revenue Estimate
Power Station FIA

PA7-PA13

| Item | Assumptions | Total at Buildout (2023\$) |
|--|---------------------------------|----------------------------------|
| Commercial Off-Street Parking at Buildout (1) | | 1,577 |
| Occupied Off-Street Parking | 92.5% average occupancy | 1,459 |
| Average Revenue Rates | \$200 per space per month | \$291,762 |
| Gross Annual Parking Tax Revenue | 12 months per year | \$3,501,143 |
| San Francisco Parking Tax Revenue | 25.0% of annual parking revenue | \$875,286 |
| Total Parking Tax Revenue to MTA | 80.0% of tax proceeds | \$700,229 |
| Total Parking Tax Revenue to General Fund | 20.0% of tax proceeds | \$175,057 |

(1) Excludes 217 exiting parking spaces in PA13.

Table B-12
Other Revenue Estimates
Power Station FIA

PA7-PA13

| Item | Allocation Factor | Project Characteristic | Total at Buildout (2023\$) |
|--------------------------------|-----------------------------|--------------------------|-------------------------------|
| Utility User Tax | \$68 per service population | 4,094 Service Population | \$278,379 |
| Gross Receipts Tax | \$1,167 per Employee | 1,550 Employees | \$1,809,147 |
| Business Registration | \$49.68 per Employee | 1,550 Employees | \$77,003 |
| Commercial Rents Tax (CRT) (1) | 0.53% on rental revenue | \$35,191,052 per Year | \$184,753 |
| Total | | | \$2,349,282 |

(1) 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.

Table B-13
Commercial Rental Revenue Detail
Power Station FIA

PA7-PA13

| Land Use | Development Program | Rentable Square Feet | Rental Rates | Total at Buildout (2023\$) |
|---------------------------------------|---------------------|----------------------|--------------------------------|----------------------------|
| Office | 0 SF | 0 SF | \$6.50 per Rentable Sq.Ft. | \$0 |
| R&D | 348,703 SF | 348,703 SF | \$7.00 per Rentable Sq.Ft. | \$29,291,052 |
| Retail (1) | 61,923 SF | 61,923 SF | <i>N/A</i> per Rentable Sq.Ft. | <i>exempt</i> |
| PDR | 118,000 SF | 118,000 SF | \$4.17 per Rentable Sq.Ft. | \$5,900,000 |
| Total Annual Rental Revenue | | | | \$35,191,052 |
| Gross Receipts Tax Revenue (2) | | 3.5% | | \$1,231,687 |
| General Fund Allocation (3) | | | | \$184,753 |
| Restricted Revenue (3) | | | | \$1,046,934 |

Source: Associate Capital

(1) Assumes retailers are tax-exempt, "non-formula" establishments.

(2) Includes General Fund and restricted revenues.

(3) CRT is allocated to General Fund (15% of total) and for restricted uses (85% of total).

Table B-14
Aggregate Discretionary Revenue (ADR) and Mandated Transfers with EIFD
Power Station FIA

PA7-PA13

Aggregate Discretionary Revenue (ADR)

| | |
|--|---------------------|
| Property Tax | \$5,197,953 |
| Property Tax In-Lieu of Vehicle License Fee | \$2,055,002 |
| Property Transfer Tax | \$5,301,144 |
| Transient Occupancy Tax Allocation to General Fund | \$0 |
| Sales Tax | \$542,959 |
| Parking Tax | \$175,057 |
| Gross Receipts Tax | \$1,809,147 |
| Business Registration Tax | \$77,003 |
| Utility User Tax | \$278,379 |
| Commercial Rents Tax | <u>\$184,753</u> |
| Total | \$15,621,396 |

General Fund Baseline Requirements

| | | |
|-----------------------------------|-----------------|--------------------|
| MTA Fund | 9.1900% | \$1,435,606 |
| Children's Services | 8.7600% | \$1,368,434 |
| Library Preservation | 2.2900% | \$357,730 |
| Street Tree | 0.5154% | \$80,513 |
| Early Care and Education Baseline | 2.1035% | \$328,596 |
| Housing Trust Fund | 1.0931% | \$170,757 |
| Recreation and Parks | 1.8887% | \$295,041 |
| Dignity Fund | 1.3785% | \$215,341 |
| Student Success Fund | <u>1.2148%</u> | <u>\$189,769</u> |
| Total Baseline Allocations | 28.4340% | \$4,441,788 |

Sources: City and County of San Francisco Controller's Office; Economic & Planning Systems, Inc.

Table B-15
FY2022-23 Expenditure Budget Summary and Service Cost Estimating Factors
Power Station FIA

PA7-PA13

| Item | Allocated General Fund Expenses (FY2022-23) | Percent Variable (1) | Citywide Service Population (2) | Per Capita General Fund Expense | Project Population/Service Population | Annual Service Cost Total at Buildout |
|--|---|----------------------|---------------------------------|---------------------------------|---------------------------------------|---------------------------------------|
| <u>General Fund Expense Factors</u> | | | | | | |
| Community Health | \$1,162,956,000 | 25% | 1,215,105 Service Pop. | \$239 | 4,094 | \$979,493 |
| Culture & Recreation | \$197,596,000 | 25% | 1,215,105 Service Pop. | \$41 | 4,094 | \$166,424 |
| General Administration & Finance | \$338,055,000 | 25% | 1,215,105 Service Pop. | \$70 | 4,094 | \$284,725 |
| General City Responsibilities | \$226,931,000 | 25% | 1,215,105 Service Pop. | \$47 | 4,094 | \$191,131 |
| Human Welfare & Neighborhood Development | \$1,576,410,000 | 25% | 1,215,105 Service Pop. | \$324 | 4,094 | \$1,327,722 |
| Public Protection | | | | | | |
| Police | \$622,273,000 | 100% | 1,215,105 Service Pop. | \$512 | 4,094 | \$2,096,423 |
| Fire | \$451,951,000 | 100% | 1,215,105 Service Pop. | \$372 | 4,094 | \$1,522,612 |
| Other Public Protection | \$601,577,000 | 25% | 1,215,105 Service Pop. | \$124 | 4,094 | \$506,675 |
| Public Works, Transportation & Commerce | <u>\$262,733,000</u> | 90% | 1,215,105 Service Pop. | <u>\$195</u> | 4,094 | \$796,627 |
| Total | \$5,440,482,000 | | | \$1,923 | | \$7,871,833 |
| <u>MTA Fund Expense Factors</u> | | | | | | |
| Fund Expenses (3) | \$472,540,000 | 75% | 1,587,455 Service Pop. | \$223 | 4,869 | \$1,086,927 |

Sources: City and County of San Francisco Budget and Appropriations Ordinance Fiscal Year Ending June 30, 2023 and Fiscal Year Ending June 30, 2024; EPS

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

(2) Assumes an employee service burden of 100 percent for MTA and 50 percent for all municipal cost categories.

(3) Reflects General Fund portion of MTA annual budget. Analysis assumes other MTA funding sources will increase proportionally with General Fund monies. Service population assumes per-capita resident and worker demand for service is similar and is calculated as project residents plus project employees (i.e., no downward weight is applied to workers).

Table B-16
Public Works Street Maintenance Cost Estimate
Power Station FIA

PA7-PA13

| Street Reconstruction Element (1) | Roadway Area (Sq.Ft.) | Street Reconstruction Cost (2) | | Service Life (Years) | Annual Street Maintenance Cost | |
|--|-----------------------|--------------------------------|--------------------|----------------------|--------------------------------|------------------|
| | | Per Sq.Ft. | Total | | Per Sq.Ft. | Total |
| 8" Portland Cement Concrete Under Slab | 159,670 | \$12.00 | \$1,916,040 | 15 | \$0.80 | \$127,736 |
| 4" Asphalt Concrete Slab | | \$5.00 | <u>\$798,350</u> | 10 | \$0.50 | <u>\$79,835</u> |
| Total (3) | | | \$2,714,390 | | | \$207,571 |

Sources: Associate Capital

(1) Roadway design calls for asphalt paving slab over concrete base.

(2) Concrete unit rates and paving unit rates are based on contracts for the Phase 1 Street Improvement Plan (2023).

(3) Maintenance costs are included within Public Works cost estimates provided in **Table 15**. It is anticipated that these roadways and associated ongoing costs commence in early phases of the Project.

Table B-17
MTA Fund Fiscal Impact Analysis
Power Station FIA

PA7-PA13

Annual MTA Fund Revenues (1)

| | |
|---|--------------------|
| ADR Accruing to the General Fund | \$15,621,396 |
| Baseline Allocation to MTA | 9.19% |
| Fund Revenue Attributable to Project | \$1,435,606 |

Annual MTA Fund Expenses (2)

| | |
|--|--------------------|
| MTA General Fund Support (3) | \$472,540,000 |
| Variable GF Support (75%) | \$354,405,000 |
| Service Population Citywide (4) | 1,587,455 |
| Per-Capita Variable General Fund Support | \$223 |
| Project Service Population | 4,869 |
| Annual MTA Fund Expenses | \$1,086,927 |
| Net Impact on the MTA Fund | \$348,679 |

(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 2022-23 Adopted budget; Revenue by Source.

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

Table B-18
San Francisco Population, Employment, and Service Population
Power Station FIA

| Item | Amount | Sources |
|------------------------|---------------|--------------------------|
| Housing Units | 415,316 | DOF Jan 1, 2022 Estimate |
| Occupied Households | 378,316 | DOF Jan 1, 2022 Estimate |
| Population | 842,754 | DOF Jan 1, 2022 Estimate |
| Persons/Household | 2.14 | DOF Jan 1, 2022 Estimate |
| Employment | 744,701 | 2020 ACS 5-Year Estimate |
| Service Population [1] | 1,215,105 | DOF 2022 / ACS |

Sources: U.S. Census Bureau, CA Dept. of Finance

(1) Daytime population is calculated by adding total residential population and half of total employment. No weighting is used for MTA service population.

**EIFD ACQUISITION AND FINANCING AGREEMENT
(POWER STATION)**

by and among

**CITY AND COUNTY OF SAN FRANCISCO,
a public body, corporate and politic, of the State of California,**

**CALIFORNIA BARREL COMPANY LLC,
a Delaware limited liability company,**

and

**SAN FRANCISCO
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 1
(POWER STATION),
a legally constituted governmental entity**

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- Exhibit A Description of EIFD Improvements to Be Financed for the Project
- Exhibit B Description of EIFD Improvements, with Cost Estimates
- Exhibit C Form of Payment Request – Acquisition Facilities and Components
- Exhibit C-1 Acquisition Facilities and Components to Which Payment Request Applies
- Exhibit C-2 Calculation of Actual Cost
- Exhibit D Form of Payment Request – Privately-Owned Facilities and Components
- Exhibit D-1 Privately-Owned Facilities and Components to Which Payment Request Applies
- Exhibit D-2 Calculation of Actual Cost
- Exhibit E Contracting Provisions in the Development Agreement
- Exhibit F Potential Change of Work form

EIFD ACQUISITION AND FINANCING AGREEMENT (POWER STATION)

This EIFD ACQUISITION AND FINANCING AGREEMENT (POWER STATION) (including any Supplement, this “**Agreement**”), dated for reference purposes only as of _____, 2024, is by and among City, EIFD, and Developer. As used in this Agreement, capitalized terms used herein have the meanings given to them in Article 9. Capitalized terms used but not otherwise defined in Article 9 have the meanings given to them in the Development Agreement.

RECITALS

A. Financing Plan. The City and Developer have entered into the Development Agreement, to establish the contractual framework for mutual cooperation necessary to implement the Project.

Under the Development Agreement and the EIFD Law, the City agrees to acquire and reimburse the Actual Costs of Qualified EIFD Improvements; Qualified EIFD Improvements include both Acquisition Facilities and Privately-Owned Facilities that are of community-wide significance.

Under the Development Agreement and Chapter 43, Article X of the San Francisco Administrative Code, the City, and the Developer are concurrently entering into the CFD Acquisition and Reimbursement Agreement under which the City agrees to acquire authorized improvements and reimburse Qualified Project Costs (as defined therein). Many of the EIFD Improvements eligible to be funded by EIFD Funding Sources pursuant to this Agreement are also eligible to be funded by CFD Funding Sources pursuant to the CFD Acquisition and Reimbursement Agreement. For those facilities that are eligible to be financed by both the EIFD and the CFD, the Developer may utilize either or both of the CFD Funding Sources and the EIFD Funding Sources to finance such facilities, provided that the same costs are not financed by both sources (i.e., no double-dipping). In requisitioning for the reimbursement of Actual Costs of EIFD Improvements that may be financed by both the EIFD and the CFD, the Developer may identify both EIFD Funding Sources and CFD Funding Sources as potential sources of funding (i.e., the Developer does not have to specify the source of reimbursement until such time as EIFD Funding Sources and/or CFD Funding Sources are available to satisfy the applicable Payment Request).

B. Purpose of this Agreement. In accordance with the EIFD Law and the IFP, this Agreement describes the procedures by which, at Developer’s request, (i) the City will acquire Acquisition Facilities and verify the related Actual Costs and (ii) the City will verify the Actual Costs of Privately-Owned Facilities and Components to be reimbursed to the Developer, and (iii) the EIFD will pay the Actual Costs of Acquisition Facilities and reimburse the Actual Costs of Privately-Owned Facilities and Components with the EIFD Funding Sources. The City has allocated Allocated Tax Revenue and Conditional Tax Revenue to the EIFD for the purposes specified in the IFP. Under the EIFD Law, the sole purpose of the EIFD is to finance the public facilities and other projects specified in the IFP.

C. Acknowledgements. The City, the EIFD, and Developer acknowledge the following:

(1) Developer may construct EIFD Improvements before EIFD Bond proceeds and Allocated Tax Revenue (together, “**EIFD Funding Sources**”) that will be used to acquire them or pay the Actual Costs of related Qualified EIFD Improvements, as applicable, are available.

(2) The City shall inspect such improvements and process Payment Requests even if EIFD Funding Sources for the amount of pending Payment Requests are not then sufficient to satisfy them in full.

(3) Acquisition Facilities to be acquired by the City or other Governmental Entity may be conveyed to and accepted by the City or other Governmental Entity before the applicable Payment Requests are paid in full. Likewise, Privately-Owned Facilities may be conveyed to the owner thereof before the applicable Payment Requests are paid in full.

(4) The unpaid balance of applicable Payment Requests shall be paid by the EIFD when sufficient EIFD Funding Sources become available, whether or not at such time the City, or other Governmental Entity, or other Person has accepted the relevant improvements, and such payments may be made: (A) in any number of installments as EIFD Funding Sources become available; (B) irrespective of the length of time payment is deferred; and (C) except with respect to the final payment for any Acquisition Facility to be acquired by the City or any other Governmental Entity, prior to formal acceptance by the City or the Governmental Entity of the Acquisition Facility that are the subject of such Payment Requests.

(5) Developer’s conveyance or dedication of Acquisition Facilities to the City or other Governmental Entity before the availability of EIFD Funding Sources to acquire such Acquisition Facilities is not a dedication or gift or a waiver of Developer’s right to payment of such Acquisition Facilities under the Financing Plan or this Agreement. Likewise, Developer’s conveyance or dedication of Privately-Owned Facilities to the applicable Person before the availability of EIFD Funding Sources to reimburse for such Privately-Owned Facilities is not a dedication or gift or a waiver of Developer’s right to payment of such Privately-Owned Facilities under the Financing Plan or this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Developer, the EIFD, and the City hereby agree as follows:

ARTICLE 1

FUNDING

1.1 Use of EIFD Funding Sources. This Agreement: (a) implements (and is subject to all limitations of) the allocation by the City to the EIFD of the Allocated Tax Revenue and the authorized use by the EIFD of the Allocated Tax Revenue, each as set forth in the IFP; (b) will become effective on the full execution and delivery of this Agreement (the “**Effective Date**”); and (c) describes the procedures by which, at Developer’s request, the EIFD will use available EIFD Funding Sources to make payments to Developer for the Actual Costs of the EIFD Improvements.

1.2 Exhibit A and Supplements to Exhibit A. The Parties intend Exhibit A to be a complete list of all items eligible and intended to be financed by EIFD Funding Sources under this Agreement. Exhibit A sets forth: (a) reasonably detailed descriptions of all of the Acquisition Facilities; and (b) reasonably detailed descriptions of all of the Privately-Owned Facilities. At any time, Developer may submit proposed Supplements to Exhibit A for review in accordance with Section 1.4 that describe in reasonable detail any proposed revisions or additions to the Acquisition Facilities and Privately-Owned Facilities.

