

File No. 251262

Committee Item No. 14  
Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee \_\_\_\_\_ Date January 14, 2026  
Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

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

#### OTHER (Use back side if additional space is needed)

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>EIFD Public Financing Authority No. 1 – Resolution No. 2025-02 7/17/2025</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Noticing Documents</u>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>OPF Presentation 1/14/2026</u>
<input type="checkbox"/>	<input type="checkbox"/>	_____
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Completed by: Brent Jalipa Date January 8, 2026  
Completed by: Brent Jalipa Date \_\_\_\_\_

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

3 **Resolution approving the Infrastructure Financing Plan for the San Francisco**  
4 **Enhanced Infrastructure Financing (EIFD) District No. 2 (Stonestown), including the**  
5 **division of taxes set forth therein, an EIFD Acquisition and Financing Agreement, and**  
6 **documents and actions related thereto, as defined herein; and authorizing the filing of**  
7 **a judicial validation action.**

8

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

17 WHEREAS, The Developer Property is fully developed and comprises approximately  
18 27 acres of surface parking lots and operational uses, a vacant building, and approximately  
19 three acres of existing privately-owned streets; and

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

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

1           WHEREAS, The City also owns approximately 0.2 acres of developed and  
2 undeveloped public rights-of-way, consisting of portions of Winston Drive and Monte Vista  
3 Drive ("Existing City-Owned Rights-of-Way"; and together with portions of the RPD Parcel, the  
4 Developer Property, and the Variant Sub-Area, "Project Site"); and

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

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

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

25

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

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

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

20           WHEREAS, Under the Guidelines, the “incremental property tax revenue” that can be  
21 allocated by the City to an infrastructure financing district includes: (1) “general property tax  
22 increment,” i.e., property tax revenue annually allocated to the City and generated by the levy  
23 of the 1% ad valorem tax rate upon the increased assessed values of taxable property in the  
24 infrastructure financing district above the values shown upon the assessment roll that was  
25 last equalized before the formation of the IFD and (2) “MVLIF tax increment,” i.e., that

1 portion of any ad valorem property tax revenue annually allocated to the City pursuant to  
2 Revenue and Taxation Code, Section 97.70 and that corresponds to the increase in the  
3 assessed valuation of taxable property; and

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

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

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

20 WHEREAS, Under the EIFD Law, the California Legislature has determined that the  
21 allocation and payment to an enhanced infrastructure financing district of the portion of  
22 property tax revenues for the purpose of paying principal of, or interest on, loans, advances,  
23 or indebtedness incurred by the district pursuant to this chapter, shall not be deemed the  
24 receipt by a district of proceeds of taxes levied by or on behalf of the district within the  
25 meaning or for the purposes of Article XIII B of the California Constitution, nor shall that

1 portion of taxes be deemed receipt of proceeds of taxes by, or an appropriation subject to  
2 limitation of, any other public body within the meaning or for purposes of Article XIII B of the  
3 California Constitution or any statutory provision enacted in implementation of Article XIII B of  
4 the California Constitution; and

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

17 WHEREAS, Under the EIFD Law, the Stonestown EIFD shall be a legally constituted  
18 governmental entity separate and distinct from the City and its sole purpose shall be to  
19 finance public capital facilities and projects of communitywide significance; and

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

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

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

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

17          WHEREAS, On July 17, 2025, pursuant to Resolution No. 2025-02, the EIFD Public  
18 Financing Authority No. 1 directed the Executive Director of the EIFD Public Financing  
19 Authority No. 1 to work with the necessary City staff and professionals to prepare a draft of  
20 the Stonestown IFP and make such Stonestown IFP available to interested parties as  
21 required by the EIFD Law; and

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

24          WHEREAS, On January 8, 2026, the EIFD Public Financing Authority No. 1 held its  
25 first public hearing on the draft Stonestown IFP and considered written and oral comments,

1 after which the EIFD Public Financing Authority No. 1 adopted a Resolution modifying the  
2 draft IFP; and

3 WHEREAS, A copy of the draft Stonestown IFP, on file with the Clerk of the Board of  
4 Supervisors in File No. 251262, has been presented to the Board of Supervisors for its review  
5 and approval; and

6 WHEREAS, Among other things, the Stonestown IFP provides that the proposed  
7 Stonestown EIFD will consist of two original project areas and, upon subdivision of certain  
8 properties within the original Project Areas and the creation of new Project Areas, will consist  
9 of nine Project Areas, and that the creation of the new Project Areas and the replacement of  
10 all or a part of the Original Project Areas shall occur automatically without any public hearing  
11 and without further approval by the EIFD Public Financing Authority No. 1 or the Board of  
12 Supervisors; and

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

20 WHEREAS, In accordance with the Resolution of Intention, the Clerk of the Board (i)  
21 published a notice of public hearing in the San Francisco Examiner and (ii) mailed a copy of  
22 such notice to (A) each owner of land (as defined in the EIFD Law) within the proposed EIFD,  
23 (B) each affected taxing entity (as defined in the EIFD Law), if any, and (C) the EIFD Public  
24 Financing Authority No. 1; and

25

1           WHEREAS, The Budget and Finance Committee of the Board of Supervisors held a  
2 noticed public hearing relative to the Stonestown IFP on January 14, 2026; and

3           WHEREAS, At the hearing all interested persons desiring to be heard on all matters  
4 pertaining to the Stonestown IFP were heard and a full and fair hearing was held; and

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

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

18          WHEREAS, The Stonestown IFP further provides that the EIFD Acquisition and  
19 Financing Agreement will describe (1) the conditions under which the City will acquire  
20 Acquisition Facilities (as defined in the EIFD Acquisition and Financing Agreement) or  
21 reimburse the Actual Costs (as defined in the EIFD Acquisition and Financing Agreement) of  
22 the Developer for construction of the Privately-Owned Facilities (as defined in the EIFD  
23 Acquisition and Financing Agreement), (2) the circumstances in which the Stonestown EIFD  
24 may finance Privately-Owned Facilities at the request of the Developer, including issuing  
25 bonds to finance construction of Privately-Owned Facilities constructed by parties other than

1 the Developer, (3) the Stonestown EIFD's use of bond proceeds, Allocated Tax Revenue (as  
2 defined in the Stonestown IFP), and Conditional Tax Revenue (as defined in the Stonestown  
3 IFP) to finance the City's payment obligations and other authorized purposes, and (4) the  
4 items described in Section 3.1(g) of the Financing Plan included as Exhibit N of the  
5 Development Agreement; and

6 WHEREAS, A form of the EIFD Acquisition and Financing Agreement is on file with the  
7 Clerk of the Board of Supervisors in File No. 251262, and the Board of Supervisors wishes to  
8 approve the form of such EIFD Acquisition and Financing Agreement and to authorize the  
9 execution and delivery of such EIFD Acquisition and Financing Agreement; and

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

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

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

22 FURTHER RESOLVED, That the Board of Supervisors further finds and determines  
23 that all prior proceedings taken by EIFD Public Financing Authority No. 1 and the City with  
24 respect to the proposed establishment of the Stonestown EIFD and the Project Areas  
25 (including the initial Project Areas and the successor Project Areas, as described in the

1 Stonestown IFP) and adoption of the Stonestown IFP are valid and in conformity with  
2 applicable law; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby approves the  
4 Stonestown IFP in the form on file with the Clerk of the Board of Supervisors in File No.  
5 251262 and incorporated herein, and hereby finds that the proposed Stonestown EIFD and  
6 the Project Areas (including the initial Project Areas and the successor Project Areas, as  
7 described in the Stonestown IFP), including the properties included therein, and the  
8 Stonestown IFP including the division of taxes thereunder, are consistent with the Guidelines  
9 and Interpretive Supplement; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby finds and determines  
11 that the Stonestown IFP is consistent with the General Plan; and, be it

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

16 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes an  
17 Authorized Officer to make such changes to the Stonestown IFP in the form on file with the  
18 Clerk of the Board of Supervisors in File No. 251261 as such Authorized Officer determines  
19 are consistent with and furthers the purposes of the Stonestown EIFD and the Stonestown  
20 IFP and does not materially increase the City's liability under the Stonestown IFP or otherwise  
21 change the core purposes of the Stonestown EIFD; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors hereby approves the execution  
23 and delivery of the EIFD Acquisition and Financing Agreement, among the City, the  
24 Stonestown EIFD and the Developer in substantially the form on file with the Clerk of the  
25 Board of Supervisors; each of the Mayor, the Controller, the Director of Public Works and the