1.3 Exhibit B and Supplements to Exhibit B. The Parties intend Exhibit B to be a refinement of Exhibit A as the Parties obtain more information about the Acquisition Facilities and Privately-Owned Facilities for which construction contracts have been executed, and the estimated Actual Costs that are to be reimbursed under this Agreement. Exhibit B shall initially include all Qualified EIFD Improvements that are the subject of construction contracts executed as of the Effective Date of this Agreement and their estimated Actual Costs. Exhibit B shall include costs specific to Acquisition Facilities and Privately-Owned Facilities based on an executed contract or permit (e.g., street improvement permit, demolition permit, building permit et al.) and all other estimated Actual Costs of the Acquisition Facilities and Privately-Owned Facilities that may or may not be subject to a construction contract, with an explanatory note as to which estimated Actual Costs are not subject to a construction contract and how the related work will be performed. The City and County of San Francisco Department of Public Works (the “**Department of Public Works**”) will be the lead City agency to facilitate coordinated review of the Project in accordance with the MOU and will assist the City as provided under this Agreement. With respect to Qualified EIFD Improvements other than Inclusionary Units and 100% Affordable Housing Projects, the Department of Public Works will be the lead City agency responsible for review and verification of the Actual Costs of Acquisition Facilities (or Components thereof) or Privately-Owned Facilities (or Components thereof) listed in Exhibit B in accordance with the MOU, and MOHCD will be responsible for the review and verification of the Actual Costs of Inclusionary Units and 100% Affordable Housing Projects. Upon completion of its review, MOHCD will submit to the Department of Public Works a written summary of its review and evaluation signed by the MOHCD Director (or his designee); no further review shall be required by MOHCD in connection with the submission by the Developer of a Payment Request related to Inclusionary Units and 100% Affordable Housing Projects as long as the Payment Request is consistent with the Third Party cost certification or audit provided pursuant to Section 5.3(c)(iv) hereof. The parties understand and agree that any costs identified on Exhibit B are estimates only and shall not limit the payment of the Actual Costs in any way (i.e., such amounts are not budgets, but only estimates).

At any time, Developer may submit proposed Supplements to Exhibit B for review in accordance with Section 1.4 that: (a) describe and provide detail on all or any portion of the Acquisition Facilities set forth on Exhibit A for which construction contracts have been executed, including the identification and detail of any Components of the Acquisition Facilities; (b) provide estimates of the Actual Costs of all or any portion of the Acquisition Facilities set forth on Exhibit A for which construction contracts have been executed, including of any Components thereof; (c) describe and provide detail on all or any portion of the Privately-Owned Facilities set forth on Exhibit A for which construction contracts have been executed, including the identification and detail of any Components of the Privately-Owned Facilities (other than affordable housing); (d) provide estimates of the Actual Costs of all or any portion of the Privately-

Owned Facilities for which construction contracts have been executed, including of any Components thereof; and (e) otherwise update or modify any other information in Exhibit B. The Parties agree that the EIFD will not be obligated to pay Developer for the Actual Costs of an Acquisition Facility (or Component thereof) or a Privately-Owned Facility (or Component thereof) under this Agreement unless such Acquisition Facility (or Component thereof) or Privately-Owned Facility (or Component thereof) is set forth on Exhibit B.

1.4 Review and Approval of Supplements. The Department of Public Works will review and verify the Actual Costs of Acquisition Facilities (or Components thereof) or Privately-Owned Facilities (or Components thereof) other than Inclusionary Units and 100% Affordable Housing Projects contained in any Supplements submitted under this Agreement, and MOHCD will review and verify the Actual Costs of Inclusionary Units and 100% Affordable Housing Projects contained in any Supplements submitted under this Agreement, in each case subject to the following:

(a) Upon Developer's written request, the Department of Public Works or MOHCD, as applicable, will meet with representatives of Developer to establish acceptable contents of any Supplements to Exhibit A or Exhibit B. Subject to subsection (b) below, the Department of Public Works or MOHCD, as applicable, will make reasonable efforts to accept or object in writing to all or any portion of the proposed Supplement within thirty (30) calendar days after receipt of a proposed Supplement submitted with Developer's written request for review and approval. Developer may resubmit any proposed Supplement to which the Department of Public Works or MOHCD, as applicable, has timely objected, and the Department of Public Works or MOHCD, as applicable, will have thirty (30) calendar days to review any resubmitted proposed Supplement. The term "**Supplement Review Period**" as used in this Agreement will mean the applicable period specified above in this Section 1.4(a).

(b) The Department of Public Works or MOHCD, as applicable, will only be required to review a proposed Supplement after it is complete and contains all of the information set forth in Section 1.2, Section 1.3 or Section 1.4, as applicable, and any supporting materials reasonably requested in writing by the Department of Public Works or MOHCD, as applicable, in connection with the proposed Supplement. Proposed Supplements for Inclusionary Units and 100% Affordable Housing Projects shall, in addition to the information set forth in Section 1.3, include as supporting materials (i) an estimate of proposed sources and uses, (ii) copies of any applications submitted for local, State or Federal grant or loan financing, (iii) a copy of (A) the Notice of Special Restrictions and (B) if the Notice of Special Restrictions does not evidence compliance with the EIFD Law, a covenant or restriction recorded in the real property records evidencing compliance with the EIFD Law, and (iv) the most detailed currently available set of building Plans. Proposed Supplements for 100% Affordable Housing Projects shall also include as supporting material a copy of the Affordable Housing Conveyance Agreement and an estimate of projected operating cash flow at stabilization. The Supplement Review Period will be tolled as to a Supplement for which the Department of Public Works or MOHCD, as applicable, has reasonably requested additional information or materials, until such requested information or materials have been provided to the Department of Public Works or MOHCD, as applicable. Within the Supplement Review Period, as it may be tolled under this Section 1.4(b), the Department of Public Works or MOHCD, as applicable, will send a notice of Approval or disapproval to Developer. Any notice of disapproval must state with specificity the Department of

Public Works' or MOHCD's, as applicable, grounds for disapproval, which must be made in good faith and will be limited to the following:

(i) For disapproval of a proposed Supplement to Exhibit A: (A) a proposed Acquisition Facility or Privately-Owned Facility is not contemplated to be financed by the Development Agreement (including the Financing Plan); or (B) a proposed Acquisition Facility or Privately-Owned Facility is not eligible to be financed under the IFP, the Governing Acts, the Development Agreement, or this Agreement.

(ii) For disapproval of a proposed Supplement to Exhibit B: (A) the specified Acquisition Facilities or Privately-Owned Facilities are not listed on Exhibit A; (B) the specified Inclusionary Units or 100% Affordable Housing Projects do not comply with the Housing Plan or Section 5.5 of this Agreement; (C) the Actual Costs (less Third Party Reimbursements) of the specified Inclusionary Units or 100% Affordable Housing Project exceed the amounts set forth in the project completion audit or cost certification required by Section 4.2(d); (D) the Actual Cost, including any costs allocated pursuant to Section 5.3(d), of the specified Inclusionary Units exceeds the cost of an equal number of market rate units within the same mixed-income residential building; or (E) specified Components are not components of the Acquisition Facilities or Privately-Owned Facilities listed on Exhibit A.

(c) Any proposed Supplement approved in accordance with this Section 1.4 will be made a part of Exhibit A or Exhibit B, as applicable, without further approval of the City.

(d) In addition to the requirements set forth in this Section 1.4, the Department of Public Works and Developer agree to form a Review Panel consisting of up to three members from the City (including its project managers from the Department of Public Works and the Office of Economic and Workforce Development), and up to three members from the Developer (including its construction manager(s)). Each of the Developer and the Public Works Director may invite representatives of MOHCD to participate in weekly working meetings. The purpose of the Review Panel is to conduct (up to) weekly working meetings to review, before they are submitted to the Department of Public Works or MOHCD, as applicable, proposed Exhibit B Supplements and any proposed change orders. The Review Panel will use good faith efforts to resolve issues with proposed Exhibit B Supplements and change orders before they are submitted to the Department of Public Works or MOHCD, as applicable, and conduct well-organized review meetings. In addition, if requested to do so by Developer, the Review Panel shall discuss any failures of the City described in Section 8.2 and use good faith efforts to resolve any existing failures and avoid future failures.

1.5 EIFD Funding Sources.

(a) The EIFD will not be obligated to pay all or any part of the Actual Cost of an Acquisition Facility (or Component thereof) or a Privately-Owned Facility (or Component thereof) under this Agreement except from EIFD Funding Sources or any other sources that are mutually agreed to by the City, the EIFD, and Developer. Except for the Allocated Tax Revenue and the Conditional Tax Revenue (to the limited extent described in the IFP) that the City has allocated to the EIFD pursuant to the EIFD Law, unless otherwise agreed to in writing by

the parties, in no circumstances shall the City's General Fund, credit, taxing power or revenues other than the EIFD Funding Sources be pledged or be available to pay all or any part of the Actual Cost of an Acquisition Facility (or Component thereof) or a Privately-Owned Facility (or Component thereof), nor shall the EIFD have any liability to pay all or any part of the Actual Cost of an Acquisition Facility (or Component thereof) or a Privately-Owned Facility (or Component thereof) if the Acquisition Facility (or Component thereof) or a Privately-Owned Facility (or Component thereof) is determined by the City to be ineligible to be financed under the Governing Acts, even if the City or the Department of Public Works or MOHCD, as applicable, did not object to the Payment Request or Supplement listing it on the grounds of ineligibility.

(b) Developer acknowledges that if the City, the EIFD, and Developer agree to issue escrow bonds as part of an issuance of EIFD Bonds and funds are deposited in an escrow fund, escrowed amounts will become EIFD Funding Sources: (i) only after satisfaction of all escrow requirements and release from the escrow fund; and (ii) in the amounts specified in the applicable Indenture. The EIFD agrees to take all reasonable actions necessary to cause the satisfaction of all the conditions to the release of funds from an escrow fund.

(c) Neither the City nor the EIFD make any warranty, express or implied, that EIFD Funding Sources will be sufficient to pay for all of the EIFD Improvements. Other than as contemplated by the EIFD Funding Sources or as otherwise agreed to in writing by the parties, in no circumstances shall the City's credit, taxing power or General Fund or any revenues other than the EIFD Funding Sources be pledged to or be available to pay all or any part of the Actual Cost of the EIFD Improvements.

1.6 Issuance of EIFD Bonds.

(a) EIFD Bonds will not be issued by the EIFD except upon the written request of the Developer made to the EIFD and the City. The proceeds of each series of EIFD Bonds shall be deposited, held, invested, reinvested, and disbursed as provided in the Indenture, subject to compliance with the IFP and this Agreement. Other than payment of EIFD administrative costs, the net proceeds of the EIFD Bonds (after paying costs of issuance and capitalized interest and establishing debt service reserve funds) shall be used to finance the Actual Cost of EIFD Improvements.

(b) The City shall allocate the Conditional Tax Revenue to the EIFD to provide debt service coverage for the EIFD Bonds, and the Conditional Tax Revenue will only be available for the limited purpose of paying debt service on the EIFD Bonds and replenishing any reserve funds for the EIFD Bonds in the event that Allocated Tax Revenue is insufficient for that purpose. After first paying or setting aside amounts needed for debt service due during such Fiscal Year on the EIFD Bonds secured by or payable from Allocated Tax Revenue and replenishing any reserve funds for the EIFD Bonds, the EIFD shall repay the City out of the Allocated Tax Revenue for any Conditional Tax Revenue actually used to pay debt service on EIFD Bonds as set forth in the IFP, plus interest as provided herein. After the Conditional Tax Revenue so used is repaid in full, then any Allocated Tax Revenue remaining shall be reserved for and/or applied to finance the Qualified EIFD Improvements.

(c) Prior to requesting the issuance of EIFD Bonds, the Developer will consult with the City's Controller (or the Controller's designee). The Controller will recommend that the Board of Supervisors approve an issue of EIFD Bonds if the Controller has determined that (1) the issue will be consistent with sound municipal financing practices, (2) the issue will be consistent with the EIFD Law, the IFP and the Financing Plan, and (3) the City is 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 EIFD 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 EIFD Bonds and (B) provides reasonable assurance to the City that that the Conditional Tax Revenue would likely to be available to the City's General Fund and unlikely to be needed to pay debt service on the EIFD Bonds or replenish debt service reserve funds for the EIFD Bonds.

(d) The Board of Supervisors will consider all requests to approve the issuance of EIFD Bonds in accordance with its customary practices based on the record before it, which shall include the Controller's recommendation and a description of the requirements of the Financing Plan.

(e) In addition to federally tax-exempt EIFD Bonds, at the request of the Developer, the EIFD shall consider the issuance of one or more series of federally taxable EIFD Bonds to finance the Actual Cost of any EIFD Improvements that cannot be financed on a federally tax-exempt basis.

(f) Upon any such request by the Developer to issue EIFD Bonds, the EIFD shall utilize and consult with the City's Office of Public Finance as to the timing, parameters, and terms of any EIFD Bonds consistent with this Agreement. The City has informed the EIFD and the Developer that the Office of Public Finance will provide those services to the EIFD for the term of the EIFD.

1.7 Deposits of EIFD Funding Sources.

(a) The proceeds of any EIFD Bonds will be deposited, held, invested, reinvested, and disbursed as provided in the respective Indenture, all in a manner consistent with the Financing Plan and this Agreement. The portion of the proceeds of any EIFD Bonds that is used to fund reserves for debt service, to capitalize interest on the EIFD Bonds, and to pay costs of issuance and administration will not constitute EIFD Funding Sources.

(b) Pursuant to the Financing Plan and the IFP, the Allocated Tax Revenue generated from the property in the EIFD may be deposited and held in, and invested, reinvested, and disbursed to finance EIFD Improvements.

(c) Developer agrees that the EIFD alone will direct the investment of EIFD Funding Sources in accordance with the EIFD's investment policy and all applicable laws and the applicable Indenture. The EIFD will have no responsibility to Developer with respect to any investment of EIFD Funding Sources before their use under this Agreement, including any loss of all or a portion of the principal invested or any penalty for liquidation of an investment so long as the investments were made in accordance with the EIFD's investment policy and all

applicable laws and the applicable Indenture, even if a loss diminishes the amount of available EIFD Funding Sources.

1.8 Payment of Certain Costs. The City, the EIFD, and Developer agree that certain professional and consulting costs that Developer, the City and the EIFD incur in connection with the formation of the EIFD and the issuance of EIFD Bonds will be financed with proceeds of the EIFD Bonds or Allocated Tax Revenue to the extent permitted by the EIFD Law.

ARTICLE 2 **CONSTRUCTION OF ACQUISITION FACILITIES AND PRIVATELY-OWNED** **FACILITIES**

2.1 Plan Documents. Developer will prepare and obtain approval by each applicable Governmental Entity of all Plans for the Acquisition Facilities and Privately-Owned Facilities in accordance with, and at the times necessary to comply with the provisions of the Development Agreement.

2.2 Obligation to Construct Acquisition Facilities and Privately-Owned Facilities. Developer's obligation to construct the Acquisition Facilities and the Privately-Owned Facilities is governed by the Development Agreement. This Agreement does not create an obligation to construct any Acquisition Facility or Privately-Owned Facility. This Article 2 applies only to those Acquisition Facilities or Privately-Owned Facilities for which Developer seeks the payment of the Actual Costs under this Agreement.

2.3 Relationship to Public Works Contracting Requirements.

(a) This Agreement provides for the acquisition of the Acquisition Facilities (or Component thereof) and reimbursement of the Actual Costs of Privately-Owned Facilities (or Component thereof) from time to time from EIFD Funding Sources and is not intended as a public works contract. The Parties acknowledge and agree that the Acquisition Facilities and Privately-Owned Facilities are of local, and not state-wide, concern, and that the provisions of the California Public Contract Code do not apply to the construction of the Acquisition Facilities or Privately-Owned Facilities. The City, the EIFD, and Developer further acknowledge and agree that any public works contracting requirements of the City are not applicable to the construction and acquisition of the Acquisition Facilities or Privately-Owned Facilities. Nothing in this Section 2.3(a) shall limit or alter the requirements of the Development Agreement, including without limitation, the payment of prevailing wages as set forth in the Development Agreement. Notwithstanding the foregoing, the Developer acknowledges that EIFD Funding Sources can only pay for the Actual Costs of Acquisition Facilities or Privately-Owned Facilities where prevailing wages were paid.

(b) Developer will utilize its business judgment to solicit proposals and award contracts in the manner it deems most suited to achieving the lowest Actual Costs from qualified and responsible contractors for each EIFD Improvement. Such methods may vary depending upon the nature of the work and the EIFD Improvement and may include the solicitation of competitive bids from qualified contractors for hard costs. Developer agrees to award all

contracts and execute all contract change orders for construction of the Acquisition Facilities and Privately-Owned Facilities in accordance with the Development Agreement requirements, which are set forth in Exhibit E attached hereto. Developer agrees to provide copies of all executed contracts and contract change orders to the Department of Public Works or MOHCD, as applicable, along with a written summary of the process by which the Developer solicited proposals and awarded contracts.

(c) Developer shall be responsible for entering into all change orders required for the construction of the EIFD Improvements. Developer shall make reasonable efforts to submit change work order documentation to the Review Panel created pursuant to Section 1.4(d) accompanied by a Potential Change of Work (“PCOW”) form to confirm funding eligibility and to obtain City acknowledgment prior to implementing changes. The City shall make reasonable efforts to review the PCOW for courtesy concurrence within five (5) business days, but such review and courtesy concurrence shall not constitute an approval for reimbursement. The form of PCOW is attached hereto as Exhibit F. The parties acknowledge that Developer may under certain circumstances need to cause the contractor to commence implementing such changes in the field prior to the review of the PCOW by the Review Panel; in such event, the Developer shall submit the change work order documentation accompanied by a PCOW to the City immediately after the work has commenced for courtesy concurrence by the City within five (5) business days (which courtesy concurrence shall not constitute an approval for reimbursement). To the extent that a PCOW has been submitted and acknowledged by the Review Panel, the Developer shall submit a copy of such PCOW when requisitioning for the Actual Costs of the work that was the subject of the PCOW.

(d) From time to time at the request of the City, representatives of Developer must meet and confer with the City, Department of Public Works staff and MOHCD staff, as applicable, consultants, and contractors regarding matters arising under this Agreement with respect to the Acquisition Facilities or Privately-Owned Facilities, and the progress in constructing and acquiring the same, and as to any other matter related to the Acquisition Facilities or Privately-Owned Facilities, or this Agreement. The City, Department of Public Works staff and MOHCD staff, as applicable, will have the right: (i) to attend (and at the request of Developer will attend) meetings between Developer and its contractors relating to the Acquisition Facilities and Privately-Owned Facilities; and (ii) to meet and confer with individual contractors and Developer if deemed advisable by the City to resolve disputes or ensure the proper completion of the Acquisition Facilities and Privately-Owned Facilities.

Developer will not enter into contracts for Acquisition Facilities or Privately-Owned Facilities with suspended or debarred contractors. A current list of such contractors can be found on the City’s website: <https://sf.gov/resource/2022/suspended-and-debarred-contractors#>. In addition, Developer will, to the extent it is legally permitted to and may do so without penalty to the Developer, terminate contracts for Acquisition Facilities or Privately-Owned Facilities with contractors that were suspended or debarred after the contracts were executed. City will not approve financing for costs of Acquisition Facilities or Privately-Owned Facilities where the work was performed by a suspended or debarred contractor to the extent work was performed after the contractor was suspended or debarred and it was legally permitted for the Developer to terminate the contract without penalty to the Developer.

2.4 Independent Contractor.

(a) In performing under this Agreement, Developer is an independent contractor and not the agent or employee of the City or the EIFD. Except as otherwise provided in this Agreement, the EIFD will not be responsible for making any payments to any contractor, subcontractor, agent, consultant, employee, or supplier of Developer.

(b) The City has determined that it would obtain no advantage by directly undertaking the construction of the Acquisition Facilities or the Privately-Owned Facilities.

ARTICLE 3
ACQUISITION AND PAYMENT OF ACQUISITION FACILITIES AND
COMPONENTS

3.1 Inspection.

(a) This Article 3 applies only to those Acquisition Facilities and Components for which Developer seeks the payment of Actual Costs under this Agreement. This Article 3 does not apply to Privately-Owned Facilities or Components thereof. The City and the Developer agree that nothing in this Agreement is intended to supersede or replace the process of construction, inspection and acceptance of the Acquisition Facilities set forth in any applicable Public Improvement Agreement.

(b) Except as set forth in Section 3.3, the EIFD will not be obligated to pay the Actual Costs of Acquisition Facilities or Components under this Agreement to Developer until the applicable Acquisition Facility or Component has been inspected and determined in writing by the Director of Public Works to be Ready for Payment. Subject to Section 3.3 herein, for purposes of clarification, for a Component that is dependent on the completion of other Components to actually be operational, the term "ready for intended use" (as such term is used in the definition of "Ready for Payment") means only that the Component has been constructed in accordance with the applicable Plans and is capable of being operational when the other Components are completed.

(c) For Acquisition Facilities and Components to be acquired by the City, the Director of Public Works will make a reasonable effort to arrange for the inspection to commence within five (5) Business Days following receipt of Developer's written request to inspect Acquisition Facilities or Components that Developer believes in good faith are Ready for Payment (the "**Inspection Request**"). Within the five (5) Business Days time period discussed above, the applicable City agencies will make a reasonable effort to schedule the requested inspection to occur within fourteen (14) calendar days but in any event not to exceed twenty-one (21) calendar days from the date of receipt of the Inspection Request. Within five (5) Business Days following the completion of the inspection, the Director of Public Works shall notify Developer and the EIFD of the results of the inspection by providing an Acquisition Facility Completion Confirmation or by providing a punch list of items to be corrected.

3.2 Agreement to Sell and Purchase Acquisition Facilities. Developer agrees to sell Acquisition Facilities and Components to the City or other Governmental Entity(ies), and the EIFD agrees to use available EIFD Funding Sources to pay the Actual Cost of the Acquisition Facilities and Components to Developer, subject to this Agreement and the Financing Plan.

3.3 Component Financing.

(a) This Agreement authorizes the purchase of a Component of an Acquisition Facility where such Acquisition Facility has an estimated cost of up to one million dollars (\$1,000,000), but only if the Component is capable of serviceable use as determined by the Department of Public Works. Subject to the availability of EIFD Funding Sources, the City agrees to pay to Developer the Actual Costs of such Components under this Section 3.3(a) before: (i) completion of the Acquisition Facility of which the Component is a part (unless it is the final Component of an Acquisition Facility); or (ii) the transfer to the City or other Governmental Entity of title to the Acquisition Facility and the property underlying the applicable Component. A reasonably detailed description and estimated Actual Cost of each Component to be financed under this Section 3.3(a) must be listed on Exhibit B (either originally or through an approved Supplement).

(b) If the estimated cost of an Acquisition Facility exceeds one million dollars (\$1,000,000), this Agreement authorizes the purchase of Components whether or not the Components are capable of serviceable use. Subject to the availability of EIFD Funding Sources, the EIFD agrees to pay to Developer the Actual Costs of such Components under this Section 3.3(b) before: (i) completion of the Acquisition Facility of which the Component is a part (unless it is the final Component of an Acquisition Facility); or (ii) the transfer to the City or other Governmental Entity of title to the Acquisition Facility and the property underlying the Component. A reasonably detailed description and estimated Actual Cost of each Component to be financed under this Section 3.3(b) must be listed on Exhibit B (either originally or through an approved Supplement). As used in this Agreement, the term Component means:

- (i) segments of Acquisition Facilities (e.g., a segment of a water line);
or
- (ii) incremental completion of an Acquisition Facility (i.e., progress payments).

(c) **Payment of Soft Costs.** Soft costs may be paid as part of the Actual Cost of any Component. In addition, soft costs for more than one Acquisition Facility may be submitted for approval as they occur in advance of construction of such Acquisition Facility provided that the soft costs apply to an Acquisition Facility or Component listed in Exhibit A or Exhibit B.

(d) Developer acknowledges that the City or other Governmental Entity, as applicable, will not be obligated to accept an Acquisition Facility of which a Component is a part until the entire Acquisition Facility has been constructed and determined to be Complete as required under the Development Agreement. The City and EIFD acknowledge that a

Component does not have to be accepted by the City or other Governmental Entity as a condition precedent to the payment of the Actual Costs of the Component.

(e) The procedures for payment of the Actual Cost of a Component described in this Section 3.3 will be governed by Article 4.

3.4 Defective or Nonconforming Work. If the Director of Public Works finds any of the work done or materials furnished for an Acquisition Facility or Component to be defective or not in conformance with the applicable Plans and the Applicable Standards and such finding is made: (a) prior to payment of the Actual Costs of such Acquisition Facility or Component, the EIFD may withhold the applicable payment until such defect or nonconformance is corrected to the satisfaction of the Director of Public Works; or (b) after payment of the Actual Costs of such Acquisition Facility or Component, then the Development Agreement will govern cure rights and obligations.

3.5 Conveyance of Land, Title. The transfer of, maintenance of, and right of entry with respect to all land on, in, or over which any of the Acquisition Facilities will be located will be governed by the Development Agreement and the Applicable Standards.

ARTICLE 4 **PAYMENT REQUESTS FOR ACQUISITION FACILITIES AND COMPONENTS**

4.1 Payment Requests. This Article 4 applies only to those Acquisition Facilities and Components for which Developer seeks the payment of Actual Costs under this Agreement. Except as set forth in Section 5.4 herein, this Article 4 does not apply to Privately-Owned Facilities (or Components thereof).

(a) To initiate the process for payment of the Actual Cost of an Acquisition Facility or Component, Developer must deliver to the Director of Public Works a Payment Request in the form of Exhibit C that contains all relevant information, including the Identified Funding Sources that are eligible to be used to pay it, together with all required supporting documents, attachments, and exhibits, all in an organized manner. Required attachments include:

(i) a copy of the Acquisition Facility Completion Confirmation;
and

(ii) Proof of Payment evidencing that the Actual Costs were previously incurred and, if applicable, paid, for the Acquisition Facility or Component.

(b) In addition to those items listed in Section 4.1(a) above, any Payment Request for a Component must be supported by the following documentation:

(i) a completed copy of Exhibit C-1 specifying each contractor, subcontractor, materialman, and other Person with whom Developer or its contractor has entered into contracts or contract change orders with respect to any Component included in the Payment

Request and, for each of them: (A) the amount of each such contract; and (B) the amount of the requested Actual Cost attributable to each specific contractor, subcontractor, materialman, and other Person; and

(ii) duly executed unconditional or conditional lien releases and waivers (in the applicable form provided in Calif. Civil Code § 3262) from all contractors, subcontractors, materialmen, consultants, and other Persons retained by Developer in connection with the Component, under which each such Person unconditionally or conditionally waives all lien and stop notice rights with respect to the pending payment.

(c) In addition to those items listed in Section 4.1(a) above, any Payment Request for a Completed Acquisition Facility or the final Component thereof will be complete only after Developer has submitted all of the following documents, to the extent applicable:

(i) if the real property on which the Acquisition Facility is located is not owned by the City or other Governmental Entity at the time of the request, a copy of the recorded document(s) conveying Acceptable Title to the real property to the City or other Governmental Entity, as applicable;

(ii) a copy of the Acquisition Facility Completion Confirmation or, if applicable, similar evidence that the Governmental Entity has found the Acquisition Facility to be Complete;

(iii) an executed assignment of any warranties and guaranties for the Acquisition Facility, in a form acceptable to the City or other Governmental Entity, as applicable;

(iv) as-built drawings and an executed assignment of the Plans, to the extent reasonably obtainable;

(v) an executed bill of sale for any utility substructures (e.g. vaults, conduits, etc.) that are the subject of the Payment Request, if applicable; and

(vi) duly executed unconditional or conditional lien releases and waivers (in the applicable form provided in Calif. Civil Code § 3262) from all contractors, subcontractors, materialmen, consultants, and other Persons retained by Developer in connection with the Acquisition Facility, under which each such Person unconditionally or conditionally waives all lien and stop notice rights with respect to the pending payment.

(d) Developer will specify in writing the “**Developer Allocation**” that is included in the calculation of the Actual Cost in Exhibit C-2 to each Payment Request under this Article 4 (which shall be subject to review in accordance with Section 4.3(b)), showing how Developer has allocated the following costs paid or incurred by Developer (as applicable):

(i) costs that apply to more than one Acquisition Facility or Component (e.g., soft costs), as allocated between the Acquisition Facilities or Components, subject to Section 3.1;

(ii) costs that apply to both Acquisition Facilities or Components and other improvements (e.g., grading), as allocated between the Acquisition Facilities or Components and the other improvements; and

amounts paid to the City that apply to more than one Acquisition Facility or Component or both Acquisition Facilities or Components and other improvements (e.g., inspection fees, plan review fees, etc.), as allocated between the Acquisition Facilities or Components and, if applicable, the other improvements.

(e) Acceptance by the City or other Governmental Entity of an Acquisition Facility or Component is not a condition to the payment of the Actual Cost of such Acquisition Facility or Component. Payment of the Actual Cost of an Acquisition Facility or Component shall not constitute Acceptance by the City or other Governmental Entity of such Acquisition Facility or Component

4.2 .Processing Payment Requests for Acquisition Facilities and Components.

(a) Within twenty-one (21) calendar days after receipt of any Payment Request, the Director of Public Works will review the Payment Request to: (i) determine that it is complete; or (ii) determine that the Payment Request is incomplete and to request additional information and documentation reasonably necessary for the Director of Public Works to complete the review. Developer agrees to cooperate with the Director of Public Works in conducting each such review and to provide the Director of Public Works with such additional information and documentation as is reasonably necessary for the Director of Public Works to conclude each such review. In reviewing a Payment Request, the Director of Public Works will also review the Developer Allocations. If the Director of Public Works objects to the Developer Allocation, then the Director of Public Works and Developer will promptly meet and confer in an attempt to agree on how to allocate such costs on a reasonable basis (the “**Agreed-Upon Allocation**”).

(b) Within thirty (30) calendar days after the date a Payment Request is determined to be complete under Section 4.2(a), the Director of Public Works will review the Payment Request to confirm that all conditions in Article 3 and Section 4.1 have been satisfied, to the extent applicable, and provide notice to Developer either that: (i) the Payment Request is approved (which will be confirmed by counter-signing the Payment Request); or (ii) the Payment Request is disapproved in whole or in part, specifying in the notice the portion of the Payment Request that is disapproved and the reason(s) for disapproval. If the Payment Request is disapproved in part, the Director of Public Works will return the Payment Request to Developer who may amend it to remove the portion that was disapproved and then resubmit it for approval. Upon receipt of the revised Payment Request omitting the disapproved portion, the Director of Public Works will forward the Payment Request to the EIFD for payment under Section 4.3. Developer may resubmit the portion of any Payment Request that was disapproved with additional supporting documentation, and the Director of Public Works will review it within the amount of time that is reasonable in light of the materiality of the reasons for the disapproval, not to exceed twenty-one (21) calendar days, although the Director of Public Works will make a reasonable effort to review it more quickly.

(c) The period within which the Director of Public Works must review a Payment Request under Section 4.2(a) or Section 4.2(b) will be tolled as to any Payment

Request, until Developer has provided any additional information or documentation that the Director of Public Works has reasonably requested under Section 4.2(a) or Section 4.2(b).

(d) The City will hire one or more Third Party consultants to review Payment Requests for Acquisition Facilities and Privately-Owned Facilities other than Inclusionary Units or 100% Affordable Housing Projects. For Payment Requests related to Inclusionary Units or 100% Affordable Housing Projects, the Developer will hire one or more qualified certified public accounting or other accounting firms that are licensed in the State of California to prepare project completion audits or cost certifications evidencing all Actual Costs incurred and Third Party Reimbursements received. The costs (which may include the City's bond counsel) associated with the Developer's preparation and City's review of Payment Requests submitted pursuant to this Agreement shall be payable from EIFD Funding Sources.

(e) The process for review of the Payment Requests for Acquisition Facilities and Components thereof is subject to Article 6.

4.3 Payment.

(a) Within five (5) Business Days after (i) approving a Payment Request, and (ii) receipt of the Acquisition Facility Completion Confirmation, the Director of Public Works will forward the counter-signed approved Payment Request to the EIFD.

(b) The EIFD must pay the Actual Costs to the extent of available Identified Funding Sources within fifteen (15) Business Days after the EIFD's receipt of a counter-signed approved Payment Request. At the written request of Developer, the EIFD will make payments under any approved Payment Requests directly to a Third Party, such as a contractor or supplier of materials.

4.4 Restrictions on Payments for Acquisition Facilities and Components. The following restrictions will apply to any payments made to Developer under Section 4.3:

(a) Subject to Section 4.4(d), the City will withhold delivery of the counter-signed Payment Request for the final payment for any Completed Acquisition Facility (but not for any Component that is not the final Component of an Acquisition Facility) constructed in, on, or over land, until Acceptable Title to such land has been conveyed to the City or other Governmental Entity, if required under Section 4.1(c). Although Acceptable Title must be conveyed, acceptance by the City or other Governmental Entity is not required as a condition of signing a Payment Request.

(b) Subject to Section 4.4(d), the City may withhold delivery of the counter-signed Payment Request for the final payment for any Completed Acquisition Facility (if it has no Components) or the final Component of any Completed Acquisition Facility until: (i) the Completed Acquisition Facility has been finally inspected as provided in Section 3.1; and (ii) general lien releases for the Acquisition Facility (conditioned solely upon payment from EIFD Funding Sources to be used to acquire such Acquisition Facility or final Component) have been submitted to the Director of Public Works.

(c) Nothing in this Agreement prohibits Developer from contesting in good faith the validity or amount of any mechanics' or materialman's lien or limits the remedies available to Developer with respect to such liens so long as any resulting delays do not subject the Acquisition Facilities or any Component to foreclosure, forfeiture, or sale. If Developer contests any such lien, Developer will only be required to post or cause the delivery of a bond in an amount equal to the amount in dispute with respect to any such contested lien, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Director of Public Works. In addition, the City agrees that Developer will have the right to post or cause the appropriate contractor or subcontractor to post a bond with the City to indemnify the City and the Port for any losses sustained by the City or the Port because of any liens that may exist at the time of acceptance of such an Acquisition Facility, so long as such bond is drawn on an obligor and is otherwise in a form acceptable to the Director of Public Works.

(d) The City will be entitled to withhold from each payment of Actual Costs a portion for retention as authorized by City policies and procedures that constitute Applicable Standards, but in any case not to exceed ten percent (10%) of the amount of the Actual Cost of an Acquisition Facility or Component unless the Developer has provided evidence to the City that it is withholding from each payment to the contractor a retention of at least 10%. The City will be obligated to authorize the EIFD to pay the amount of any retained amounts in accordance with applicable City policies and procedures.

ARTICLE 5

INSPECTION AND PAYMENT REQUESTS FOR PRIVATELY-OWNED FACILITIES AND COMPONENTS

5.1 Inspection; Authorized Payments. This Article 5 applies only to Privately-Owned Facilities and Components thereof for which Developer seeks reimbursement under this Agreement. For Privately-Owned Facilities and Components, the Director of Public Works, the Department of Building Inspection, and the Port, as applicable, will make a reasonable effort to arrange for the inspection to commence within five (5) Business Days following receipt of Developer's written request to inspect Privately-Owned Facilities or Components that Developer believes in good faith are Ready for Private Payment (the "**Private Inspection Request**"). Within the five (5) Business Days time period discussed above, the applicable agency will make a reasonable effort to schedule the inspection to occur within fourteen (14) calendar days but in any event not to exceed twenty-one (21) calendar days from the date of receipt of the Private Inspection Request. Within five (5) Business Days following the completion of the inspection, the Director of Public Works, the Department of Building Inspection, or the Port, as applicable, shall notify Developer and the EIFD of the results of the inspection by providing a Private Completion Confirmation or by providing a punch list of items to be corrected.