1 Director of the Office of Public Finance, or such other official of the City as may be designated  
2 by such officials (each, an “Authorized Officer”), is hereby authorized and directed to execute  
3 and deliver, and the Clerk of the Board of Supervisors is hereby authorized and directed to  
4 attest to, the EIFD Acquisition and Financing Agreement, together with such additions or  
5 changes that do not increase the financial liability of the City as are approved by such  
6 Authorized Officer upon consultation with the City Attorney; and, be it

7       FURTHER RESOLVED, That an Authorized Officer and the City Attorney, in  
8 consultation with Jones Hall LLP, as bond counsel, are hereby authorized and directed to  
9 initiate a judicial validation action with respect to the creation of the Stonestown EIFD and the  
10 Project Areas, the adoption of the Stonestown IFP, the allocation of incremental property tax  
11 revenue from the City within the boundary of the Stonestown EIFD (including the Project  
12 Areas) to the Stonestown EIFD for the purpose of financing the activities of the Stonestown  
13 EIFD, the validity of the issuance of bonds pursuant to the EIFD Law and all the proceedings  
14 relating thereto, and such other matters as the City Attorney and bond counsel deem  
15 appropriate in order to carry out the purposes of the Stonestown IFP, pursuant to Sections  
16 53398.57 and 53398.58 of the EIFD Law and Section 860 et seq. of Code of Civil Procedure;  
17 and, be it

18       FURTHER RESOLVED, That the Board of Supervisors has reviewed and considered  
19 the FEIR, and finds that the FEIR is adequate for their use for the actions taken by this  
20 Resolution and incorporates the FEIR and the CEQA findings contained in the Ordinance  
21 contained in File No. 240410 and further finds that, pursuant to CEQA Guidelines, Section  
22 15162, no additional environmental review is required because there are no substantial  
23 changes to the Stonestown Project analyzed in the FEIR, no change in circumstances under  
24 which Stonestown Project is being undertaken, and no new information that was not known  
25 and could not have been known shows that new significant impacts would occur, that the

1 impacts identified in the FEIR as significant impacts would be substantially more severe, or  
2 that mitigation or alternatives previously found infeasible are now feasible; and, be it

3           **FURTHER RESOLVED**, That the Board of Supervisors has found the Development  
4 Agreement for the Stonestown Project to conform with the General Plan, and the eight priority  
5 policies of Planning Code, Section 101.1 by the findings set forth in Section 3 of Ordinance  
6 No. 205-24 (File No. 240410), and the Board of Supervisors incorporates the foregoing  
7 findings and determines that such findings are adequate for the actions taken by this  
8 Resolution; and, be it

9           **FURTHER RESOLVED**, That if any section, subsection, sentence, clause, phrase, or  
10 word of this Resolution, or any application thereof to any person or circumstance, is held to be  
11 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
12 shall not affect the validity of the remaining portions or applications of this Resolution, this  
13 Board of Supervisors hereby declaring that it would have passed this Resolution and each  
14 and every section, subsection, sentence, clause, phrase, and word not declared invalid or  
15 unconstitutional without regard to whether any other portion of this Resolution or application  
16 thereof would be subsequently declared invalid or unconstitutional; and, be it

17           **FURTHER RESOLVED**, That the Mayor, the Controller, the Director of the Office of  
18 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City  
19 are hereby authorized, for and in the name of and on behalf of the City, to do any and all  
20 things and take any and all actions, including execution and delivery of any and all  
21 documents, assignments, certificates, requisitions, agreements, notices, consents,  
22 instruments of conveyance, warrants and documents, which they, or any of them, may deem  
23 necessary or advisable in order to effectuate the purposes of this Resolution; provided  
24 however that any such actions be solely intended to further the purposes of this Resolution,  
25 and are subject in all respects to the terms of the Resolution; and, be it

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

4           FURTHER RESOLVED, That this Resolution shall take effect upon its enactment.  
5           Enactment occurs when the Mayor signs the resolution, the Mayor returns the Resolution  
6 unsigned or does not sign the Resolution within ten days of receiving it, or the Board of  
7 Supervisors overrides the Mayor's veto of the Resolution.

8

9           APPROVED AS TO FORM:  
10           DAVID CHIU, City Attorney

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12           By: /s/ Mark D. Blake  
13           Mark D. Blake  
14           Deputy City Attorney

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<b>Item 14</b> <b>File 25-1262</b>	<b>Department:</b> Controller's Office of Public Finance
<b>EXECUTIVE SUMMARY</b>	
<b>Legislative Objectives</b>	
<ul style="list-style-type: none"> <li>The proposed resolution would approve the Infrastructure Financing Plan for the Enhanced Infrastructure Financing District No. 2 (Stonestown), including the allocation of incremental property tax revenues, and an Acquisition and Financing Agreement to facilitate the delivery of infrastructure and housing for the Stonestown Project.</li> </ul>	
<b>Key Points</b>	
<ul style="list-style-type: none"> <li>The Stonestown Development Project (the Project) will redevelop the area surrounding the Stonestown Galleria shopping mall into a residential community with commercial uses. At completion, the project will generate up to 3,491 residential units (20 percent of which will be affordable), 160,000 square feet of retail use, 96,000 square feet of office use, 63,000 square feet of community uses, up to 4,861 parking spaces, and six acres of new public open space that will be privately owned. The development plan includes a childcare center and the replacement of an existing senior center. The Board of Supervisors previously approved a development agreement between the City and Brookfield Properties, the developer.</li> <li>The proposed Infrastructure Financing Plan specifies how incremental property tax revenue generated within the EIFD will be used to finance eligible project costs, including public facilities (such as roads and utilities) and privately-owned facilities (such as affordable housing and privately maintained portions of the street network, senior center improvements and childcare facilities). 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 of property taxes and limits Citywide diversion of property taxes for infrastructure financing districts to no more than five percent.</li> </ul>	
<b>Fiscal Impact</b>	
<ul style="list-style-type: none"> <li>The proposed resolution would allocate 58.3 percent of incremental property tax revenues within the EIFD to eligible costs up to a maximum of \$3.12 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 \$2.24 billion.</li> <li>The total estimated cost of EIFD-eligible improvements is \$438 million. The proposed infrastructure financing plan projects the \$1.56 billion in incremental property tax revenue will be allocated to eligible costs over the life of the EIFD.</li> </ul>	
<b>Recommendation</b>	
<ul style="list-style-type: none"> <li>Approve the proposed resolution.</li> </ul>	

**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****Stonestown Development Project**

The Stonestown Development Project (the Project) will redevelop the area surrounding the Stonestown Galleria shopping mall into a residential community with commercial uses. At completion, the project will generate up to 3,491 residential units (20 percent of which will be affordable housing units), 160,000 square feet of new retail, restaurant, or similar commercial use, 96,000 square feet of office, life-science, or other commercial non-retail use, up to 63,000 square feet of cultural, institutional, or educational uses, up to 4,861 parking spaces, and six acres of new public open space that will be privately owned. The development plan includes a childcare center and replacement of an existing senior center.

In 2024, Board of Supervisors approved a development agreement (File 24-0410) with Brookfield Properties, the project sponsor, and a resolution of intention to form an enhanced infrastructure financing district (File 24-0681).

The Project will be delivered in six phases, with public benefits linked to the development of market rate uses, per the phasing plan of the development agreement. As discussed below, construction is expected to start in 2027 and run through 2051.

**DETAILS OF PROPOSED LEGISLATION**

The proposed resolution would approve the Infrastructure Financing Plan for the Enhanced Infrastructure Financing District No. 2 (Stonestown), including allocation of incremental property tax revenues, an EIFD Acquisition and Financing Agreement, and related documents and actions to facilitate the delivery of public infrastructure for the Stonestown Project and advance housing production.

The goal of the EIFD is to provide tax increment financing for public infrastructure and other projects of communitywide significance (including affordable housing) to improve the financial feasibility of the Stonestown Project.

The proposed Infrastructure Financing Plan and associated allocation of property taxes may be terminated by the Board of Supervisors after ten years if there has been no completed construction and no EIFD bond issuances.