5.2 Component Financing. This Section 5.2 shall only apply to Privately-Owned Facilities that are not affordable housing; The EIFD and the City will not finance Components of Inclusionary Units or 100% Affordable Housing Projects.

(a) If the estimated cost of a Privately-Owned Facility exceeds one million dollars (\$1,000,000), this Agreement authorizes the payment of the Actual Cost of

Components of that Privately-Owned Facility whether or not the Components are capable of serviceable use. Subject to the availability of EIFD Funding Sources, the EIFD agrees to pay to Developer the Actual Costs of such Components under this Section 5.2(a) before: (i) completion of the Privately-Owned Facility of which the Component is a part (unless it is the final Component of a Privately-Owned Facility); or (ii) the transfer to the owner of title to the Privately-Owned Facility and the property underlying the Component. A reasonably detailed description and estimated Actual Cost of each Component to be financed under this Section 5.2(a) must be listed on Exhibit B (either originally or through an approved Supplement). As used in this Agreement, the term Component means:

(i) segments of Privately-Owned Facilities; or

(ii) incremental completion of a Privately-Owned Facility or Component (i.e., progress payments).

(b) Payment of Soft Costs. Soft costs may be paid as part of the Actual Cost of any Component. In addition, soft costs for more than one Privately-Owned Facility may be submitted for approval as they occur in advance of construction of such Privately-Owned Facility provided that the soft costs apply to a Privately-Owned Facility or Component listed in Exhibit A or Exhibit B.

(c) The City and EIFD acknowledge that a Component does not have to be accepted by the owner as a condition precedent to the payment of the Actual Costs of the Component.

5.3 Processing Payment Requests for Privately-Owned Facilities and Components.

(a) To initiate the process for payment for a Privately-Owned Facility or Component thereof, Developer must deliver to the Director of Public Works a Payment Request in the form of Exhibit D that contains all relevant information, including the Identified Funding Sources, together with all required attachments and exhibits, all in an organized manner. Required attachments to each Payment Request include:

(i) a copy of the Private Completion Confirmation; and

(ii) Proof of Payment evidencing the Actual Costs were previously incurred and, if applicable, paid for the Privately-Owned Facility.

(b) In addition to those items listed in Section 5.3(a) above, any Payment Request for a Component must be supported by the following documentation:

(i) a completed copy of Exhibit D-1 specifying each contractor, subcontractor, materialman, and other Person with whom Developer or its contractor has entered into contracts or contract change orders with respect to any Component included in the Payment Request and, for each of them: (A) the amount of each such contract; and (B) the amount of the requested Actual Cost attributable to each specific contractor, subcontractor, materialman, and other Person; and

(ii) duly executed unconditional or conditional lien releases and waivers (in the applicable form provided in Calif. Civil Code § 3262) from all contractors, subcontractors, materialmen, consultants, and other Persons retained by Developer in connection with the Component, under which each such Person unconditionally or conditionally waives all lien and stop notice rights with respect to the pending payment.

(c) In addition to those items listed in Section 5.3(a) above, a Payment Request for a Completed Privately-Owned Facility or the final Component will be complete only after Developer has submitted all of the following documents, to the extent applicable:

(i) a copy of the Private Completion Confirmation or, if applicable, similar evidence that the Governmental Entity has found the Privately-Owned Facility to be Complete;

(ii) with regard to Privately-Owned Public Open Spaces (as defined in the Development Agreement), a Declaration of Public Open Space Covenants and Restrictions recorded in accordance with the Public Improvement Agreement and Exhibit L-2 to the Development Agreement;

(iii) with regard to Inclusionary Units and 100% Affordable Housing Projects, (A) a Notice of Special Restrictions recorded in accordance with Exhibit D (Housing Plan) to the Development Agreement and (B) if the Notice of Special Restrictions does not evidence compliance with the EIFD Law, a covenant or restriction recorded in the real property records evidencing compliance with the EIFD Law;

(iv) with regard to Inclusionary Units and 100% Affordable Housing Projects, the project completion audit or cost certification required by Section 4.2(d), evidencing all Actual Costs incurred and Third Party Reimbursements received;

(v) with regard to Inclusionary Units and 100% Affordable Housing Projects, the final United States Internal Revenue Service Form 8609, if Low Income Housing Tax Credits are used to finance the Inclusionary Units or 100% Affordable Housing Projects; and

(vi) signed and acknowledged lien releases and waivers (in the required statutory forms) from all contractors, subcontractors, materialmen, consultants, and other persons that Developer retained in connection with the Privately-Owned Facility or Component thereof, in each instance unconditionally or conditionally waiving all lien and stop notice rights with respect to the pending payment.

(d) Cost Allocation. Developer will provide its Developer Allocation that is included in the calculation of the Actual Cost in Exhibit D-2 to each Payment Request under this Article 5, showing how Developer has allocated the following costs paid or incurred by Developer (as applicable):

(i) costs that apply to more than one Privately-Owned Facility or Component (e.g., soft costs), as allocated between the Privately-Owned Facilities or Components;

(ii) costs that apply to both Privately-Owned Facilities or Components and other improvements (e.g., grading, or in a residential building containing both market rate and Inclusionary Units, the cost of building-wide systems and common areas), as allocated between the Privately-Owned Facilities or Components and the other improvements; and

(iii) amounts paid to the City that apply to more than one Privately-Owned Facility or Component or both Privately-Owned Facilities or Components and other improvements (e.g., inspection fees, plan review fees, etc.), as allocated between the Privately-Owned Facilities or Components and, if applicable, the other improvements.

(e) Review Process. The process for review of the Payment Requests for Privately-Owned Facilities and Components is subject to Article 6.

5.4 Payment.

(a) Processing of Payment Requests. Payment Requests for Privately-Owned Facilities or Components shall be processed pursuant to Sections 4.2 and 4.3 above.

5.5 Eligibility of Affordable Housing for Financing.

(a) Applicability. The following additional provisions shall apply to the financing of Inclusionary Units and 100% Affordable Housing Projects. In the event of any conflict between this Section and the other provisions of this Article 5, this Section shall govern.

(b) Housing Plan. The Developer shall provide affordable housing in accordance with the Housing Plan, subject to such other requirements described in this Section 5.5. In the event of any conflict between this Section and the Housing Plan, this Section shall govern solely to the minimum extent required to comply with the EIFD Law.

(c) Permitted Uses of EIFD Financing for Affordable Housing.

(i) The Developer may use proceeds of EIFD Bonds and Allocated Tax Revenue to finance the Actual Costs (including related planning and design work) of purchasing, constructing, expanding, improving, seismic retrofitting or rehabilitating affordable housing units on 100% Affordable Parcels, provided that any such financed housing units on a 100% Affordable Parcel, as memorialized by a recorded covenant or restrictions, shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income (as defined in California Health and Safety Code Sections 50105 and 50093) for the longest feasible time (including the period of time specified in the Housing Plan), but for not less than 55 years for rental units and 45 years for owner-

occupied units. For purposes of this paragraph, “affordable housing cost” shall mean Housing Cost as defined in the Housing Plan.

(ii) The Developer may use proceeds of EIFD Bonds and Allocated Tax Revenue to finance the Actual Costs (including related planning and design work) of purchasing, constructing, expanding, improving, seismic retrofitting or rehabilitating (A) Inclusionary Units, provided that any such Inclusionary Units, as memorialized by a recorded covenant or restrictions, shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income (as defined in California Health and Safety Code Sections 50105 and 50093) for the longest feasible time (including the period of time specified in the Housing Plan), but for not less than 55 years for rental units and 45 years for owner-occupied units and (B) facilities for child care, after school care, and social services located on the Project Site that are integrally linked to the tenants of the Inclusionary Units financed by the EIFD Bonds or Allocated Tax Revenue. For purposes of this paragraph, “affordable housing cost” shall mean Housing Cost as defined in the Housing Plan.

(iii) The Developer may use proceeds of EIFD Bonds and Allocated Tax Revenue to finance the Power Station Affordable Housing In-Lieu Fee and the Power Station Proportionality In-Lieu Fee (both as defined in the Housing Plan). The City will use the Power Station Affordable Housing In-Lieu Fee and the Power Station Proportionality In-Lieu Fee to finance affordable housing in accordance with the preceding clauses (i) and (ii). The Developer acknowledges that any EIFD Bonds issued to finance Power Station Affordable Housing In-Lieu Fee and the Power Station Proportionality In-Lieu Fee may be issued as federally taxable EIFD Bonds.

(d) The Developer agrees that, solely to the extent required by the EIFD Law and the Housing Plan, (i) all Inclusionary Units and affordable housing units on 100% Affordable Parcels financed by the EIFD will be subject to the lottery system established by MOHCD under Section 415, (ii) MOHCD will monitor and enforce the requirements applicable to Inclusionary Units and affordable housing units on 100% Affordable Parcels financed by the EIFD under this Agreement in accordance with Planning Code Section 415.9, except that all references to Section 415 will be deemed to refer to the requirements under the Housing Plan and (iii) to the extent there are implementation issues that have not been addressed, defined, or are otherwise regulated by this Agreement or the Housing Plan, then the provisions of Section 415 and the MOHCD Manual shall govern and control such issues. For avoidance of confusion, nothing in this Agreement shall permit MOHCD or the City to restrict the Housing Cost of Inclusionary Units or 100% Affordable Units to be affordable to households earning less than the maximum AMI percentage for households earning very low, low, or moderate income (as defined in California Health and Safety Code Sections 50105 and 50093) or less than the maximum AMI levels permitted in the Housing Plan, unless such restriction is required by the EIFD Law and the Developer elects at its sole discretion to use the proceeds of the EIFD Bonds and Allocated Tax Revenue to finance such Inclusionary Units or 100%

Affordable Units. Neither the City nor MOHCD shall have the right to require Developer to sell or rent the Inclusionary Units or 100% Affordable at a Housing Cost that is lower than required by the Housing Plan. The rights of the City and the EIFD set forth in this subsection shall be included in a Notice of Special Restrictions recorded in accordance with Exhibit D (Housing Plan) to the Development Agreement and, if the Notice of Special Restrictions does not evidence compliance with the EIFD Law, a covenant or restriction recorded in the real property records evidencing compliance with the EIFD Law.

(e) The EIFD and the City will not finance Components of Inclusionary Units or 100% Affordable Housing Projects.

ARTICLE 6 **PAYMENT REQUESTS GENERALLY; VESTING; COVENANTS**

6.1 Application of Payment Requests.

(a) Each Payment Request will be numbered consecutively. Each Payment Request will be assigned the next available number when submitted to the Director of Public Works, pursuant to Section 4.2 and Section 5.4.

(b) Each Payment Request will identify all the Identified Funding Sources that are eligible to be used to pay it.

(c) The EIFD will satisfy a Payment Request only from the Identified Funding Sources.

(d) The City shall not deliver to the EIFD a counter-signed Payment Request while Developer is in default in the payment of any ad valorem taxes, special taxes, or property tax assessments levied on any parcel it then owns or while Developer (under and as defined in this Agreement) is in Default (under and as defined in the Development Agreement).

(e) The City, the EIFD, and Developer acknowledge that EIFD Funding Sources may be applied to the payment of a Payment Request only to the extent that the costs of the Acquisition Facility (or Component thereof) or Privately-Owned Facility (or Component thereof) are Qualified.

(f) Payment Requests may be paid: (i) in any number of installments as Identified Funding Sources become available; and (ii) irrespective of the length of time of such deferral of payment.

6.2 Partial Payments; Vested Payment Requests. If Identified Funding Sources are not sufficient to pay all or any part of a Payment Request, then the EIFD will pay the Payment Request to the extent of available Identified Funding Sources and notify Developer of the amount of the remaining portion, which may be the entirety of the Payment Request if there were no Identified Funding Sources available at the time of submission of the Payment Request (herein,

the “**Unpaid Portion**”). The right to the payment of the Unpaid Portion of the Payment Request from the Identified Funding Sources will vest in the payee of such Payment Request (the “**Vested Payment Request**”). Promptly following the availability of Identified Funding Sources, the EIFD will, from time to time and in as many installments as necessary, pay any Vested Payment Request. The Vested Payment Request will be paid from such Identified Funding Sources to the payee of such Vested Payment Request in the chronological order of the number of the Payment Request. Unpaid Vested Payment Requests will be paid from the Identified Funding Sources in their relative order of priority under this Section 6.2 before Identified Funding Sources may be used for any other purposes under this Agreement regardless of: (a) the identity of the owner of any property in the Project Site at the time of the payment of the Vested Payment Request; (B) whether the payee under the Vested Payment Request is, at the time of payment, a Party or a party to the Development Agreement; and (c) whether the Development Agreement has been terminated or assigned to or assumed by another Person. This Section 6.2 will survive termination of this Agreement and the Development Agreement.

6.3 Miscellaneous.

(a) Communications requesting additional information about and notices of approval or disapproval of a Supplement or a Payment Request or the insufficiency of Identified Funding Sources to pay an approved Payment Request in full may be made in any written form for which receipt may be confirmed, including facsimile, electronic mail, and certified first class mail, return receipt requested. Such communications will be effective upon receipt, or, if delivered after 5 p.m. or on a weekend or holiday, the next Business Day.

(b) All proposed Supplements and Payment Requests submitted to the Director of Public Works must be sent by certified first class mail - return receipt requested, personal delivery, or receipted overnight delivery. Payment Requests must be clearly marked: “Payment Request No. _____; Power Station; Attn: _____.” Delivery of a Supplement or Payment Request to the Director of Public Works will be effective on the actual date of delivery, or, if delivered after 5 p.m. or on a weekend or holiday, the next Business Day. Copies of Payment Requests must be delivered in the same manner as the original.

(c) In connection with processing any request under this Agreement (including Payment Requests and Supplements), the City agrees that any additional information request by the Director of Public Works to Developer must be submitted as soon as practicable following the submission of the original materials, but in any event prior to applicable deadlines required by this Agreement. The Director of Public Works will use its good faith efforts to make each additional information request comprehensive and thorough to minimize the number of requests delivered, and Developer will use its good faith efforts to provide a thorough, organized, and complete response to each request. Developer is authorized to communicate directly with the Director of Public Works and its designees, agents, and contractors to facilitate any additional information request, to facilitate the prompt resolution of any technical issues, and to minimize the amount of time it takes to resolve outstanding issues.

ARTICLE 7

REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Developer. Developer represents and warrants to and for the benefit of the City and the EIFD that:

(a) Developer is a limited liability company duly organized and validly existing under the laws of the State of Delaware, is qualified to transact business and is in good standing in the State of California, is in compliance with the laws of such state, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) Developer has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by Developer.

7.2 Representations and Warranties of the City. The City represents and warrants to and for the benefit of Developer and the EIFD that:

(a) The City is a duly formed corporate body under the Constitution, the laws of the State of California and its charter, is in compliance with the Constitution, the laws of the State of California and its charter, and has the power and authority to own its properties and assets and to carry on its business as now being conducted.

(b) The City has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the City.

7.3 Covenants of the City.

(a) Allocation. The City covenants to allocate the Allocated Tax Revenue and the Conditional Tax Revenue in accordance with the IFP.

(b) No IFP Amendment without Developer Approval. The City will not approve any amendments to the IFP that would alter the following prioritization of use of the Allocated Tax Revenue without the Developer's prior written approval:

(i) first, to pay EIFD administrative costs;

(ii) second, to pay debt service on EIFD Bonds and to replenish any reserve funds associated with EIFD Bonds;

(iii) third, to repay the City for any Conditional Tax Revenue actually used to pay debt service on EIFD Bonds or replenish debt service reserve funds for the EIFD Bonds in an amount equal to the Conditional Tax Revenue actually used to pay debt service on the EIFD Bonds or replenish debt service reserve funds for the EIFD Bonds plus interest through the date of repayment at an annual 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 the IFP; and

(iv) fourth, to accumulate over time and, from time to time at the Developer's request, to pay directly or reimburse the Developer for the Qualified EIFD Improvements as set forth in this Agreement.

(c) No Bond Parameter Amendments without Developer Approval. The City will not approve any amendments of the IFP that would alter the following principles related to the issuance of EIFD Bonds: (i) the EIFD will issue EIFD Bonds in compliance with the EIFD Law and the IFP to finance the Qualified EIFD Improvements, (ii) the EIFD Bonds will not be issued except upon the written request of the Developer and with the prior approval of the Board of Supervisors, and (iii) other than paying EIFD administrative costs, and costs of issuance and funding capitalized interest and debt service reserve funds, the proceeds of the EIFD Bonds shall be used to finance Qualified EIFD Improvements in the amounts requested by the Developer and approved by the City.

7.4 Covenants of the Developer.

(a) Filing of Annual Reports. In connection with the EIFD's preparation and filing of the annual report required by California Government Code Section 53398.66(j), the Developer shall provide such information and provide such assistance on a timely basis as may be reasonably requested by the EIFD.