### **Infrastructure Financing Plan**

The proposed Infrastructure Financing Plan specifies how incremental property tax revenue generated by project areas within the EIFD will be used to finance eligible project costs, including public facilities (such as roads and utilities) and privately-owned facilities (such as affordable housing and privately maintained portions of the street network, senior center improvements and child care facilities). The tax increment allocation period for 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. Following subdivision of the development parcels, there will be nine project areas within the EIFD. The Plan anticipates that incremental property tax revenue would begin accruing to the project in FY 2031-32.

The City's share of the 1.0 percent property tax rate is 0.646.<sup>1</sup> According to the Infrastructure Financing Plan, 58.3 percent<sup>2</sup> of the City's share of tax increment, or 0.376 of the total tax increment, is allocated to the EIFD to finance EIFD improvements, and the remaining 41.7 percent of the City's share of tax increment, or 0.270 percent of the total tax increment, is allocated as "conditional increment" to provide additional debt service coverage and to pay debt service on the bonds and replenish debt service reserve funds for such 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, with interest. 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.

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<sup>1</sup> 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.

<sup>2</sup> Under the City IFD Guidelines, the maximum incremental property tax revenue that may be allocated to an EIFD is 50% of the total incremental property tax revenue (including 50% of the property tax in lieu of vehicle license fee (VLF) revenues), and 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 property tax in lieu of VLF revenues) on a conditional basis. For this EIFD, City is not allocating any property tax in lieu of 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 VLF revenues. All property tax in lieu of VLF revenues will accrue to the City's General Fund.

**Exhibit 1: Anticipated Development in EIFD**

Use	Area/Units	Construction Period
<u>Commercial</u>		
Office	96,000 sq. ft.	2040-2049
Retail	160,000 sq. ft.	2040-2049
Community Facilities	63,000 sq. ft.	2040-2049
Parking	4,611 spaces	2028-2051
<u>Residential</u>		
Market Rate For Sale	22 units	2028-2030
Market Rate Rental	3,119 units	2028-2051
Affordable Rental, Inclusionary Units	350 units	2028-2051
Affordable Housing In-Lieu Fee	390 units	Due as market rate units are delivered
<b>Total Residential</b>	<b>3,491 units</b>	

Source: Draft Infrastructure Financing Plan

Note: Community Facilities include a replacement senior center and a new childcare center

As shown above, the construction is expected to take place over approximately 25 years. The developer is not bound by the timeline in the proposed infrastructure financing plan, but as noted above, the development agreement links delivery of community infrastructure with milestones in the market rate development

**Maximum Tax Increment Allocated to EIFD**

The Infrastructure Financing Plan projects allocated tax revenue to be approximately \$1.56 billion across all project areas and conditional tax revenue to be approximately \$1.12 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 \$3.12 billion, and the conditional tax revenue may not exceed \$2.24 billion.

**Acquisition and Financing Agreement**

The EIFD would fund “acquisition facilities” (i.e., public facilities such as utilities and public streets that would be acquired by the City or other governmental entity) and privately-owned facilities that have “community-wide significance,” including affordable housing and privately maintained portions of the street network. The EIFD will reimburse the developer for actual costs (including financing costs) to construct the acquisition facilities and the privately-owned facilities. The EIFD may also finance construction of off-site affordable housing. 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 EIFD 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. Some of the EIFD eligible costs may also be eligible to be funded by a special tax district, establishment of which would require approval from 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 approval by the EIFD’s legislative body (Enhanced Infrastructure Financing District Public Financing Authority No. 1) and the Board of Supervisors.

The EIFD could fund the following facilities:

- Infrastructure (including streets and utilities), public improvements, privately-owned community investments (including the childcare and senior centers)
- Affordable housing (including inclusionary units, units in 100% affordable projects, and the in-lieu fee)
- Transportation demand management measures defined in the Development Agreement

The developer estimates that the total cost of the Project is \$3.2 billion, of which the EIFD is expected to fund 0.44 billion (14 percent).

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

### **Exhibit 2: Estimated Improvement Costs of Facilities Funded by EIFD**

Public Facility	Estimated Improvement Costs (\$ Millions)	Estimated Percent of Costs	Estimated Timeline
Affordable Housing <sup>a</sup>	\$166.82	38%	2027-2051
Utilities <sup>b</sup>	\$124.53	28%	2027-2051
Streets <sup>b</sup>	\$103.83	24%	2027-2051
Site Work <sup>b</sup>	\$42.40	10%	2027-2051
Parks, Open Spaces <sup>a</sup>	\$0.48	0%	2027-2041
<b>Total</b>	<b>\$438.06</b>		

Source: Draft Infrastructure Financing Plan

<sup>a</sup> Facilities owned by the developer

<sup>b</sup> Facilities to be acquired by the City

The EIFD will fund these facilities provided there is tax increment available and within the overall funding limit and term of the district. EIFD funding may be pay-go or financed by bond secured by EIFD revenues.

### **Net Fiscal Benefit**

According to an October 9, 2025 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 \$774,000 (in 2025 dollars) to the General Fund and have a negative annual impact of \$42,715 to the MTA Fund at project buildout, as shown in Exhibit 3 below.

**Exhibit 3: Annual Fiscal Impact of EIFD (2025 \$)**

<b>Revenue or Expense</b>	<b>At Project Buildout</b>
<b>General Fund</b>	
General Fund Revenues	\$25,456,000
Less General Fund Baseline Requirements	<u>(\$7,298,000)</u>
General Fund Revenues After Baseline Funding	\$18,157,000
Less General Fund Expenditures	<u>(\$17,383,000)</u>
<b>Net Impact on General Fund</b>	<b>\$774,000</b>
<b>MTA Fund</b>	
MTA General Fund Baseline Funding	\$2,437,241
Less MTA Expenses	<u>(\$2,479,967)</u>
<b>Net Impact on the MTA Fund</b>	<b>(\$42,725)</b>
<b>Total Estimated Fiscal Benefit</b>	<b>\$731,275</b>

Source: Economic & Planning Systems, Inc.

The report also states that the consultant conducted a sensitivity analysis, to assess the fiscal benefits when valuation assumptions are reduced. The analysis concluded that the General Fund benefit would remain positive if real estate values decline by approximately eight percent.

The net fiscal impact is less than the \$4.1 million estimated in June 2024 when the Board of Supervisors considered the resolution of intention to establish this EIFD. According to OPF, the latest fiscal impact analysis, shown above, incorporates lower estimates of the value of market rate rental housing, reflecting current and expected market conditions during the development timeline.

**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 \$3.12 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 funds to pay debt service or replenish debt service reserve funds if needed up to a maximum of \$2.24 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.

The proposed infrastructure financing plan projects \$1.56 billion in incremental property tax revenue will be allocated to eligible costs over the life of the EIFD.

The City's FY 2026-2035 Capital Plan includes a policy to limit the City's tax increment districts to no more than five percent of Citywide property tax revenues. The policy applies to Port and Treasure Island infrastructure financing districts as well as the City's three enhanced

infrastructure financing districts (Power Station, Stonestown, and 3333 California). According to OPF, previously approved districts constitute 3.53 percent of Citywide property tax revenues. If the Board of Supervisors approves the Stonestown and 3333 California infrastructure financing plans (Files 25-1262 and 25-1261, both scheduled at the January 14, 2016 Budget & Finance Committee meeting) as well as a planned infrastructure financing district the Port is planning for Piers 30-32, the City would still be below the five percent cap. The proposed allocation of Stonestown revenues would constitute 0.42 percent of Citywide property tax revenues.

### **RECOMMENDATION**

Approve the proposed resolution.

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**EIFD ACQUISITION AND FINANCING AGREEMENT  
(STONESTOWN)**

**by and among**

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

**STONESTOWN NW PARCEL LLC,  
a Delaware limited liability company,**

**STONESTOWN SHOPPING CENTER, L.P.,  
a Delaware limited partnership,**

**STONESTOWN ANCHOR ACQUISITION, LP,  
a Delaware limited partnership,**

**and**

**SAN FRANCISCO  
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 2  
(STONESTOWN),  
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
- Exhibit F Potential Change of Work Form

## **EIFD ACQUISITION AND FINANCING AGREEMENT (STONESTOWN)**

This EIFD ACQUISITION AND FINANCING AGREEMENT (STONESTOWN) (including any Supplement, this “**Agreement**”), dated for reference purposes only as of \_\_\_\_\_, 2026 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 may, in the future, enter into a CFD Acquisition Agreement under which the City agrees to acquire authorized improvements and reimburse Qualified Project Costs (as defined therein). If a CFD is formed over all or part of the Project to finance capital facilities, many of the EIFD Improvements eligible to be funded by EIFD Funding Sources pursuant to this Agreement may also eligible to be funded by CFD Funding Sources pursuant to the CFD Acquisition 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 repositioning 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 Components 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 Components 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 and for the period of time 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 the proceeds of EIFD Bonds 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 Conditional Tax Revenue (as limited by the IFP) and the authorized use by the EIFD of the Allocated Tax Revenue and the Conditional 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. For purposes of clarity, at the Effective Date, Exhibit B may say "TBD" if there are no such executed construction contracts executed as of the Effective Date. 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 certain aspects 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 the Director's 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)(iii) 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), the Plan Documents, or the Approvals; 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, the Plan Documents, or the Approvals, 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 (the "**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 comply with the informal resolution and mediation procedures set forth in Section 7.7 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 in Section 7.6(e)(iii) 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 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. Any issue of EIFD Bonds will be structured with a debt service coverage ratio and term that maximizes the proceeds of the EIFD Bonds provided (i) such EIFD Bonds are issued consistent with sound municipal financing practices and Section 3.4(g) of the Financing Plan after consultation with the Controller's Office of Public Finance, and (ii) 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 the Conditional Tax Revenue would likely be available to the City's General Fund and unlikely to be needed to pay debt service on the EIFD Bonds or replenish debt service reserve funds for the EIFD Bonds. The City may implement other bond structure elements that it determines are consistent with sound municipal financing practices and Section 3.4(g) of the Financing Plan, including requiring one or more debt service reserve funds.

(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. In addition, the EIFD shall issue federally taxable EIFD Bonds in the circumstances required by Section 3.6(e) of the Financing Plan.

(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 (or a successor agency identified by the City) 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.

1.9 Financing Temporarily Excused. The City and the EIFD shall be authorized to temporarily suspend the issuance of any EIFD Bonds in the circumstances described in Section 1.4 of the Financing Plan. For the avoidance of doubt in light of Section 2.2(c) herein, the City, the EIFD, and the Developer agree that subsections (a), (b), and (c) of Section 1.4 of the Financing Plan may only be invoked if the EIFD Developer (as defined in Section 2.2(c) herein) has satisfied those subsections. Subsections (a), (b), and (c) of Section 1.4 of the Financing Plan may not be invoked against an EIFD Developer as a result of the actions of any other party, including but not limited to any other Developer under the Development Agreement or any other EIFD Developer that has taken an assignment pursuant to an EIFD Assignment in accordance with Section 8.5 of this Agreement. Nothing in the two preceding sentences shall be construed to limit the exercise by the City or the EIFD of its judgment under Section 1.4(d) of the Financing Plan.

1.10 Information Related to Assessment Appeals. Prior to the issuance of any EIFD Bonds, (a) the Developer shall represent in writing to the City, the EIFD, and the underwriter of such EIFD Bonds, in a form reasonably acceptable to the City, the EIFD, and the underwriter, that the Developer and each of its affiliated entities that own land in the EIFD do not have plans to file any appeals (that are not otherwise described in the disclosure document for the EIFD Bonds) of the assessed value of their taxable property determined by the Assessor for the then-

current fiscal year or any previous fiscal year, (b) the Developer shall cause any other developer landowner in the EIFD that is not an affiliated entity of the Developer to represent in writing to the City, the EIFD, and the underwriter, in a form reasonably acceptable to the City, the EIFD, and the underwriter, that such other developer landowner that owns land in the EIFD does not have plans to file any appeals (that are not otherwise described in the disclosure document for the EIFD Bonds) of the assessed value of their taxable property determined by the Assessor for the then-current fiscal year or any previous fiscal year, and (c) the Developer shall otherwise reasonably cooperate with the City, the EIFD, and the underwriter to make such inquiries as are reasonably necessary to ensure that the information contained in the disclosure document for the EIFD Bonds regarding assessment appeals is accurate and not materially misleading, including using commercially reasonable efforts to contact other entities that own material amounts of property in the EIFD to inquire about their plans to appeal assessed values of their taxable property determined by the Assessor for the then-current fiscal year or any previous fiscal year.

## **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.

(a) Developer's obligation to construct the Acquisition Facilities and the Privately-Owned Facilities is governed by the Development Agreement, the Plan Documents, and the Approvals. 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. The City, the EIFD, and the Developer acknowledge that the EIFD is expected to have a term that will extend beyond the term of the Development Agreement and agree that this Agreement shall survive any termination of the Development Agreement except as provided in subsection (b) below.

(b) If the Development Agreement has terminated as to the property owned by the Developer that is a party to this Agreement (herein, for purposes of this Section 2.2, the "**EIFD Developer**") for any reason other than a Default (as defined in the Development Agreement) by the EIFD Developer, and subject to Section 1.4 of the Financing Plan, then the EIFD Developer will still be eligible to finance EIFD Improvements (including any subject to a Vested Payment Request) with EIFD Funding Sources to the extent the Developer Commenced Construction of such EIFD Improvements prior to termination of the Development Agreement with respect to the property owned by the EIFD Developer or the EIFD

Improvement is required as part of a Public Improvement Agreement approved prior to the termination of the Development Agreement with respect to the property owned by the EIFD Developer. If the Development Agreement has terminated as to the property owned by the EIFD Developer because of a Default (as defined in the Development Agreement) by the EIFD Developer, then the EIFD Developer will no longer be eligible to finance EIFD Improvements with EIFD Funding Sources other than with respect to any EIFD Improvements subject to a Vested Payment Request, which shall remain eligible to be financed with EIFD Funding Sources notwithstanding termination of the Development Agreement due to a Default by the EIFD Developer.

(c) In accordance with Section 9.3 of the Development Agreement, there shall be no cross-defaults between separate Parties under the Development Agreement, and a Default (as defined in the Development Agreement) by one Developer or Transferee under the Development Agreement shall not be a Default by any other Developer under the Development Agreement that owns or controls a different portion of the Project Site. Accordingly, and notwithstanding any other provision in this Agreement to the contrary, if the Development Agreement is terminated due to a Default by a Developer or Transferee that is not the EIFD Developer, such Default and resulting termination shall not in any way limit or impair the eligibility of the EIFD Developer to finance EIFD Improvements with EIFD Funding Sources. If there are multiple EIFD Developers under this Agreement following a transfer pursuant to an EIFD Assignment in accordance with Section 8.5 of this Agreement, a Default and resulting termination of the Development Agreement with respect to one EIFD Developer shall in no way limit or impair the eligibility of any non-defaulting EIFD Developer to finance EIFD Improvements with EIFD Funding Sources. Nothing in this Section 2.2(c) shall be construed to limit the exercise by the City or the EIFD of its judgment under Section 1.4(d) of the Financing Plan.

### 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 for such EIFD Improvements.

(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 and Exhibit E attached hereto. Developer agrees to provide copies of all executed contracts and contract change orders for the Acquisition Facilities or Privately-Owned Facilities that are being financed under this Agreement 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 order work 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 may commence such work and thereafter 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, agree to meet and confer in accordance with the meet and confer provision of Section 7.7.

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 that the 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 its 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.

(d) The City and the Developer may mutually agree by letter agreement signed by their authorized representatives, and without executing an amendment of this Agreement, to modify the time for inspections set forth in this Section 3.1.

3.2 Agreement to Sell and Purchase Acquisition Facilities. To the extent that Acquisition Facilities and Components are not already owned by the City or a Governmental Entity, Developer agrees to convey 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. This Agreement does not require that the conveyance of Acquisition Facilities and Components to the City or other Governmental Entity include the sale of the fee ownership in private property that is subject to an easement for the benefit of the City or the general public.

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 or the grant of easement rights with respect to such property, as applicable. 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 or the grant of easement rights with respect to such property, as applicable. 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) 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. 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 in any material respect or not in conformance, in all material respects, with the applicable Plans and the Applicable Laws 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 City's policies and procedures (including 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 City's policies and procedures (including the Development Agreement) and the Applicable Laws.

## **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, with respect to any Acquisition Facility for which the Developer does not have ongoing maintenance and repair responsibilities;

(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

(iii) 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. The costs of the Third-Party consultants, accountants, and other costs paid herein shall be part of the Actual Cost of the Acquisition Facilities and Privately-Owned Facilities.