(b) Preparation of Audits. In connection with the EIFD's preparation and filing of the audits required by California Government Code Sections 53398.66(j) and 53398.88, the Developer shall provide such information and provide such assistance on a timely basis as may be reasonably requested by the EIFD.

7.5 Representations and Warranties of the EIFD. The EIFD represents and warrants to and for the benefit of Developer and the City that:

(a) The EIFD is a duly formed enhanced infrastructure financing district formed under the EIFD Law, is in compliance with the EIFD Law, and has the power and authority to carry on its business as now being conducted.

(b) The EIFD has the power and authority to enter into this Agreement, and has taken all action necessary to cause this Agreement to be executed and delivered, and this Agreement has been duly and validly executed and delivered by the EIFD.

7.6 Covenants of the EIFD. The EIFD makes the following covenants to the City and the Developer:

(a) Commencement Date for each Project Area. With respect to each Project Area, the EIFD shall not take any action to interfere with the allocation of Allocated Tax Revenue from property in such Project Area in accordance with the IFP.

(b) Application of EIFD Funding Sources. The EIFD shall apply the EIFD Funding Sources in accordance with the IFP and this Agreement.

(c) Filing of Annual Reports. The EIFD shall timely file the annual report required by California Government Code Section 53398.66(j). The EIFD acknowledges that the failure to timely file the annual report (i) could result in the inability to spend any Allocated Tax Revenue until the report is filed and (ii) shall constitute an Event of Default under this Agreement.

(d) Preparation of Audits. The EIFD shall timely provide the audit required by California Government Code Section 53398.88. The EIFD acknowledges that the failure to timely prepare the audit shall constitute an Event of Default under this Agreement.

(e) No IFP Amendment without Developer Approval. The EIFD will not approve any amendments to the IFP that would alter the following prioritization of use of the Allocated Tax Revenue without the Developer's prior written approval:

- (i) first, to pay EIFD administrative costs;
- (ii) second, to pay debt service on EIFD Bonds and to replenish any reserve funds associated with EIFD Bonds;
- (iii) third, to repay the City for any Conditional Tax Revenue actually used to pay debt service on EIFD Bonds or replenish debt service reserve funds for the EIFD Bonds in an amount equal to the Conditional Tax Revenue actually used to pay debt service on the EIFD Bonds or replenish debt service reserve funds for the EIFD Bonds plus interest through the date of repayment at an annual 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 the IFP; and
- (iv) fourth, to accumulate over time and, from time to time at the Developer's request, to pay directly or reimburse the Developer for the Qualified EIFD Improvements as set forth in this Agreement.

7.7 Events of Defaults; Remedies. In the event that the EIFD or the City defaults under its respective obligations under this Agreement or the IFP, the Developer or the City may provide a written notice of default to the EIFD or the City, as applicable (the "**Default Notice**"). The Default Notice shall specify the nature of the default, and shall determine whether the default has to do with the processing and delivering of Payment Requests, the application of Allocated Tax Revenue, Conditional Tax Revenue, or proceeds of EIFD Bonds, or the filing of the annual reports required by the EIFD Law (herein, a "**Monetary Default**") or any other default under this Agreement or the IFP (herein, a "**Non-Monetary Default**"). The EIFD or the City, as the case may be, shall have three (3) Business Days to cure a Monetary Default and fifteen (15) Business Days to cure a Non-Monetary Default, in each case following receipt of the applicable Default Notice therefor. The failure to timely cure the default provided in the Default Notice shall be considered an "**Event of Default.**" If an Event of Default occurs, the City or the Developer may exercise all legal and equitable remedies available, including but not limited to filing proceedings to compel

injunctive relief or specific performance of the IFP and this Agreement; provided, however, that the City shall not be liable for monetary damages as a result of the exercise of remedies by the Developer except for the payment of reasonable attorneys' fees and costs pursuant to Section 8.3. The EIFD and the City hereby acknowledge and agree that a failure of the EIFD or the City to timely perform any duty, obligation or covenant under the IFP or this Agreement, including the allocation and application of Allocated Tax Revenue and Conditional Tax Revenue in accordance with the IFP and this Agreement, will cause irreparable harm to the Developer that cannot be fully compensated by monetary damages, and shall entitle the Developer 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 this Agreement.

(a) Waiver of Government Claims Act Procedures. Due to the unique nature of the IFP and the Project and because time is of the essence in the performance of obligations under the IFP and this Agreement, the City and the EIFD hereby each waive the procedural protections of the Government Claims Act, Cal. Gov't Code Section 810 et seq, in connection with any dispute related to or arising out of the IFP or this Agreement, including those procedures requiring the filing of an administrative claim within the applicable statute of limitation.

(b) Rights and Remedies Cumulative. The rights and remedies of the Developer and the City regarding the enforcement of the IFP and this Agreement 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 this Agreement for the same breach by the applicable party. In addition, the remedies provided in this Agreement regarding the enforcement of the IFP and this Agreement do not limit the remedies provided in other Project agreements among the City and the EIFD.

ARTICLE 8 MISCELLANEOUS

8.1 Limited Liability of the City and EIFD. Except as otherwise provided in the Development Agreement, Developer agrees that any and all obligations of the City and EIFD arising out of or related to this Agreement are special and limited obligations of the City and EIFD, and the EIFD's obligations to make any payments under this Agreement to implement the Financing Plan are restricted entirely to available EIFD Funding Sources and Conditional Tax Revenue as provided in the IFP and the Financing Plan and from no other source. No member of the Board of Supervisors, the Public Financing Authority, or City staff member or employee will incur any liability under this Agreement to Developer in their individual capacities by reason of their actions under this Agreement or execution of this Agreement. It is understood and agreed that no commissioners, members, officers, or employees of the City or EIFD (or of its successors or assigns) will be personally liable to Developer, nor will any officers, directors, shareholders, agents, or employees of Developer (or of its successors or assigns) be personally liable to the City or EIFD in the event of any default or breach of this Agreement by the City or EIFD or for any

amount that may become due to Developer, the EIFD, or the City, as the case may be, under this Agreement or for any obligations of the Parties under this Agreement.

8.2 Timelines. Time is of the essence with respect to each provision of this Agreement in which time is a factor. The City will use good faith efforts to comply with all timelines applicable to City responses set forth in this Agreement, but failure by the City to comply with such timelines shall not result in deemed approval of the related request or a default by the City under this Agreement. In the event the City fails to exercise good faith in complying with the timelines or repeatedly fails to meet the timelines in this Agreement, the Developer may add such failures as an agenda item for a meeting of the Review Panel.

8.3 Attorneys' Fees.

(a) Should any Party institute any action or proceeding in court or other dispute resolution mechanism permitted or required under this Agreement, the prevailing party shall be entitled to receive from the losing party the prevailing party's reasonable costs and expenses incurred including, without limitation, expert witness fees, document copying expenses, exhibit preparation costs, carrier expenses and postage and communication expenses, and such amount as may be awarded to be reasonable attorneys' fees and costs for the services rendered the prevailing party in such action or proceeding. Attorneys' fees under this Section 8.3 shall include attorneys' fees on any appeal.

(b) For purposes of this Agreement, reasonable fees of a Party's in-house attorneys shall be no more than the average fees regularly charged by private attorneys with an equivalent number of years of professional experience in the subject matter area of the law for which such attorneys services were rendered who practice in the City in law firms with approximately the same number of attorneys as employed by the applicable Party.

(c) Notices. Except as provided in Sections 6.3(a) and (b), any notices to be provided under this Agreement must be delivered to the addresses and in the manner set forth in the Development Agreement.

8.4 Successors and Assigns. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Parties. This Agreement may not be assigned by the EIFD or the City. This Agreement may be assigned by the Developer only by a written EIFD Assignment to a Person that has also entered into a DA Assignment and Assumption Agreement. The sale of property and the entering into a DA Assignment and Assumption Agreement by a Transferee does not give the Transferee any rights under this Agreement. A Transferee will have no rights under this Agreement unless the Developer has specifically assigned this Agreement in a separate written EIFD Assignment and then only to the extent set forth in the EIFD Assignment.

8.5 Other Agreements. The obligations of Developer under this Agreement will be those of a Party and not as an owner of property in the Project Site. Nothing in this Agreement may be construed as affecting the City's or Developer's rights, or duties to perform their respective obligations under the Development Agreement and any Applicable Standards. If this Agreement

creates ambiguity in relation to or conflicts with any provision of the Financing Plan or the IFP, the Financing Plan or IFP, as the case may be, will prevail.

8.6 Waiver. Failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by another Party, or the failure by a Party to exercise its rights upon the default of another Party, will not constitute a waiver of such Party's right to later insist upon and demand strict compliance by another Party with the terms of this Agreement.

8.7 Parties in Interest. Nothing in this Agreement, expressed or implied, is intended to or will be construed to confer upon or to give to any person or entity other than the City, the EIFD, and Developer any rights, remedies or claims under or by reason of this Agreement or any covenants, conditions, or stipulations of this Agreement; and all covenants, conditions, promises, and agreements in this Agreement contained by or on behalf of the City, the EIFD, or Developer will be for the sole and exclusive benefit of the City, the EIFD, and Developer, subject to Section 8.5.

8.8 Amendment. This Agreement may be amended from time to time by the written agreement of the City, the EIFD, and Developer. A Supplement may be approved under Section 1.4. The Parties agree that changes to the forms of the Payment Requests as needed to make adjustments to clarify and expedite the payment process under this Agreement are ministerial in nature and do not require an amendment to this Agreement.

8.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which together shall constitute one and the same instrument. This Agreement shall become effective when the Parties have duly executed and delivered signature pages of this Agreement to each other. Delivery of this Agreement may be effectuated by hand delivery, mail, overnight courier, or electronic communication (including by PDF sent by electronic mail, facsimile, or similar means of electronic communication). Any signatures (including electronic signatures) delivered by electronic communication shall have the same legal effect as physically delivered original signatures.

8.10 Interpretation of Agreement. Unless otherwise specified, whenever in this Agreement reference is made to any capitalized Article, Section, Exhibit, Attachment, Supplement or any defined term, the reference will mean the Article, Section, Exhibit, Attachment, Supplement, or defined term in this Agreement. Any reference to an Article or a Section includes all subsections, clauses, and subparagraphs of that Article or Section. The use in this Agreement of the words "including", "such as", or words of similar import when following any general term, statement or matter will not be construed to limit the statement, term or matter to the specific statements, terms or matters, whether or not language of non-limitation, such as "without limitation" or "but not limited to", or words of similar import, is used. In the event of a conflict between the Recitals and the remaining provisions of this Agreement, the remaining provisions will prevail.

8.11 Numbers.

(a) Generally. For purposes of calculating a number under this Agreement, any fraction equal to or greater than one half (1/2) shall be rounded up to the nearest whole number and any fraction less than one half (1/2) shall be rounded down to the nearest whole number.

(b) Number of Days. References in this Agreement to days shall be to calendar days, unless otherwise specified; provided, that if the last day of any period to give notice, reply to a notice, meet a deadline or to undertake any other action occurs on a day that is not a Business Day, then the last day for undertaking the action or giving or replying to the notice shall be the next succeeding Business Day.

ARTICLE 9 DEFINITIONS

9.1 Definitions.

"100% Affordable Housing Parcel" is defined in the Housing Plan.

"100% Affordable Housing Projects" is defined in the Housing Plan.

"100% Affordable Unit" is defined in the Housing Plan.

"Acceptable Title" means, with respect to Acquisition Facilities only, title to real property or interest in real property free and clear of all liens, taxes, assessments, leases, easements, and encumbrances, whether or not recorded, except for: (a) those determined not to interfere materially with the intended use of such real property; (b) those required to satisfy the terms of the Development Agreement; and (c) if the lien is for any existing CFD, then the lien of the special taxes shall be a permitted exception to title so long as the real property, while owned by the City or any Governmental Entity, is exempt from the special tax to be levied by the CFD.

"Acquisition Facilities" means the EIFD Improvements to be acquired by the City or other Governmental Entity.

"Acquisition Facility Completion Confirmation" means, as the context requires, an Acquisition Facility Determination of Completion or an Acquisition Facility Determination of Component Completion issued by the Director of Public Works, the San Francisco Department of Building Inspection, or the Port under Section 3.1(c) with respect to an Acquisition Facility or Component, respectively.

"Acquisition Facility Determination of Completion" means, for a completed Acquisition Facility, a written notice from the Director of Public Works that the Acquisition Facility has been approved as inspected. Pursuant to the MOU, the Department of Public Works will provide construction inspection services for all Acquisition Facilities constructed on or after the date of the MOU, with the exception of shoreline improvements, which will be inspected by the Port. For all

Acquisition Facilities inspected or to be inspected by the Department of Public Works, the San Francisco Department of Building Inspection, or the Port, the Acquisition Facility Determination of Completion shall be the form customarily provided by the Director of Public Works, the San Francisco Department of Building Inspection, or the Port to evidence the completion and approval of the inspection of a facility. An Acquisition Facility Determination Completion does not constitute a Notice of Completion under the Public Improvement Agreement.

“Acquisition Facility Determination of Component Completion” means a written notice of the Director of Public Works that a Component has been approved as inspected. For a Component being financed in progress payments, the written notice shall evidence that the work represented by the progress payment requested has been performed. The form of the written notice shall be the form (e.g., a job card) customarily provided by the Director of Public Works to evidence the approval of the inspection of work in place. An Acquisition Facility Determination of Component Completion does not constitute a Notice of Completion under the Public Improvement Agreement.

“Actual Cost” means the out-of-pocket Qualified costs actually incurred by Developer in connection with construction of an Acquisition Facility (or Component thereof) or Privately-Owned Facility (or Component thereof) (which includes any applicable Developer Allocation, or Agreed-Upon Allocation), including, without limitation or duplication:

(i) costs incurred by the Developer to acquire from unrelated Third Parties, hold through completion of the EIFD Improvements, and as relates to Acquisition Facilities, convey Acceptable Title to the Port, the City, or any other Governmental Entity, any real property, rights-of-way, or other interests in real property (including, without limitation, temporary or permanent leases, easements, rights of entry, or encroachments) required to construct the EIFD Improvements, together with any transaction costs associated with the acquisition and/or conveyance, such as transfer taxes, title insurance, and recording fees;

(ii) “hard costs,” including without limitation:

- (1) construction labor and materials;
- (2) tenant improvements and/or tenant improvement allowances provided by Developer for Privately-Owned Facilities;
- (3) preserving and modifying existing historical structures on the Project Site, including, without limitation, deconstruction, selective demolition, stabilization, seismic retrofit, and hazardous materials abatement activities;
- (4) utility relocations;
- (5) geotechnical measures to prepare the Project Site for construction of the EIFD Improvements, including, without limitation, excavation, soil harvesting for fill and surcharge, import and export of materials/soil for fill and surcharge, clearing and grubbing, slope stabilization, deep soil mixing and other ground improvement methods, installation of geogrid, surcharging, wick drains, rock fragmentation, placement of fill, compaction, mass and finish grading, and post-construction stabilization such as hydroseeding;
- (6) site preparation and management costs including, without limitation, contractor mobilization; potholing; construction staking; demolition; dewatering; erosion, dust, vibration, stormwater, groundwater, archaeological, paleontological, biological,

traffic and air quality monitoring and control measures as required during construction of the EIFD Improvements pursuant to the Approvals and Non-City Regulatory Approvals; temporary improvements, equipment, fencing, job site trailers, parking, signage, labor, lighting, utilities; and

(7) temporary or permanent improvements on private properties adjacent to the Project Site as required to construct the EIFD Improvements, including without limitation, relocating and/or replacing service laterals, boxes, vaults and fire department connections, conforming driveways to new grades, and installing shoring;

(iii) “soft costs” such as architectural, engineering, consultant, accountant, attorney, reprographics, and other professional fees, including, without limitation:

- (1) architects and landscape architects;
- (2) environmental scientists, consultants, and engineers;
- (3) civil, geotechnical, and structural engineering;
- (4) surveying;
- (5) cost estimating and other preconstruction services;
- (6) traffic studies, street geometric and signal design, and transportation demand management;
- (7) mechanical, electrical, and plumbing design;
- (8) acoustical design and engineering;
- (9) lighting design;
- (10) signage and interpretive design;
- (11) waterproofing consultants;
- (12) vertical transportation design;
- (13) fire & life safety systems design;
- (14) joint trench design and utility consultants;
- (15) code consultants;
- (16) sustainability consultants;
- (17) interior design;
- (18) testing and special inspection;
- (19) peer review of any of the foregoing; and
- (20) permit expediting.