(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, subject to receiving sufficient backup information about such Third Party and only if the Third Party is in the City's payment vendor system.

**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 that is not owned by the City or other Governmental Entity, 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, if applicable, 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 for any losses sustained by the City 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 Laws that does not exceed the amount withheld as a retention in the Developer's contract with its applicable contractor(s), but in any case not less than 5% (or such lower amount pursuant to State law) or in excess of ten percent (10%) of the amount of the Actual Cost of an Acquisition Facility or Component. The amount of any retained amounts withheld pursuant to the preceding sentence shall be released from retention and available to be paid to the Developer from EIFD Funding Sources following the issuance of a Notice of Completion for such Acquisition Facility or Component and the earlier to occur of (i) the satisfaction of any conditions in the Notice of Completion and (ii) the date upon which the Director of Public Works authorizes the release after concluding that any remaining conditions in the Notice of Completion are non-material. This Section 4.4(d) does not apply to Stonestown Affordable Housing In-Lieu Fees, EIFD-Eligible Fees, or Privately-Owned Facilities and Components except as provided for in Section 5.4(b).

## 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 or the Department of Building Inspection, 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 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 or the Department of Building Inspection, 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 finance the Inclusionary Units or 100% Affordable Housing Projects at one time and will not finance them by Component financing.

(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) 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 Inclusionary Units and 100% Affordable Housing Projects, (A) a Notice of Special Restrictions recorded in accordance with Exhibit B (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;

(iii) 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; and

(iv) 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.

(b) This provision applies only to Private Utility Infrastructure and Private Streets, as defined in the Development Agreement. The City will be entitled to withhold from each payment of Actual Costs for Private Utility Infrastructure and Private Streets a portion for retention as authorized by City policies and procedures that constitute Applicable Laws that does not exceed the amount withheld as a retention in the Developer's contract with its applicable contractor(s),

but in any case not less than 5% (or such lower amount pursuant to State law) or in excess of ten percent (10%) of the amount of the Actual Cost of Private Utility Infrastructure and Private Streets. The amount of any retained amounts withheld pursuant to the preceding sentence shall be released from retention and available to be paid to the Developer from EIFD Funding Sources following the issuance of a Notice of Completion for such Private Utility Infrastructure and Private Streets and the earlier to occur of (i) the satisfaction of any conditions in the Notice of Completion and (ii) the date upon which the Director of Public Works authorizes the release after concluding that any remaining conditions in the Notice of Completion are non-material.

### 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 Affordable 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) Child Care Facilities, 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 Affordable

Housing Cost as defined in the Housing Plan to the extent consistent with the EIFD Law. For purposes of clarity, notwithstanding clause (B) above, which limits the use of EIFD Bonds and Allocated Tax Revenues to finance costs related to mixed-income housing developments in accordance with the EIFD Law, nothing in this section shall prevent the use of EIFD Bonds and Allocated Tax Revenues to finance the costs of the Senior Center or Child Care Facilities as independent facilities to the extent such facilities constitute EIFD Improvements.

(iii) The Developer may use proceeds of EIFD Bonds and Allocated Tax Revenue to finance the Stonestown Affordable Housing In-Lieu Fee. The City will use the Stonestown Affordable Housing 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 Stonestown Affordable Housing 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 the Housing Plan, (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 B (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 Inclusionary Units or 100% Affordable Housing Projects on a Component basis. For the purposes of clarity, all components of Inclusionary Units or 100% Affordable Housing Projects that are part of the Actual Cost of such facilities may be financed.

## 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 delinquent 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 has expired or is 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, receipted overnight delivery, or email. Payment Requests must be clearly marked: "Payment Request No. \_\_\_\_\_; Stonestown; 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.

### 6.4 Deposits for Impact Fees and Exactions, Stonestown Affordable Housing In-Lieu Fees.

(a) This section applies to Actual Costs that consist of (i) Impact Fees and Exactions that will be used to finance EIFD Improvements and (ii) Stonestown Affordable Housing In-Lieu Fees that will be used to finance affordable housing as described in Section 5.5. The EIFD Funding Sources will be applied to pay the Actual Costs of the EIFD Improvements and the affordable housing, and the Developer shall be provided with a corresponding credit against its obligation to pay such Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees. The Developer and the City understand that on the date of proposed application of EIFD Funding Sources for Impact Fees and Exactions the City must make three determinations: (i) whether the Impact Fees and Exactions are EIFD-Eligible Fees; (ii) if the Impact Fees and Exactions are EIFD-Eligible Fees, whether the City department receiving the EIFD-Eligible Fees has spent, or will commit to spend, the EIFD Funding Sources on improvements that are authorized by the EIFD Law and affordable housing as described in Section 5.5 in accordance with the IFP and the EIFD Law, and to maintain records demonstrating such expenditures (the "Eligibility Test"); and (iii) if the Impact Fees and Exactions are EIFD-Eligible Fees and have satisfied the Eligibility Test, whether those Impact Fees and Exactions may be financed on a tax-exempt or

taxable basis under the Internal Revenue Code and its applicable regulations (the “Tax-Exempt Test”). In determining whether the EIFD-Eligible Fees will satisfy the Eligibility Test, the City shall use commercially reasonable efforts to work with the City department receiving the EIFD-Eligible Fees to allocate the EIFD Funding Sources to improvements authorized by the EIFD Law and affordable housing as described in Section 5.5 and to maintain the necessary expenditure records so as to satisfy the Eligibility Test. In connection with the Tax-Exemption Test, the City shall use commercially reasonable efforts to finance the EIFD-Eligible Fees that have met the Eligibility Test on a tax-exempt basis, but if it is determined that all or any portion of the EIFD-Eligible Fees that have met the Eligibility Test cannot be financed on a tax-exempt basis, the City will utilize a combination of tax-exempt bonds, taxable bonds, and direct pay of Allocated Tax Revenues to finance such EIFD-Eligible Fees. All references in this Agreement to the financing of Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees shall be deemed to be a reference to EIFD-Eligible Fees that are eligible to be financed under this Section 6.4(a).

(b) The Developer may be required to pay such Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees prior to the availability of the EIFD Funding Sources to pay such Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees. In the event such Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees are paid prior to the availability of such EIFD Funding Sources, the amounts paid to the City shall be deemed to be deposits (each a “**Deposit**”) that are subject to refund by the City to Developer (and the Developer only, regardless of the entity that paid the Deposits) in the manner provided in this Section. Any Deposits made to the City shall be deposited in a separate capital facilities account(s) and may be expended by the City in the ordinary course of business. If the City expends any of the Deposits in the ordinary course of business, the City will be deemed to replenish the expended Deposits from the EIFD Funding Sources if and when received (herein, “**Replenishment**”). The Developer acknowledges that the City may finance Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees with proceeds of tax-exempt bonds only if the City can meet certain requirements of federal tax law, as determined by the City and the EIFD in consultation with their bond counsel. Nothing in this Agreement shall prohibit the issuance of taxable EIFD Bonds necessary to finance those fees that are ineligible to be financed on a tax-exempt basis.

(c) If the Developer has made any Deposits, then following (i) deposit of EIFD Funding Sources with the City for the corresponding Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees where the Developer’s Deposit has not been expended by the City or (ii) Replenishment after the Developer’s Deposit has been expended by the City, the City shall return to the Developer (and the Developer only, regardless of the entity that paid the Deposit) from the capital account in which the Deposits were deposited an amount equal to the Deposits (including any amounts available as a result of a Replenishment), without interest or other earnings thereon. The City shall be so obligated to return an amount equal to such Deposits to the Developer only to the extent that an amount equivalent to the amount of the Deposits is deposited with the City from the EIFD Funding Sources. An amount equal to such Deposits may be returned to the Developer from time to time as additional EIFD Funding Sources become available.

(d) EIFD Funding Sources used to pay Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees shall be allocated first for return of all Deposits

(after Replenishment, if any) prior to being allocated to the payment of Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees not previously deposited. For example, if the Developer has paid \$10,000 in Deposits, and EIFD Funding Sources become available in the amount of \$15,000, the City shall apply the first \$10,000 of the EIFD Funding Sources to the payment of the Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees that were paid by the Deposits (and, thereafter, return the Deposits to the Developer) and use the remaining \$5,000 of the EIFD Funding Sources to the payment of Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees not previously paid by the Deposits, and, for all amounts, the City shall provide a credit against the Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees as described in subsection (a) above.

(e) Any Deposits that have not been returned to the Developer at the time it is determined that there will be no further EIFD Funding Sources or CFD Funding Sources available (now or in the future) shall be retained by the City and may be used (to the extent it has not already been so used) for the purposes for which the Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees was required, and the unrefunded Deposits shall constitute full and final payment for such Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees without any increase of any kind.

(f) The Developer may pay Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees (as Deposits) prior to the availability of EIFD Funding Sources to pay such Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees. Any Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees paid (as Deposits) by the Developer shall be made with the understanding that such Deposits (after Replenishment, if any) will be returned from the EIFD Funding Sources if, and when, such EIFD Funding Sources become available. The payment of Deposits prior to the availability of the EIFD Funding Sources shall not be construed as a dedication or gift of the Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees, or a waiver of the return of the Deposits, it being the intention that the Impact Fees and Exactions and the Stonestown Affordable Housing In-Lieu Fees be financed by the EIFD Funding Sources as set forth herein.

(g) The Developer acknowledges that the EIFD may finance Impact Fees and Exactions or the Stonestown Affordable Housing In-Lieu Fees only if the financed EIFD Improvements or affordable housing described in Section 5.5 are constructed with prevailing wage.

## **ARTICLE 7**

### **REPRESENTATIONS AND WARRANTIES; DISPUTE RESOLUTION; EVENTS OF DEFAULT**

7.1 Representations and Warranties of Developer. Each Developer represents and warrants individually as to itself and not as to the others, to and for the benefit of the City and the EIFD that:

(a) Developer is a limited liability company or limited partnership 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 recommendation of the Controller and 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 by the EIFD 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 Informal Resolution; Optional Mediation.

(a) Meet and Confer. Except as otherwise exempted as set forth below, the Parties shall attempt to resolve any dispute or disagreement over the interpretation or implementation of this Agreement or any failure to perform or fulfill any obligations under this Agreement by meeting and conferring in good faith at the designated City staff levels using the steps below.

(i) First Level. The initial City staff level to discuss any apparent default, dispute, or disagreement between the Parties that has not been resolved at the project staff level is: (A) for disputes related to matters under the jurisdiction of the Department of Public Works, the manager of the Infrastructure Task Force or housing coordinator of the Department of Public Works; (B) for disputes related to matters under the jurisdiction of the San Francisco Public Utility Commission ("SFPUC"), the appropriate manager or housing coordinator of SFPUC; (C) for disputes related to matters under the jurisdiction of City's Recreation and Park Department ("RPD"), the Deputy Director of Planning or housing coordinator of RPD; (D) for disputes related to matters under the jurisdiction of the City's Planning Department (the "**Planning Department**"), the principal planner or department housing coordinator; (E) for disputes related to matters under the jurisdiction of MOHCD, the assigned MOHCD manager; and (F) for all other disputes, the assigned OEWD project manager (as applicable based on the matter,

the “**First-Level City Contact**”). Developer’s first-level contact is the project manager for the Project. Developer’s first-level contact and the First-Level City Contact will use good faith efforts to attempt to resolve the matter within ten (10) business days following a request by the other Party.

(ii) **Second Level**. If Developer’s project manager and the First-Level City Contact are unable to resolve the matter as set forth above, the matter will be elevated to the following second-level City person: (A) for disputes related to matters under the jurisdiction of the Department of Public Works, the City’s Public Works Director, (B) for disputes related to matters under the jurisdiction of the SFPUC, the General Manager of SFPUC, (C) for disputes related to matters under the jurisdiction of RPD, the General Manager of RPD, (D) for disputes related to matters under the jurisdiction of the Planning Department, the Planning Director, (E) for disputes related to matters under the jurisdiction of MOHCD, the MOHCD Director, and (F) for all other disputes, the OEWD Director or their designee (as applicable based on the matter, the “**Second-Level City Contact**”). Developer’s second-level contact is the project manager’s supervisor, or such other person designated by Developer in writing. Developer’s second-level contact and the Second-Level City Contact will use good faith efforts to attempt to resolve the matter within ten (10) business days following the elevation of the matter to the Second Level.

(iii) **Third Level**. If Developer’s second-level contact and Second-Level City Contact are unable to resolve the matter within the timing set forth above, the matter will be elevated to the City Administrator or other designee of the Mayor (the “**Third-Level City Contact**”). Developer and the Third-Level City Contact will use good faith efforts to attempt to resolve the matter within ten (10) business days following the elevation of the matter to the third level.

If, despite the good faith efforts of the requesting Party, a meeting with the First-Level City Contact, the Second-Level City Contact, or the Third-Level City Contact (as applicable) has not occurred within ten (10) business days of such request, then such Party shall be deemed to have satisfied the requirements of this Section and may proceed in accordance with the issuance of a Default Notice under Section 7.8. Notwithstanding the foregoing, the meet and confer process shall not be required (i) for any failure to pay amounts due and owing under this Agreement, (ii) for any failure to comply with the requirements of Section 7.6, and (iii) if a delay in sending a notice pursuant to Section 7.8 would impair, prejudice, or otherwise adversely affect a Party or its rights under this Agreement. Notwithstanding the foregoing, any Party may initiate litigation as necessary to preserve the status quo, such as to request a temporary restraining order and/or a preliminary injunction, without first meeting and conferring pursuant to this Section 7.7(a).

(b) **Non-Binding Mediation**. If the Parties have timely met and conferred pursuant to Section 7.7(a) but are unable to resolve the dispute or disagreement, then the Parties may agree to (but are not required to) participate in nonbinding mediation at Judicial Arbitration and Mediation Services (JAMS) in San

Francisco, California. The Parties shall endeavor in good faith to mutually agree to a satisfactory mediator located at JAMS in San Francisco, California, but if they are unable to reach an agreement within ten (10) business days of jointly requesting JAMS mediation, then JAMS (or any other mediation services provider agreed to by the Parties in writing) shall select the mediator. The costs of the mediation shall be paid by Developer, and City Costs shall include the City's attorneys' fees and other City expenses associated with the mediation. For the avoidance of doubt, "mediation" and "mediator" as referred to herein shall have the same meaning as in California Evidence Code Section 1115, subsections (a) and (b), and the provisions of California Evidence Code Section 1119 shall apply to the mediation.

**7.8 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 (in the case of an EIFD default) 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 obtain injunctive relief or compel 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. The City and the Developer may pursue remedies simultaneously on the same matter. In addition, the remedies provided in this Agreement regarding the enforcement of the IFP and this Agreement do not limit the remedies provided in the Development Agreement, the Plan Documents, or any 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.

8.4 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.

8.5 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. In addition, during the term of the Development Agreement, any EIFD Assignment must be 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 whole or in part in a separate written EIFD Assignment and then only to the extent set forth in the EIFD Assignment.

8.6 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 Laws. If this Agreement creates ambiguity in relation to or conflicts with any provision of the Financing Plan or the IFP, then the Financing Plan or IFP, as the case may be, will prevail.

8.7 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.

8.8 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.

8.9 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.

8.10 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.

8.11 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.

8.12 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. For purposes of this Agreement, the term “business day” means a day other than a Saturday, Sunday, or a federal holiday. A business day begins at 8 a.m. and ends at 5 p.m., Pacific Standard Time or Pacific Daylight Savings Time, whichever is in effect on the date in question.