(iv) property insurance (including any comprehensive owner-controlled insurance program, general liability, automobile liability, worker’s compensation, personal property, flood, pollution legal liability, comprehensive personal liability, builder’s risk, and professional services insurance);

(v) construction management fees, project management costs, and asset management costs paid to or by Developer (which may include the costs of Developer’s employees), a Transferee, or their respective Affiliates, limited in the aggregate to 15% of Actual Costs that are hard costs;

(vi) Impact Fees and Exactions that will be used to finance EIFD Improvements, Power Station Affordable Housing In-Lieu Fees that will be used to finance affordable housing as

described in Section 5.5, utility connection fees and capacity charges incurred in connection with the construction of EIFD Improvements, plan check and inspection fees, and other fees paid by Developer to the City, Port and any other Governmental Entity for obtaining permits, licenses, certificates of occupancy, Completion Confirmation, and all other Approvals and Non-City Regulatory Approvals needed to develop or construct the EIFD Improvements;

(vii) Compliance with the Approvals, the Non-City Regulatory Approvals, and CEQA, including without limitation the MMRP;

(viii) City Costs;

(ix) real property and possessory interest taxes;

(x) costs to use financing sources other than the EIFD Funding Sources that are provided by entities that are not affiliates of the Developer pursuant to an arm's length transaction, such as interest expense, points, lender fees, mortgage recording fees, and loan closing costs;

(xi) security required under the Development Agreement, Port Lease, Approvals, Non-City Regulatory Approvals or otherwise related to the construction, acceptance and/or conveyance of the EIFD Improvements, such as guarantees, letters of credit, and payment, performance and/or maintenance bonds;

(xii) Project Site safety and security measures;

(xiii) capitalized maintenance of the EIFD Improvements (i.e., maintenance that extends the useful life of such EIFD Improvements, not routine maintenance);

(xiv) Third Party costs to prepare and store audits and reports consistent with the EIFD Law and this Agreement;

(xv) any other cost specifically identified in this Agreement, the Development Agreement or IFP as a Qualified cost.

“Agreed-Upon Allocation” is defined in Section 4.3(b).

“Agreement” is defined in the introductory paragraph.

“Allocated Tax Revenue” is defined in the IFP.

“Applicable Standards” is defined in the Development Agreement.

“Approvals” is defined in the Development Agreement.

“Base Year” is defined in the IFP.

“Board of Supervisors” is defined in the Development Agreement.

“Business Day” is defined in the Development Agreement.

“CFD” is defined in the Financing Plan.

“CFD Acquisition and Reimbursement Agreement” means an Acquisition and Reimbursement Agreement (Power Station), dated for reference purposes as ____, by and between the City and the Developer.

“CFD Bonds” is defined in the Financing Plan.

“CFD Funding Sources” is defined in the Financing Plan.

“CFD Remainder Taxes” is defined in the CFD Acquisition and Reimbursement Agreement.

“City” is defined in the Development Agreement.

“City Share of Increment” is defined in the IFP.

“Complete” (or its variant **“Completion”** or **“Completed”**) is defined in the Development Agreement.

“Component” means a component or phase or progress payment of an EIFD Improvement shown in Exhibit B, as amended from time to time by an approved Supplement.

“Conditional Tax Revenue” is defined in the IFP.

“DA Assignment and Assumption Agreement” means an Assignment and Assumption Agreement, as defined in the Development Agreement.

“Department of Public Works” is defined in Section 1.4.

“Developer” means the California Barrel Company LLC, a Delaware limited liability company, and its successors and assigns.

“Developer Allocation” is defined in Section 4.1(d).

“Development Agreement” is defined in the IFP.

“Director of Public Works” means the Director of Public Works of the City (or any successor officer designated by or under law) or the Director’s authorized designee, acting in that capacity under this Agreement.

“Effective Date” is defined in Section 1.1.

“EIFD” is defined in the IFP.

“EIFD Assignment” means a written assignment of all or part of this Agreement by the Developer to Person, who may be a Transferee. An EIFD Assignment must be separate and apart from any DA Assignment and Assumption Agreement.

“EIFD Bonds” means one or more series of bonds issued by the EIFD and secured by the Allocated Tax Revenue and Conditional Tax Revenue.

“EIFD Funding Sources” is defined in Recital C(1).

“EIFD Improvements” means the Acquisition Facilities and Privately-Owned Facilities described in Exhibit A (as such exhibit may be amended or supplemented from time to time in accordance with this Agreement) and other facilities and improvements eligible to be financed by the EIFD Law and the IFP (whether or not required by the Development Agreement) that are constructed in connection with the Project.

“EIFD Law” is defined in the IFP.

“Event of Default” is defined in Section 7.4(f).

“Financing Plan” means the Amended and Restated Financing Plan attached as Exhibit C to the Development Agreement.

“Fiscal Year” means the period commencing on July 1 of any year and ending on the following June 30.

“Governing Acts” means, as applicable, the EIFD Law, or the laws governing the issuance of EIFD Bonds.

“Governmental Entity” is defined in the Financing Plan.

“Gross Tax Increment” is defined in the IFP.

“Housing Plan” is the Housing Plan attached as Exhibit D to the Development Agreement.

“Identified Funding Sources” means, as applicable (i) EIFD Funding Sources, (ii) CFD Funding Sources, and (iii) both of the foregoing, if the EIFD Improvement is eligible to be financed by both EIFD Funding Sources and CFD Funding Sources.

“IFP” means the Infrastructure Financing Plan for the EIFD required to be prepared and approved under the EIFD Law.

“Impact Fees and Exactions” is defined in the Development Agreement.

“Inclusionary Units” is defined in the Housing Plan.

“Incremental Assessed Property Value” is defined in the IFP.

“Indenture” is defined in the Financing Plan.

“Infrastructure” is defined in the Development Agreement.

“Inspection Request” is defined in Section 3.1(c).

“MOU” means the Memorandum of Understanding Regarding Review, Permitting, and Inspection of Public and Private Open Space, and Port and Private Streets at Potrero Power Station, entered into by the Department of Public Works, the San Francisco Department of Building Inspection, and the Port as of June 16, 2023.

“Non-City Responsible Agencies” is defined in the Development Agreement.

“Notice of Special Restrictions” is defined in the Housing Plan.

“Parks and Open Spaces” is defined in the Development Agreement.

“Party” or **“Parties”** means, individually or collectively as the context requires, Developer, the EIFD, and/or the City.

“Payment Request” means a document to be used by Developer in requesting payment for: (a) the Actual Costs of an Acquisition Facility or Component, substantially in the form of Exhibit C; or (b) the Actual Costs of a Privately-Owned Facility or Component, substantially in the form of Exhibit D.

“Person” is defined in the Development Agreement.

“Plans” means the construction drawings and specifications that together form the basis of construction for an Acquisition Facility or Component, or a Privately-Owned Facility or Component.

“Port” means the San Francisco Port Commission.

“Power Station Affordable Housing In-Lieu Fees” is defined in the Housing Plan attached as Exhibit D to the Development Agreement.

“Private Completion Confirmation” means, as the context requires, a Private Determination of Completion or a Private Determination of Component Completion issued by the Director of Public Works, the San Francisco Department of Building Inspection, or the Port, as applicable, under Section 5.1 with respect to Privately-Owned Facility or Component, respectively.

“Private Determination of Completion” means, for a completed Privately-Owned Facility, a written notice from the Director of Public Works, the San Francisco Department of Building Inspection, or the Port, as applicable, that the Privately-Owned Facility has been approved as inspected. Pursuant to the MOU, the Department of Public Works will provide construction inspection services for most Privately-Owned Facilities commenced on or after the date of the MOU, with the exception of shoreline improvements, which will be inspected by the Port. Inclusionary Units and 100% Affordable Housing Projects will be inspected by the San Francisco Department of Building Inspection. For all Privately-Owned Facilities inspected or to

be inspected by the Department of Public Works or the Port, the Private Determination of Completion shall be in a form similar to the forms customarily provided by the Director of Public Works or the Port, as applicable, to evidence the completion and approval of the inspection of a facility. For Inclusionary Units and 100% Affordable Housing Projects, the Private Determination of Completion shall be a temporary certificate of occupancy.

“Private Determination of Component Completion” means a written notice of the Director of Public Works, the San Francisco Department of Building Inspection, or the Port, as applicable, that a Component of a Privately-Owned Facility has been approved as inspected. For a Component of a Privately-Owned Facility being financed in progress payments, the written notice shall evidence that the work represented by the progress payment requested has been performed. The form of the written notice shall be the form (e.g., a job card) customarily provided by the Director of Public Works, the San Francisco Department of Building Inspection, or the Port, as applicable, to evidence the approval of the inspection of work in place.

“Privately-Owned Facilities” means EIFD Improvements that are not Acquisition Facilities.

“Project” is defined in the Development Agreement.

“Project Area” means one or more project areas of the EIFD.

“Project Site” is defined in the Development Agreement.

“Proof of Payment” means a cancelled check, a wire or ACH confirmation demonstrating delivery of a direct transfer of funds, an executed and acknowledged unconditional lien release, or other evidence approved by the City demonstrating payment of the applicable Actual Cost.

“Public Financing Authority” is defined in the IFP.

“Public Improvement Agreement” means (1) the Potrero Power Station Mixed-Use Development Project Development Phase 1 Public Improvement Agreement dated for reference as of August 4, 2022, by and between the City and the Developer, recorded in the Official Records of the City and County of San Francisco on September 21, 2022 as Instrument Number 2022088015, as it may be amended from time to time and (2) similar agreements for future phases of the Project.

“Public Improvements” is defined in the Development Agreement.

“Qualified” is defined in the Financing Plan.

“Ready for Payment” means that the Acquisition Facility (or Component thereof) or Privately-Owned Facility (or Component thereof) is ready for its intended use and is completed in substantial conformity with the Development Agreement, Plans and Applicable Standards and procedures, irrespective of the functionality of the larger system of which it is a part. A Ready for Payment determination does not constitute the issuance of a Notice of Completion under the Public Improvement Agreement.

“Section 415” means the City’s Inclusionary Affordable Housing Program as of the Effective Date (Planning Code sections 415 and 415.1 through 415.11).

“Supplement” means a written amendment to Exhibit A or Exhibit B.

“Supplement Review Period” is defined in Section 1.4(a).

“Third Party” means a Person that is not a Party or an Affiliate.

“Third Party Reimbursements” means payments, if any, from Third Parties that are received by Developer as a reimbursement of costs incurred with respect to the Acquisition Facilities or Privately-Owned Facilities, such as utility or other reimbursements.

“Transferee” is defined in the Development Agreement.

“Transportation Plan” means the Transportation Plan attached as Exhibit I to the Development Agreement.

“Vested Payment Request” is defined in Section 6.2.

“Workforce Agreement” means the Workforce Agreement attached as Exhibit F to the Development Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the City, the EIFD, and Developer have each caused this Agreement to be duly executed on its behalf as of the Effective Date.

CITY:

CITY AND COUNTY OF SAN
FRANCISCO, a municipal corporation

By:

Name:

Title:

Approved as to form:

DAVID CHIU,
City Attorney

By:

Name:

Deputy City Attorney

SAN FRANCISCO ENHANCED
INFRASTRUCTURE FINANCING DISTRICT
No. 1 (POWER STATION)

By: _____

Authorized Representative

DEVELOPER:

CALIFORNIA BARREL COMPANY LLC,
a Delaware limited liability company

By: _____

Name: _____

Its: _____

EXHIBIT A

Description of EIFD Improvements to be Financed for the Project

The EIFD shall be authorized to finance all or a portion of the costs of the purchase, construction, expansion, improvement, seismic retrofit, rehabilitation, repair, replacement or maintenance of the public capital facilities or other projects (whether publicly- or privately-owned) of communitywide significance that are (i) authorized by the EIFD Law and (ii) required or permitted by the Development Agreement, the Plan Documents or the Approvals for the development of the project known as the Potrero Power Station Project, including, but not limited to, the actual costs of those facilities and projects of communitywide significance described below (the "**Facilities**") and those costs described below.

The Facilities may be owned by a public agency (including, but not limited to, the City and County of San Francisco (including through its Port Commission or other City agencies, collectively, "**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.

Unless otherwise indicated, capitalized terms used herein but not defined herein have the meanings given them in the Development Agreement.

The Facilities include, but are not limited to, the following:

1. Infrastructure, as defined in the Development Agreement, constructed or caused to be constructed by Developer.
2. Parks and Open Space, as defined in the Development Agreement, including any Interim Uses, as defined in Planning Code section 249.87.
3. Public Improvements, as defined in the Development Agreement.
4. Privately-Owned Community Improvements, as defined in the Development Agreement, constructed or caused to be constructed by Developer and located within the EIFD or offsite on City- or privately-owned land.
5. Affordable Housing. The acquisition, construction, or rehabilitation of housing for 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.
6. TDM Measures, as defined in the Transportation Plan attached to the Development Agreement.

7. Improvements, Waterfront Park, and Recreational Dock, all as defined in the Ground Lease (No. L-16662) between the City, operating by and through the San Francisco Port Commission and California Barrel Company LLC dated as of March 15, 2021, as it may be amended from time to time (the "Port Lease").
8. Port Approval Items, as described on Exhibit G to the Port Lease.
9. Craig Lane, as defined in the Reciprocal Easement Agreement by and among California Barrel Company LLC, FC PIER 70, LLC, and the City, operating by and through the San Francisco Port Commission, dated as of March 15, 2021, as it may be amended from time to time.
10. The partial demolition, abatement, stabilization and/or rehabilitation of existing structures for incorporation into the Potrero Power Station Project, including "Station A", "Unit 3" and "The Stack."
11. Developer's contribution to the costs of developing an (i) Enlarged Pump Station on the Pier 70 site (which eliminates the need to build the pump station included in the Power Station Infrastructure Plan (see section 14.4.1.1, Northern Connection Alternative)) and (ii) the SFPUC Sewer Connection in connection therewith.
12. Developer's contribution for tenant improvements in YMCA or other community facilities located at Power Station and/or the surrounding area (such as Building 49 at Crane Cove Park).

EXHIBIT B

Description of EIFD Improvements, with Cost Estimates

[To be completed from time to time]

Form of Exhibit B Checklist to be included with all Exhibit B Supplements:

City and County of San Francisco – Potrero Power Station Reimbursement Request

Supplemental Exhibit B Checklist

Supplemental No.

Proposed Facilit(ies)/Component(s):

Submittal Date:

Supporting Documentation:

- Reasonably detailed descriptions of each Acquisition Facility, Privately-Owned Facility and Component included in the proposed Exhibit B Supplement
- Estimates of the Actual Costs of each Acquisition Facility, Privately-Owned Facility and Component included in the proposed Exhibit B Supplement
- Proposed Developer Allocation, if applicable
- Executed contracts and related change orders, along with written summary of solicitation/award process
- Acknowledged PCOW(s), if applicable

For Inclusionary Units and 100% Affordable Housing Projects:

- Estimate of proposed sources and uses
- Copies of any applications submitted for local, State or Federal grant or loan financing
- Copy of (A) the Notice of Special Restrictions and (B) if the Notice of Special Restrictions does not evidence compliance with the EIFD Law, a covenant or restriction recorded in the real property records evidencing compliance with the EIFD Law
- Plans

For 100% Affordable Housing Projects:

- Copy of the Affordable Housing Conveyance Agreement
- Estimate of projected operating cash flow at stabilization

EXHIBIT C

Form of Payment Request – Acquisition Facilities and Components

PAYMENT REQUEST NO. _____

MADE ON BEHALF OF: _____ (“Developer”)

DEVELOPMENT PHASE: _____

California Barrel Company LLC (the “Developer”) hereby requests payment in the total amount of \$_____ for the Acquisition Facilities or Components as described in Exhibit B to that certain EIFD Acquisition and Financing Agreement (the “Acquisition Agreement”) among the City and County of San Francisco, the San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station), and the Developer dated for reference purposes only as of _____, all as more fully described in Exhibit C-1. In connection with this Payment Request, the Developer hereby represents and warrants to the Director of Public Works and the City to the actual knowledge of the undersigned, as follows:

1. The undersigned is a duly authorized officer of Developer, qualified to execute this Payment Request for payment on behalf of Developer.
2. The Acquisition Facilities or Components for which payment is requested were constructed in accordance with the Development Agreement (including, but not limited to, compliance with the Workforce Agreement and payment of prevailing wage), and an Inspection Request is pending for the Director of Public Works’ review. Payment shall not be made until such time that the Inspection Request has been approved as indicated in a notice from the Director of Public Works.
3. All costs of the Acquisition Facilities or Components for which payment is requested hereby are Actual Costs, and have not been inflated in any respect, as indicated in the attached Proof of Payment. The costs for which payment is requested have not been the subject of any prior payment request submitted to the City.
4. The costs for which payment is requested are not the subject of dispute with any contractor, subcontractor, materialman, or other Person who supplied goods or labor, as evidenced by the attached conditional or unconditional lien releases.
5. Developer is in compliance with the terms and provisions of the Acquisition Agreement and no portion of the amount being requested to be paid was previously paid.
6. The Actual Cost of each Acquisition Facility or Component (a detailed calculation of which is shown in Exhibit C-2 for each such Acquisition Facility or Component), has been calculated in conformance with the terms of the Acquisition Agreement.
7. To the actual knowledge of the undersigned, Developer is not delinquent in the payment of ad valorem real property taxes, possessory interest taxes or special taxes or special assessments levied on the regular County tax rolls against property then-owned by Developer in the Project Site.

8. The Payment Request must be paid solely from the following Identified Funding Sources:

| Identified Funding Sources from which Actual Costs may be Paid (check one or more boxes) | Identified Funding Sources |
|---|---|
| EIFD Funding Sources | Proceeds of EIFD Bonds Allocated Tax Revenue |
| CFD Funding Sources | Proceeds of CFD Bonds for Improvement Area No. _____ |
| | Remainder Special Taxes for Improvement Area No. _____ |
| Total Actual Cost | |

Note: the table above may be expanded as needed to reflect additional CFD improvement areas or additional EIFD Funding Sources.

9. Payments under this Payment Request, when approved, to be made as follows:

[] The amount of \$ _____ to the Developer by wire, according to the
following instructions:

[] The following amount(s) to the following Third Party(ies) at the following address(es):

10. Other relevant information about Payment Request: _____

The Developer hereby declares that the above representations and warranties and all information provided in this Payment Request, including attachments and exhibits, are true and correct to the actual knowledge of the undersigned.

DEVELOPER:

[insert name of Developer]

By: _____

Authorized Representative
of Developer

Date: _____

Attachments:

- Notice of approval following inspection by Director of Public Works
- Unconditional lien releases from the following: _____
- Conditional lien releases from the following: _____
- For Completed Acquisition Facility:** Copy of recorded conveyance of land
- For Completed Acquisition Facility:** Copy of Acquisition Facility Determination of Completion
- For Completed Acquisition Facility:** Original assignment of warranties and guaranties
- For Completed Acquisition Facility:** Original assignment of Plans
- For Completed Acquisition Facility:** As-built drawings of the Acquisition Facility
- Exhibit C-1
- Exhibit C-2

Payment Request approved on _____.

By: _____
Director of Public Works

EXHIBIT C-1

Acquisition Facilities and Components to Which Payment Request Applies

PAYMENT REQUEST NO. _____

MADE ON BEHALF OF: _____

1. The Acquisition Facilities and Components for which payment of Actual Costs is requested under this Payment Request are: _____

2. Contract information for each contractor, subcontractor, materialman, and other contract for which payment is requested under this Payment Request is shown below.

| Name | Amt. of Contract | Amt. Requested | Amt. Previously Pd. |
|-------|------------------|----------------|---------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | | |

Attachments:

Approved Supplement(s)
 Proof of Payment for each amount and included in the Actual Costs

EXHIBIT C-2

Calculation of Actual Cost

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____

1. Description (by reference to Exhibit B to the EIFD Acquisition and Financing Agreement) of the Acquisition Facility or Component: _____
2. Actual Cost (list here total of supporting invoices and/or other documentation supporting determination of Actual Cost, including any Developer Allocation): \$ _____
3. Subtractions:
 - A. Holdback for lien releases (see Section 4.4(b) of the EIFD Acquisition and Financings Agreement): (\$ _____)
 - B. Retention (see Section 4.4(d) of the EIFD Acquisition and Financing Agreement): (\$ _____)
 - C. Third Party Reimbursements: (\$ _____)
4. Total disbursement requested (Amount listed in 2, less amounts, if any, listed in 3): \$ _____

Attachments – Complete Acquisition Facilities Only:

[] Copies of Payment Requests for which release of retention is requested.

EXHIBIT D

Form of Payment Request – Privately-Owned Facilities and Components

PAYMENT REQUEST NO. _____

MADE ON BEHALF OF: _____ (“Developer”)

California Barrel Company LLC (the “Developer”) hereby requests payment in the total amount of \$_____ for the Privately-Owned Facilities as described in Exhibit B to that certain EIFD Acquisition and Financing Agreement among the City and County of San Francisco, San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station), and the Developer, dated for reference purposes only as of _____ (the “Acquisition Agreement”), all as more fully described in Exhibit D-1. In connection with this Payment Request, the Developer hereby represents and warrants to the Director of Public Works and the City to the actual knowledge of the undersigned as follows:

1. The undersigned is a duly authorized officer of Developer, qualified to execute this Payment Request for payment on behalf of Developer.
2. The Privately-Owned Facilities or Components for which payment is requested were constructed in accordance with the Development Agreement (including, but not limited to, compliance with the Workforce Agreement and payment of prevailing wage) and inspected pursuant to Section 5.1 of the Acquisition Agreement.
3. All costs of the Privately-Owned Facilities or Components for which payment is requested hereby are Actual Costs, and have not been inflated in any respect, as indicated in the attached Proof of Payment. The costs for which payment is requested have not been the subject of any prior payment request submitted to the City.
4. The costs for which payment is requested are not the subject of dispute with any contractor, subcontractor, materialman, or other Person who supplied goods or labor, as evidenced by the attached conditional or unconditional lien releases.
5. Developer is in compliance with the terms and provisions of the Acquisition Agreement and no portion of the amount being requested to be paid was previously paid.
6. The Actual Cost of each Privately-Owned Facility or Component (a detailed calculation of which is shown in Exhibit D-2 for each such Privately-Owned Facility or Component), has been calculated in conformance with the terms of the Acquisition Agreement.
7. To the actual knowledge of the undersigned, Developer is not delinquent in the payment of ad valorem real property taxes, possessory interest taxes or special taxes or special assessments levied on the regular County tax rolls against property then-owned by Developer in the Project Site.

8. The Payment Request must be paid solely from the following Identified Funding Sources:

| Identified Funding Sources from which Actual Costs may be Paid (check one or more boxes) | Identified Funding Sources |
|---|---|
| EIFD Funding Sources | Proceeds of EIFD Bonds Allocated Tax Revenue |
| CFD Funding Sources | Proceeds of CFD Bonds for Improvement Area No. _____ |
| | Remainder Special Taxes for Improvement Area No. _____ |
| Total Actual Cost | |

Note: the table above may be expanded as needed to reflect additional CFD improvement areas or additional EIFD Funding Sources.

9. Payments under this Payment Request, when approved, to be made as follows:

[] The amount of \$ _____ to the Developer by wire, according to the
following instructions:

[] The following amount(s) to the following Third Party(ies) at the following address(es):

10. Other relevant information about Payment Request: _____

The Developer hereby declares that the above representations and warranties and all information provided in this Payment Request, including attachments and exhibits, are true and correct to the actual knowledge of the undersigned.

DEVELOPER:

[insert name of Developer]

By: _____

Authorized Representative
of Developer

Date: _____

Attachments:

Notice of approval following inspection

Unconditional lien releases from the following: _____

Conditional lien releases from the following: _____

For Completed Privately-Owned Facility: Temporary certificate of occupancy (where applicable)

For Completed Privately-Owned Public Open Spaces: Declaration of Public Open Space Covenants and Restrictions

For Completed Inclusionary Units and 100% Affordable Housing Projects: Notice of Special Restrictions and covenant or restriction recorded in the real property records evidencing compliance with the EIFD Law

Exhibit D-1

Exhibit D-2

Payment Request Approved on _____.

By: _____
Director of Public Works

EXHIBIT D-1

Privately-Owned Facilities and Components to Which Payment Request Applies

PAYMENT REQUEST NO. _____

MADE ON BEHALF OF: _____

1. The Privately-Owned Facilities and Components for which payment of Actual Costs is requested under this Payment Request are: _____

* Components of Inclusionary Units and 100% Affordable Housing Projects cannot be financed.

2. Contract information for each contractor, subcontractor, materialman, and other contract for which payment is requested under this Payment Request is shown below.

| Name | Amt. of Contract | Amt. Requested | Amt. Previously Pd. |
|-------|------------------|----------------|---------------------|
| | | | |
| | | | |
| | | | |
| | | | |
| Total | | | |

Attachments:

Approved Supplement(s)
 Proof of Payment for each amount and included in the Actual Costs

EXHIBIT D-2

Calculation of Actual Cost

PAYMENT REQUEST NO. _____
MADE ON BEHALF OF: _____

1. Description (by reference to Exhibit B to the EIFD Acquisition and Financing Agreement) of the Privately-Owned Facilities or Component: _____
2. Actual Cost (list here total of supporting invoices and/or other documentation supporting determination of Actual Cost, including any Developer Allocation): \$ _____
3. Subtractions:
 - A. Third Party Reimbursements: (\$ _____)
4. Total disbursement requested (Amount listed in 2, less amounts, if any, listed in 3): \$ _____

* Components of Inclusionary Units and 100% Affordable Housing Projects cannot be financed.

[] **For Completed Inclusionary Units and 100% Affordable Housing Projects:** Final Internal Revenue Service Form 8609 (if applicable), and project completion audit or cost certification

EXHIBIT E

Contracting Provisions in the Development Agreement

Section 3.7 Contracting for Public Improvements. In connection with construction of the Public Improvements, Developer shall engage a contractor that is duly licensed in the State and qualified to complete the work (the “**Contractor**”). The Contractor shall contract directly with Developer pursuant to an agreement to be entered into by Developer and the Contractor, which shall: (i) be a guaranteed maximum price contract; (ii) require contractor to maintain bonds and insurance for the benefit of Developer and the City in accordance with the Subdivision Code; (iii) require the Contractor to obtain and maintain customary insurance, including workers compensation in statutory amounts, employer’s liability, general liability, and builders all-risk; (iv) release the City from any and all claims relating to the construction, including to mechanics liens and stop notices; (v) subject to the rights of any Mortgagee that forecloses on the property, include the City as a third party beneficiary with all rights to rely on the work, receive the benefit of all warranties, and prospectively assume Developer’s obligations and enforce the terms and conditions of the contract as if the City were an original party thereto; and (vi) require that the City be included as a third party beneficiary with all rights to rely on the work product, receive the benefit of all warranties and covenants, and prospectively assume Contractor’s rights in the event of any termination of the contract, relative to all work performed by the Project’s architect and engineer.

Section 3.14 Workforce. Developer shall require project sponsors, contractors, consultants, subcontractors, and subconsultants, as applicable, to undertake workforce development activities in both the construction and end use phases of the Project in accordance with the Workforce Agreement, all to the extent required thereunder.

Section 4.9 Prevailing Wages and Working Conditions. Certain contracts for work at the Project Site may be public works contracts if paid for in whole or part out of public funds, as the terms “public work” and “paid for in whole or part out of public funds” are defined in and subject to exclusions and further conditions under California Labor Code sections 1720–1720.6. In connection with the Project, Developer shall comply with all California public works requirements as and to the extent required by State Law. In addition, Developer agrees that all workers performing labor in the construction of public works (including the Public Improvements) under this Agreement will be (i) paid not less than the Prevailing Rate of Wages as defined in Administrative Code section 6.22 and established under Administrative Code section 6.22(e), (ii) provided the same hours, working conditions, and benefits as in each case are provided for similar work performed in the City in Administrative Code section 6.22(f) and (iii) employ apprentices in accordance with Administrative Code Section 23.61. Any contractor or subcontractor constructing Public Improvements must make certified payroll records and other records required under Administrative Code section 6.22(e)(6) available for inspection and examination by the City with respect to all workers performing covered labor. The City’s Office of Labor Standards Enforcement (“**OLSE**”) enforces applicable labor Laws on behalf of the City, and OLSE shall be the lead agency responsible for ensuring that prevailing wages are paid and other payroll requirements are met in connection with the work, all to the extent required hereunder and as more particularly described in the Workforce Agreement. The Parties acknowledge that the Project has been certified as an Environmental Leadership Development Project pursuant to AB 900 and

accordingly as of the Reference Date is required to pay prevailing wages to the extent required under section 21183(b) of the Public Resources Code. OLSE may enforce the prevailing wage requirements of section 21183(b) of the Public Resources Code to the extent required by State Law or pursuant to an agreement approved by the California Labor Commission in a form that is generally applicable to Environmental Leadership Development Projects located in the City.

EXHIBIT F

Potential Change of Work Form

Potential Change of Work ("PCOW")

The purpose of this form is to acknowledge a change in work for the intent of reimbursement of CFD costs.

Date: _____

PCOW No. _____

Description of Contract: _____

Vendor Name: _____

**Contract Number/Change
Order Number:** _____

Potential Change of Work description:

Total Estimated Amount of PCOW: _____ **

Developer Review: _____ Developer Representative _____ Date _____

City Acknowledgment:

| | |
|-------|--------------------------------------|
| _____ | Acknowledged and is EIFD eligible |
|-------|--------------------------------------|

City comments:

Reviewed by: _____ City Representative _____ Date _____

** Estimates only. The Actual Costs of the work is eligible for financing.

**Interpretative Supplement to
Board of Supervisor Guidelines for the Establishment and Use of
Infrastructure Financing Districts in San Francisco
Updated as of February 27, 2023 by the Capital Planning Committee**

This Interpretative Supplement is intended to supplement the Board of Supervisor Guidelines for the Establishment and Use of Infrastructure Financing Districts in San Francisco (Board Guidelines), which were approved by the Board of Supervisors pursuant to Resolution No. 66-11, which was adopted by the Board of Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011.

The Board Guidelines are organized into two sets of criteria: (1) “Minimum Threshold Criteria” that must be satisfied for future infrastructure financing districts (IFDs) to be formed by the Board of Supervisors (Board) and (2) “Strategic Criteria” that should be considered by the Board but are not preconditions to forming an IFD. This Interpretative Supplement is similarly organized, and provides guidance to City staff and the development community about application of the Board Guidelines.

The Board Guidelines do not apply to any existing redevelopment project area (although an IFD may include all or a portion of a redevelopment project area of the Office of Community Investment and Infrastructure (OCII), as the successor agency to the former Redevelopment Agency of the City and County of San Francisco) or to any property owned and/or managed by the Port of San Francisco (“Port”) unless non-Port land is included in a Port proposed IFD, in which case only the Port owned and/or managed land is exempt.¹

The Board Guidelines and this Interpretative Supplement existing state laws authorizing the use of IFDs. IFDs may be formed under a variety of state laws, and include infrastructure revitalization and financing districts (IRFDs) and enhanced infrastructure financing districts (EIFDs). Under state law, IFDs can finance the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of any real or other tangible property with an estimated useful life of 15 years or longer (and any administrative, planning and design work directly related to delivery of the public facility). In general, IFDs can only finance public capital facilities or other specified projects of communitywide significance that provide significant benefits to the district or the surrounding community. Facilities funded by an IFD do not need to be located within the boundaries of the IFD. State IFD laws also state that the creation of the IFD should not ordinarily lead to the removal of existing dwelling units; and that certain relocation requirements

¹ The Port has over \$1B in deferred maintenance and plans to apply different IFD policies to assist in its capital repair and maintenance efforts, and IFD law contains provisions unique to land under Port jurisdiction. The Port plans to independently utilize state IFD law to finance capital improvements that address this need. Planned projects will preserve important historic resources and generate economic activity far in excess of the value of the IFD. The Port’s proposed use of IFD law more closely resembles a traditional Redevelopment Tax Increment Finance (TIF) “pump-priming” strategy where increment revenues are used on the front-end to build infrastructure that will attract new private investment to create jobs, small business opportunities, serve as regional assets and attract visitors and residents to the waterfront. Accordingly, the Port’s IFD policy would not necessarily be predicated on up-zonings that result in net fiscal benefits to the General Fund.

apply if any dwelling units are removed or destroyed in the course of private development or public works construction within the IFD area.

Under state IFD laws, the City (and other non-education taxing entities, as applicable) can allocate the following “incremental property tax revenue” to an IFD:²

(1) property tax revenue annually allocated to the City and generated by the levy of the 1% ad valorem tax rate upon the increased assessed values of taxable property in the IFD above the values shown upon the assessment role that was last equalized prior to the formation of the IFD (general property tax increment) and

(2) that portion of any ad valorem property tax revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and Taxation Code and that corresponds to the increase in the assessed valuation of taxable property (MVILF tax increment).

When an IFD is formed, an infrastructure financing plan (IFP) is prepared. The IFP describes the revenue allocated to the IFD and the uses of the revenue, and includes an analysis of the projected fiscal impact of the IFD and the associated development upon any entity allocating revenue to the IFD.

The City can allocate to an IFD all or a portion of the incremental property tax revenue described above that is available to the City’s general fund, including amounts that subsequently would be set aside in certain special funds in accordance with the City’s Charter.³

Minimum Threshold Criteria:

1. **Limit to areas that are (i) rezoned as part of an Area Plan or Development Agreement with extensive need for infrastructure and public facility improvements and for which IFD funding is necessary for the project to be financially feasible and (ii) adopted as a Priority Development Area (PDA).** PDAs are officially-designated infill development opportunity areas. To be eligible for designation by the Association of Bay Area Governments, an area must be near existing or planned fixed transit or comparable bus service, and be zoned for increased housing densities. PDA designations inform regional agencies, like the Metropolitan Transportation Commission, which areas within a jurisdiction are willing to accept regional growth. Accordingly, Planned PDAs are eligible for additional capital infrastructure funds, planning grants, and technical assistance. Linking creation of future IFDs to PDA areas will allow the City to leverage IFD incremental property tax revenue to increase its chances of receiving matching regional, state or federal infrastructure or transportation grants.

² The state laws for IFDs allows the City to allocate to an IFD periodic distributions to the City from OCII’s Redevelopment Property Tax Trust Fund that are available after preexisting legal commitments and statutory obligations are funded from the PRTTF (“net available revenue”), and the state law for EIFDs allows the City to allocate certain sales and use tax revenues in specific circumstances. This Interpretative Supplement assumes that only the incremental property tax revenue described herein will be allocated by the City to an IFD, and the Board of Supervisors will consider the allocation of net available revenue and sales and use tax revenue on a case-by-case basis.

³ Under the City’s Charter, property tax revenues are set aside in the following amounts in the following special funds: 2.5% in the Park, Recreation, and Open Space Fund, 4% in the Children’s Fund, and 2.5% in the Library Preservation Fund.