## ARTICLE 9

### DEFINITIONS

#### 9.1 Definitions.

**“100% Affordable Housing Parcel”** is defined in the Housing Plan.

**“100% Affordable Housing Project”** is defined in the Housing Plan.

**“100% Affordable Units”** is defined in the Housing Plan.

**“Acceptable Title”** means, with respect to Acquisition Facilities only constructed on land that is not owned by the City or other Governmental Entity, 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 facilities described in Exhibit A and Exhibit B 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 or the San Francisco Department of Building Inspection, 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. For all Acquisition Facilities inspected or to be inspected by the Department of Public Works or the San Francisco Department of Building Inspection, the Acquisition Facility Determination of Completion shall be the form customarily provided by the Director of Public Works or the San Francisco Department of Building Inspection 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 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” that constitute capital costs of EIFD Improvements, including without limitation:

(1) construction labor and materials of EIFD Improvements;

(2) tenant improvements and/or tenant improvement allowances provided by Developer for Privately-Owned Facilities;

(3) utility demolition and relocations required to construct the EIFD Improvements;

(4) 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;

(5) site preparation and management costs required to construct EIFD Improvements including, without limitation, contractor mobilization; potholing; construction staking; demolition; excavation; shoring; supportive structures below or beyond the EIFD Improvements; dewatering; erosion, dust, vibration, stormwater, groundwater, archaeological, paleontological, biological, traffic and air quality monitoring and control measures, hazardous materials/soil abatement, and unforeseen conditions 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

(6) temporary or permanent improvements on private properties on or 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 and pedestrian pathways to new grades, and installing shoring;

(iii) “soft costs” such as architectural, engineering, consultant, accountant, attorney, reprographics, and other professional fees that constitute capital costs of EIFD Improvements, 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;
- (20) permit expediting;
- (21) LBE management/consultation; and
- (22) EIFD management consultation.

(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) (A) EIFD-Eligible Fees that are eligible to be financed under Section 6.4(a), and (B) plan check and inspection fees, and other fees paid by Developer to the City 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 approvals by Non-City Responsible Agencies, and CEQA, including without limitation the MMRP (both on- and off-site related to EIFD Improvements);

(viii) City Costs;

(ix) real property and possessory interest taxes;

(x) costs to use financing sources other than the EIFD Funding Sources (including, but not limited to, loans, surety bonds, and letters of credit) 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, Approvals, approvals by Non-City Responsible Agencies 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, including any amounts paid by the Developer to a surety or bonding company for payments made under such surety or bonds;

(xii) Project Site safety and security measures;

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

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

**“Affordable Housing Conveyance Agreement”** is defined in Section 3.3(c) of the Housing Plan.

**“Agreed-Upon Allocation”** is defined in Section 4.2(a).

**“Agreement”** is defined in the introductory paragraph.

**“Allocated Tax Revenue”** is defined in the Financing Plan.

**“Applicable Laws”** is defined in the Development Agreement.

**“Approvals”** is defined in the Development Agreement.

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

**“CFD”** is defined in the Financing Plan.

**“CFD Acquisition Agreement”** is defined in the Financing Plan.

**“CFD Bonds”** is defined in the Financing Plan.

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

“**City**” is defined in the Development Agreement.

“**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 Financing Plan.

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

“**Default Notice**” is defined in Section 7.8.

“**Department of Public Works**” is defined in Section 1.3.

“**Deposit**” is defined in Section 6.4(b).

“**Developer**” means, collectively, Stonestown NW Parcel LLC, a Delaware limited liability company, Stonestown Shopping Center, L.P., a Delaware limited partnership, and Stonestown Anchor Acquisition, LP, a Delaware limited partnership, and their successors and assigns.

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

“**Development Agreement**” is defined in the Financing Plan.

“**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 Financing Plan.

“**EIFD Assignment**” means a written assignment of all or part of this Agreement by the Developer to a 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-Eligible Fees**” means (i) the RNP Cash Contribution; (ii) the Emergency Firefighting In Lieu Payment; (iii) Stonestown Affordable Housing In-Lieu Fees, (iv) fees imposed by the City on the Stonestown Project after EIFD formation, and (v) fees imposed by the City on the Stonestown Project prior to EIFD formation that are modified by the City after EIFD

formation. Nothing in this definition, which limits the Impact Fees and Exactions that may be financed by the EIFD, is intended to limit the eligibility for financing of the Actual Costs of EIFD Improvements incurred by the Developer in the construction of EIFD Improvements.

**“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 Financing Plan.

**“Event of Default”** is defined in Section 7.8.

**“Financing Plan”** means the Financing Plan attached as Exhibit N 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.

**“Housing Plan”** is the Stonestown Affordable Housing Plan attached as Exhibit B 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.

**“Indenture”** is defined in the Financing Plan.

**“Infrastructure”** is defined in the Development Agreement.

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

**“MOHCD”** is defined in the Development Agreement.

“**Monetary Default**” is defined in Section 7.8.

“**MOU**” means Exhibit H to the Development Agreement.

“**New Payments**” is defined in Section 6.4(d).

“**Non-Monetary Default**” is defined in Section 7.8.

“**Notice of Special Restrictions**” means the Notice of Special Restrictions for the 100% Affordable Housing Projects and the Inclusionary Units based on MOHCD’s standard form thereof with such changes as a necessary to reflect the specifics of the Housing Plan and to comply with the EIFD Law and the IFP, signed by Developer and recorded against the 100% Affordable Housing Projects and the Inclusionary Units.

“**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.

“**PCOW**” is defined in Section 2.3(c).

“**Person**” is defined in the Development Agreement.

“**Plan Documents**” 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.

“**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 or the San Francisco Department of Building Inspection, 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 or the San Francisco Department of Building Inspection, 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. 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 the Private Determination of Completion shall be in a form similar to the forms customarily provided by the Director of Public Works 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 or the San Francisco Department of Building Inspection, 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 or the San Francisco Department of Building Inspection, as applicable, to evidence the approval of the inspection of work in place.

**“Private Inspection Request”** is defined in Section 5.1.

**“Private Utility Infrastructure”** is defined in the Development Agreement.

**“Privately-Owned Facilities”** means the Privately-Owned Community Improvements (as defined in the Development Agreement) and that are listed on Exhibit A and Exhibit B.

**“Project”** is defined in the Development Agreement.

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

**“Project Open Spaces”** is defined in the Development Agreement

**“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 Financing Plan.

**“Public Improvement Agreement”** means (1) the Stonestown Mixed-Use Development Project Development Phase 1 Public Improvement Agreement dated for reference as of \_\_\_\_\_, by and between the City and the Developer, recorded in the Official Records of the City and County of San Francisco on \_\_\_\_\_ as Instrument Number \_\_\_\_\_, 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.

**“Public Utility Infrastructure”** 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 Laws 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.

“**Remainder Taxes**” is defined in the Financing Plan.

“**Replenishment**” is defined in Section 6.4(b).

“**Review Panel**” is defined in Section 1.4(d).

“**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).

“**Stonestown Affordable Housing In-Lieu Fees**” is defined in the Housing Plan attached as Exhibit B to the Development Agreement.

“**Subdivision Code**” means the San Francisco Subdivision Code and Subdivision Regulations.

“**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 of a Party.

“**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 Exhibit attached as Exhibit S to the Development Agreement.

“**Unpaid Portion**” is defined in Section 6.2.

“**Vested Payment Request**” is defined in Section 6.2.

“**Workforce Agreement**” means the Workforce Agreement attached as Exhibit J 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: \_\_\_\_\_

Date of Execution: \_\_\_\_\_, 20\_\_\_\_

Approved as to form:

DAVID CHIU,  
City Attorney

By: \_\_\_\_\_

Name: \_\_\_\_\_

Deputy City Attorney

Date of Execution: \_\_\_\_\_, 20\_\_\_\_

SAN FRANCISCO ENHANCED INFRASTRUCTURE FINANCING  
DISTRICT NO. 2 (STONESTOWN)

By: \_\_\_\_\_

Authorized Representative

Date of Execution: \_\_\_\_\_, 20\_\_\_\_

**DEVELOPER**

STONESTOWN SHOPPING CENTER, L.P.,  
a Delaware limited partnership

By: STONESTOWN SHOPPING CENTER L.L.C.,  
A Delaware limited liability company,  
its general partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_, 20\_\_\_\_

STONESTOWN ANCHOR ACQUISITION, LP,  
a Delaware limited partnership

By: STONESTOWN HOLDING, LLC.,  
a Delaware limited liability company  
its general partner

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_, 20\_\_\_\_

STONESTOWN NW PARCEL LLC  
A Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Date of Execution: \_\_\_\_\_, 20\_\_\_\_

## **EXHIBIT A**

### **Description of EIFD Improvements to be Financed for the Project**

Subject to any limitations in this Agreement and the IFP, the EIFD shall be authorized to finance all or a portion of the costs of the purchase, site preparation, construction, expansion, improvement, seismic retrofit or rehabilitation of the public capital facilities or other projects (whether publicly- or privately-owned) of communitywide significance that are (i) authorized by Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law"), and (ii) required or permitted by the Development Agreement, the Plan Documents or the Approvals (as defined in the Development Agreement), ("**EIFD Improvements**") including, but not limited to, the Actual Costs of those facilities and projects of communitywide significance described below and those costs described below.

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

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

Capitalized terms used herein but not defined herein have the meanings given them in the main body of this Agreement.

For the avoidance of doubt, whenever this Agreement refers to the EIFD financing fees it means that the EIFD funds in a corresponding amount will be applied to pay the actual costs of eligible EIFD Improvements and the Developer will be provided with a corresponding credit against their obligation to pay such fees. Section 6.4 provides more detail about the financing of fees.

The EIFD Improvements include, but are not limited to, the following:

1. Infrastructure, as defined in the Development Agreement, constructed or caused to be constructed by Developer, including but not limited to Private Utility Infrastructure and Public Utility Infrastructure, each as defined in the Development Agreement. For the avoidance of doubt, stand-alone parking structures and the relocated central utility plant do not constitute EIFD Improvements.

2. Public Improvements, as defined in the Development Agreement, constructed or caused to be constructed by Developer.
3. The Privately-Owned Community Improvements (excluding Project Open Spaces, which are not eligible to be financed by the EIFD), as defined in the Development Agreement, including streets, streetscapes, utilities, the Senior Center improvements and the Child Care Facilities, that were constructed or caused to be constructed by Developer.
4. 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. The EIFD shall require, by recorded covenants or restrictions, that housing units built with financial assistance from the EIFD shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units and that any in-lieu fees paid for off-site housing shall have similar covenants and restrictions.
5. Transportation Demand Management measures set forth in the Transportation Exhibit of the Development Agreement.
6. Subject to the provisions of this Agreement (including but limited to Section 6.4), Stonestown Affordable Housing In-Lieu Fees used to construct housing units in accordance with the IFP and the EIFD Law. The EIFD shall require, by recorded covenants or restrictions that housing units built with financial assistance from the EIFD shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units.
7. To the extent they are used to pay Actual Costs of EIFD Improvements, and subject to the provisions of this Agreement (including but not limited to Section 6.4), (a) the RNP Cash Contribution; (b) the Emergency Firefighting In Lieu Payment, (c) fees imposed by the City on the Stonestown Project after EIFD formation and (d) fees imposed by the City on the Stonestown Project prior to EIFD formation that are modified by the City after EIFD formation.
8. Child Care Facility as defined in Exhibit Q to the Development Agreement.
9. Senior Center as defined in Exhibit Q to the Development Agreement.

## **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 – Stonestown 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: \_\_\_\_\_

\_\_\_\_\_ (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. 2 (Stonestown), 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 (including, but not limited to, payment of prevailing wage) 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:

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

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:

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[ ] The following amount(s) to the following Third Party(ies) at the following address(es):

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10. Other relevant information about Payment Request: \_\_\_\_\_

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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. Retention (see Section 4.4(d) of the EIFD Acquisition and Financing Agreement): (\$ \_\_\_\_\_)
  - B. 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”)

\_\_\_\_\_ (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. 2 (Stonestown), 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 (including, but not limited to, payment of prevailing wage) 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:

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

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:

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[ ] The following amount(s) to the following Third Party(ies) at the following address(es):

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10. Other relevant information about Payment Request: \_\_\_\_\_

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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 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: \_\_\_\_\_

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\* Components of Inclusionary Units and 100% Affordable Housing Projects cannot be financed. This restriction does not apply to the financing of the Stonestown Affordable Housing In-Lieu Fees because they will not finance units constructed by the Developer.

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. Retention (see Section 5.4(b) of the EIFD Acquisition and Financing Agreement): (\$ \_\_\_\_\_)
  - B. 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. This restriction does not apply to the financing of the Stonestown Affordable Housing In-Lieu Fees because they will not finance units constructed by the Developer.

## **EXHIBIT E**

### **Contracting Provisions**

**Contracting for Public Improvements, Privately-Owned Utility Infrastructure and Private Streets.** In connection with construction of the EIFD 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 or lump sum 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; and (iv) release the City from any and all claims relating to the construction, including to mechanics liens and stop notices.

**Development Agreement Section 3.11 Workforce.** Developer shall require project sponsors, contractors, consultants, subcontractors, and sub-consultants, as applicable, to undertake workforce development activities of the Project in accordance with the Workforce Agreement attached as Exhibit J to the Development Agreement.

**Development Agreement Section 4.6 Prevailing Wages.** 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 (i) be 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) be 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. 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.

## **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.

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# **SAN FRANCISCO ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 2 (STONESTOWN)**

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## **Infrastructure Financing Plan**

**Draft dated  
January 8, 2026**

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Exhibit A - Legal Description

Exhibit B - Site Map

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## 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. 2 (Stonestown) ("EIFD"), under Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code ("EIFD Law").

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

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**Table 1. Project Areas at Formation.**

		Land Allocation <sup>1</sup>	Improvements Allocation <sup>2</sup>		Land + Imp
Project Area at Formation & APNs	Project Area After Subdivision	APN at Formation (Land Allocation)	APN at Formation (Improvement Allocation)	Unsecured AV	FY 2025-26 Land + Imp + Unsecured AV
Project Area A	Project Area 1	7295-006, 7295-007, 7295-035, 7295-037 (est 19.7%), 7295-038 (est 0.1%)	7295-035	\$0	\$37,556,758
	Project Area 2	7295-037 (est 37.5%), 7295-038 (est 10.6%)	7295-038 (est 0.4%)	\$27,041	\$10,271,467
	Project Area 3	7295-037 (est 21.9%), 7295-038 (est 16.7%)	7295-038 (est 0.4%)	\$0	\$15,819,986
	Project Area 4	7295-038 (est 5.8%), Vacated Winston Drive Public R/W	7295-038 (est 0.8%)	\$0	\$6,963,116
	Project Area 5	7295-038 (est 22.5%), 7295-037 (est 19.9%)	7295-038 (est 15.2%)	\$1,985,684	\$54,379,952
	Project Area 6	Vacated Monte Vista Drive, 7295-004 (est 0.4%), 7295-038 (est 23.0%)	Vacated Monte Vista Drive, 7295-038 (est 2.9%)	\$2,923,394	\$29,740,136
Total Project Area A		\$104,091,653	\$45,703,643	\$4,936,119	\$154,731,415
Project Area B	Project Area 7	7296-005 (est 36.1%)	N/A	\$0	\$8,466,750
	Project Area 8	7296-005 (est 34.2%), 7296-008 (est 63.0%)	N/A	\$0	\$8,462,170
	Project Area 9	7296-006 (est 4.3%), 7296-007 (est 84.8%), 7296-008 (est 25.6%)	7296-007 (100%)	\$0	\$19,423,331
Total Project Area B		\$24,527,755	\$11,824,496	\$0	\$36,352,251
Total EIFD		\$126,097,464	\$56,400,139	\$4,936,119	\$191,083,666

**Footnotes:**

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

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, "Facilities") in connection with a mixed-use development (as described

below) that may include residential, retail, commercial, open space, parking and related uses within the boundaries of the EIFD (“Project”).

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

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

- (a) A legal description and map of the EIFD and each current Project Area which includes all of the territory designated by the Board of Supervisors of the City and County of San Francisco (“City”) in its Resolution No. 399-24, adopted on July 16, 2024, and approved by the Mayor on July 26, 2024 (“Resolution of Intention”). See Section A below.
- (b) A description of the public facilities and other forms of development or financial assistance that are proposed in the area of the EIFD, including those to be provided by the private sector, those to be provided by governmental entities without assistance under the EIFD Law, those public improvements and other facilities (whether publicly- or privately-owned) to be financed with assistance from the EIFD, and those to be provided jointly. The description includes the proposed location, timing, and costs of the development and financial assistance. See Section B below.
- (c) A finding that the development and financial assistance are of communitywide significance and provide significant benefits to an area larger than the area of the EIFD. See Section C below.
- (d) A financing section, which contains all of the following information (see Section D below):
  - (i) A specification of the maximum portion of the incremental tax revenue of the City proposed to be committed to the EIFD for each year during which the EIFD will receive incremental tax revenue.
  - (ii) A projection of the amount of tax revenues expected to be received by the EIFD in each year during which the EIFD will receive tax revenues.
  - (iii) A plan for financing the public facilities and other projects (whether publicly- or privately-owned) to be assisted by the EIFD, including a detailed description of any intention to incur debt.
  - (iv) A limit on the total