2. **Limit formation of IFDs to areas where rezoning is projected to result in a net fiscal benefit to the General Fund (GF) as determined by the Controller's Office.** To determine whether a rezoning will generate a net fiscal benefit, the Controller's Office will calculate the GF revenue (less any GF costs) expected to result from the growth projected to occur within the IFD boundaries after rezoning. The Controller's Office will then subtract the GF revenues (less any GF costs) expected to result from the projected growth that could have occurred within the IFD boundaries under the existing uses. If the result within the IFD boundary is greater than zero, there is a net fiscal benefit from the rezoning. Based on this formula, future IFDs will likely be limited to areas that receive or have received substantial and quantifiable upzoning in the form of (1) net increases in height, bulk, and density that result in greater developable FAR than prior “baseline” zoning, (2) changes in permitted land uses that increase property values, or (3) permit streamlining that increases the certainty and speed of entitlements.
3. **Restrict the maximum incremental property tax revenue that is allocated to an IFD to no more than 50% of the annual incremental property tax revenue over the term of the IFD, and require that each district have a projected positive GF net fiscal benefit over its term after subtracting the incremental property tax revenue allocated to the IFD.**
The maximum incremental property tax revenue that may be allocated to the IFD is 50% of the total incremental property tax revenue, however the City may allocate all or a portion of the remaining 50% of the annual incremental property tax revenue on a conditional basis to provide debt service coverage for the IFD's bonds or other debt. The intent of the 50% limit is that each project provides net new property tax revenue to the GF even after the allocation of incremental property tax revenue to the IFD.
4. **Limit to projects that address infrastructure deficiencies in the general area of the IFD.**
Because the City has not developed universally-applied and objective citywide standards for assessing the sufficiency (or deficiency) of neighborhood-serving infrastructure, Board-adopted planning documents (like Area Plans) that qualitatively and/or quantitatively describe such deficiencies will suffice until new citywide standards are adopted at a later date. After the adoption by the Board of Supervisors of a revision to the Board Guidelines, the Capital Planning Committee, in coordination with the Planning Department and the Area Plan Infrastructure Finance Committee, should develop and recommend Board approval of standards for assessing neighborhood infrastructure deficiencies in the following areas: (i) parks & open space improvements; (ii) “Better Streets” streetscape & pedestrian safety improvements; (iii) bicycle network improvements; (iv) transit-supportive improvements; and (v) publicly-owned community center and/or child-care facilities. These standards would prevent the use of IFD funds for public facilities that far exceed citywide norms for cost and quality. In areas with previously approved Area Plans that included public infrastructure commitments, these new criteria would be applied to help prioritize spending in direct collaboration with any existing Community Advisory Committees (CACs) or residents’ associations.
5. **Limit use of IFD monies to individual infrastructure projects with a long-term maintenance commitment.** Once an IFD is established, limit appropriations to infrastructure projects that have an identified source of funding for ongoing maintenance and operations. This commitment could be in the form of a General Fund appropriation or through public-private financing mechanisms, such as a Master HOA or a Community Benefit District agreeing to maintain a public park, or through formation of a supplemental

property tax assessment district, like a Mello-Roos Community Facilities District or a Special Tax District.

6. **Require that all incremental property tax revenue generated within future IFDs flows directly to the General Fund unless and until specifically appropriated by the Board for deposit into the Special Fund of the IFD or pledged (i) for debt service/coverage on bonds or other debt of the IFD or (ii) other contractual obligations approved by the Board.**
7. **Limit IFD debt (as defined in the IFD laws) across all IFDs such that total annual debt payments do not exceed 5% of annual property tax revenue⁴.** This ensures that the share of property tax revenues going to service IFD debt never grows so high that it limits the City's budgetary flexibility. Gradually reinvesting up to 5% of this source in the City's local economy and growing the tax base will not significantly limit the ability of policymakers to allocate the remainder of the revenue. This control applies to property owned and/or managed by the Port of San Francisco or managed by the Treasure Island Development Authority, including already-established IFDs under each departments' jurisdiction. This control does not apply to any existing Redevelopment Area. In no case will this guideline impair the responsibilities of established IFDs, whether established before or after the date of the Board Policy and this Interpretative Supplement.
8. **Include an option to terminate the ongoing allocation of incremental property tax revenue to IFDs that were formed but the benefited development did not meet minimum performance standards.** In the formation documents or IFP of each IFD, the City shall include provisions providing for the termination of its allocation of incremental property tax revenue in future fiscal years or the dissolving of the IFD should the project benefited by the IFD not achieve minimum development milestones. These milestones may be amended or expanded on at the formation of each IFD, but the baseline milestone shall be achieving a final Certificate of Occupancy for the first tax increment-producing building within ten years of the formation of the IFD. The intention of this criteria is to ensure if that if the City has established an IFD to provide assistance to a project, but the project has not made progress with development, the limited capacity under the City's 5% limit (Criteria #7, above) can be reallocated to another project better able to leverage the assistance of the IFD to achieve the City's goals. In preserving this option, however, the City acknowledges that the formation documents or IFP of each IFD that contains such an option shall clearly state that the City's option shall be of no force or effect as long as any bonds or debt of the EIFD is outstanding.

Strategic Criteria:

- **In general, if using an IRFD, limit the district to parcels without any occupied residential use.** The City may want to exclude parcels that contain existing occupied residential structures when forming a new IRFD because IRFD law requires an actual voter-

⁴ Annual property tax revenue, for the purpose of this guideline, will include the City's general fund, including amounts that subsequently would be set aside in certain special funds in accordance with the City's Charter, and MVILF revenues.

based election if there are 12 or more registered voters within the proposed boundaries of the IRFD. If there are fewer than 12 registered voters, the law only requires a weighted vote of the property owners, which, in general, should reduce the complexity and time required for forming a district. On the other hand, there may be circumstances where a voter-based election may be both desirable and manageable.

- **Use IFDs strategically to leverage non-City resources.** As noted in Threshold Criteria #1 above, IFDs should be used as a tool to leverage additional regional, state and federal funds, thereby serving a purpose beyond earmarking General Fund resources for needed infrastructure. For example, IFDs may prove instrumental in securing matching federal or state dollars for transportation projects.
- **For future IFDs in newly rezoned areas, require that “best-practices” citizen participation procedures be put in place to help City agencies prioritize implementation of IFD-funded public facilities.** This could be achieved through establishing CACs or other official public stakeholder groups.
- **Develop an annual evaluation process, with specific quantitative and qualitative criteria for monitoring the performance of IFDs and the benefits received by the City and its residents and businesses.**

The Board of Supervisors may, in its sole discretion, approve IFDs that deviate from the Board Guidelines and this Interpretative Supplement. The failure of the City to comply with any provision of the Board Guidelines or this Interpretative Supplement shall not affect the authorization, validity or enforceability of any IFD, including the City’s allocation of incremental tax revenues to the IFD, or any bonds or other debt of an IFD.



**NOTICE OF PUBLIC HEARING
BUDGET AND FINANCE COMMITTEE
BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO**

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco's Budget and Finance Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: **March 13, 2024**

Time: **10:00 a.m.**

Location: **Legislative Chamber, Room 250, located at City Hall
1 Dr. Carlton B. Goodlett Place, San Francisco, CA**

Subject: **File No. 240139.** Resolution approving the Infrastructure Financing Plan for the San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station), including the division of taxes set forth therein, an Acquisition and Financing Agreement, and documents and actions related thereto, as defined herein; and authorizing the filing of a judicial validation action.

The proposed San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station) ("EIFD") is anticipated to use incremental property tax revenue generated within the boundary of the EIFD and allocated to it by the City to finance 1) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work; 2) the costs described in California Government Code, Sections 53398.56, 53398.57 and 53398.58 (as applicable); and 3) the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the EIFD.

The EIFD is intended to provide financial assistance to a phased, mixed-use development project that is known as the Potrero Power Station.

NOTICE OF PUBLIC HEARING

File No. 240139 - Infrastructure Financing Plan and Related Documents and Actions

San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station)

Hearing Date: March 13, 2024

Page 2

On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 ("PFA Ordinance"), which was signed by the Mayor on April 7, 2023, pursuant to which the Board of Supervisors established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA") as the governing board of the EIFD.

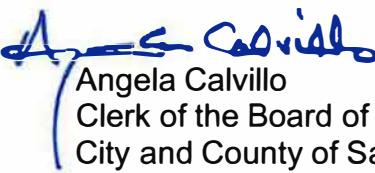
On July 17, 2023, the PFA adopted a resolution directing the preparation of an Infrastructure Financing Plan ("IFP") for the EIFD, which will describe in greater detail the public facilities and other specified projects of communitywide significance to be financed, a financing section specifying the incremental tax revenue of the City to be committed to the EIFD, and other such information and analyses required under the EIFD Law.

On November 1, 2023, the PFA held a public meeting at which a draft IFP was presented and held two public hearings on the IFP on December 6, 2023, and February 21, 2024. The PFA has made the draft IFP available on the following website: <https://sf.gov/departments/eifd-public-financing-authority-no-1>.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102 or sent via email (board.of.supervisors@sfgov.org). Information relating to this matter is available in the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (<https://sfbos.org/legislative-research-center-lrc>). Agenda information relating to this matter will be available for public review on Friday, March 8, 2024.

For any questions about this hearing, please contact the Assistant Clerk for the Budget and Finance Committee:

Brent Jalipa (Brent.Jalipa@sfgov.org) ~ (415) 554-7712



Angela Calvillo
Clerk of the Board of Supervisors
City and County of San Francisco

bjj:mcc:ams

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**NOTICE OF PUBLIC
HEARING
BUDGET AND FINANCE
COMMITTEE**
**BOARD OF SUPERVISORS
OF THE CITY AND
COUNTY OF SAN FRAN-
CISCO**
**WEDNESDAY, MARCH 13,
2024 - 10:00 AM**
**LEGISLATIVE CHAMBER,
ROOM 250, City Hall
1 DR. CARLTON B.
GOODLETT PLACE, SAN
FRANCISCO, CA 94102**
NOTICE IS HEREBY GIVEN
THAT the Board of Supervisors of the City and County of San Francisco's Budget and Finance Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard: **File No. 240139.** Resolution approving the Infrastructure Financing Plan for the San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station), including the division of taxes set forth therein, an Acquisition and Financing Agreement, and documents and actions related thereto, as defined herein, and authorizing the filing of a judicial validation action. The proposed San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station) ("EIFD") is anticipated to use incremental property tax revenue generated within the boundary of the EIFD and allocated to it by the City to finance 1) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work; 2) the costs described in California Government Code, Sections 53398.56, 53398.57 and 53398.58 (as applicable); and 3) the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the EIFD. The EIFD is intended to provide financial assistance to a phased, mixed-use development project that is known as the Potrero Power Station. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 ("PFA Ordinance"), which was signed by the Mayor on

April 7, 2023, pursuant to which the Board of Supervisors established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA") as the governing board of the EIFD. On July 17, 2023, the PFA adopted a resolution directing the preparation of an Infrastructure Financing Plan ("IFP") for the EIFD, which will describe in greater detail the public facilities and other specified projects of communitywide significance to be financed, a financing section specifying the incremental tax revenue of the City to be committed to the EIFD, and other such information and analyses required under the EIFD Law. On November 1, 2023, the PFA held a public meeting at which a draft IFP was presented and held two public hearings on the IFP on December 6, 2023, and February 21, 2024. The PFA has made the draft IFP available on the following website: <https://sf.gov/departments/eifd-public-financing-authority-no-1>.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA, 94102 or sent via email (board.of.supervisors@sfgov.org). Information relating to this matter is available in the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (<https://sfbos.org/legislative-research-center-lrc>). Agenda information relating to this matter will be available for public review on Friday, March 8, 2024. For any questions about this hearing, please contact the Assistant Clerk for the Budget and Finance Committee: Brent Jalipa (Brent.Jalipa@sfgov.org ~ (415) 554-7712) or Angela Calvillo, Clerk of the Board of Supervisors - City and County of San Francisco

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NOTICE OF REGULAR MEETING
SAN FRANCISCO BOARD OF SUPERVISORS
CITY HALL, LEGISLATIVE CHAMBER, ROOM 250
1 DR. CARLTON B. GOODLETT PLACE, SAN FRANCISCO, CA 94102
MARCH 6, 2024 - 1:30 PM

The agenda packet and legislative files are available for review at <https://sfbos.org/legislative-research-center-lrc>, in Room 244 at City Hall, or by calling (415) 554-5184.

EX-378945#

NOTICE OF REGULAR MEETING
SAN FRANCISCO BOARD OF SUPERVISORS
BUDGET AND FINANCE COMMITTEE
CITY HALL, LEGISLATIVE CHAMBER, ROOM 250
1 DR. CARLTON B. GOODLETT PLACE, SAN FRANCISCO, CA 94102
MARCH 6, 2024 - 10:00 AM

The agenda packet and legislative files are available for review at <https://sfbos.org/legislative-research-center-lrc>, in Room 244 at City Hall, or by calling (415) 554-5184.

EX-378945#

NOTICE OF PUBLIC HEARING
BUDGET AND FINANCE COMMITTEE
BOARD OF SUPERVISORS
OF THE CITY AND COUNTY OF SAN FRANCISCO
WEDNESDAY, MARCH 13, 2024 - 10:00 AM

LEGISLATIVE CHAMBER, ROOM 250, City Hall, 1 DR. CARLTON B.

GOODLETT PLACE, SAN FRANCISCO, CA 94102

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco's Budget and Finance Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard: **File No. 231274**. Ordinance amending a Development Agreement between the City and County of San Francisco and California Barrel Company, LLC, a Delaware limited liability company, for the Potrero Power Station project, to allow the establishment of San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station) ("EIFD") is anticipated to use incremental property tax revenue generated within the boundary of the EIFD and allocated to it by the City to finance 1) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work; 2) the costs described in California Government Code Sections 53398.56, 53398.58, and 53398.59 (as applicable); and 3) the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the EIFD. The EIFD is intended to provide financial assistance to a phased, mixed-use development project that is known as the Potrero Power Station. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 ("PFA Ordinance"), which was

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BUDGET AND FINANCE COMMITTEE
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OF THE CITY AND COUNTY OF SAN FRANCISCO
WEDNESDAY, MARCH 13, 2024 - 10:00 AM

LEGISLATIVE CHAMBER, ROOM 250, City Hall, 1 DR. CARLTON B.

GOODLETT PLACE, SAN FRANCISCO, CA 94102

NOTICE IS HEREBY GIVEN THAT the Board of Supervisors of the City and County of San Francisco's Budget and Finance Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard: **File No. 231274**. Ordinance amending a Development Agreement between the City and County of San Francisco and California Barrel Company, LLC, a Delaware limited liability company, for the Potrero Power Station project, to allow the establishment of San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station) ("EIFD") is anticipated to use incremental property tax revenue generated within the boundary of the EIFD and allocated to it by the City to finance 1) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work; 2) the costs described in California Government Code Sections 53398.56, 53398.58, and 53398.59 (as applicable); and 3) the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the EIFD. The EIFD is intended to provide financial assistance to a phased, mixed-use development project that is known as the Potrero Power Station. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 ("PFA Ordinance"), which was

signed by the Mayor on April 7, 2023, pursuant to which the Board of Supervisors established the Enhanced Infrastructure Financing District Public Financing Authority No. ("PFA") as the governing board of the EIFD. On July 17, 2023, the PFA adopted a resolution directing the preparation of an Infrastructure Financing Plan ("IFP") for the EIFD, which will describe in greater detail the public facilities and other specified projects of communitywide significance to be financed, a financing section specifying the incremental tax revenue of the EIFD and to be committed to the EIFD and other such information and analysis required under the EIFD Law. On November 1, 2023, the PFA held a public meeting at which a draft IFP was presented and held two public hearings on the IFP on December 6, 2023, and February 21, 2024. The PFA has made the draft IFP available on the following website: <https://sf.gov/departments/eifd-public-financing-ifp>. In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on this matter may submit written comments prior to the time the hearing begins. These comments will be made as part of the official public record in this matter and shall be brought to the attention of the Board of Supervisors. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 DR. CARLTON B. GOODLETT PLACE, SAN FRANCISCO, CA 94102 or sent via email (board.of.supervisors@sfgov.org). Information relating to this matter is available in the Office of the Clerk of the Board or the Board of Supervisors' Legislative Research Center (<https://sfbos.org/legislative-research-center-lrc>). Agenda information relating to this matter will be available for review at <https://sfbos.org/legislative-research-center-lrc>, in Room 244 at City Hall, or by calling (415) 554-5184.

EX-378945#

NOTICE OF PUBLIC HEARING
BUDGET AND FINANCE COMMITTEE
BOARD OF SUPERVISORS
OF THE CITY AND COUNTY OF SAN FRANCISCO
WEDNESDAY, MARCH 13, 2024 - 10:00 AM

LEGISLATIVE CHAMBER, ROOM 250, City Hall, 1 DR. CARLTON B.

GOODLETT PLACE, SAN FRANCISCO, CA 94102

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PROOF OF MAILING

Legislative File Nos. 231274 and 240139

Description of Items: 466 notices to 233 addresses

- 231274 - Development Agreement Amendment - California Barrel Company, LLC - Potrero Power Station
- 240139 - Infrastructure Financing Plan and Related Documents and Actions - San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station)

I, Brent Jalipa, an employee of the City and County of San Francisco, mailed the above described document(s) by depositing the sealed items with the United States Postal Service (USPS) with the postage fully prepaid as follows:

Date: 2/29/2024

Time: 12:25 pm

USPS Location: Repro Pick-up Box in the Clerk of the Board's Office (Rm 244)

Mailbox/Mailslot Pick-Up Times (if applicable): N/A

Signature: 

Instructions: Upon completion, original must be filed in the above referenced file.

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor" inquires..."
- 5. City Attorney Request
- 6. Call File No. from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission
- Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes
- No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Subject:

Long Title or text listed:

Signature of Sponsoring Supervisor: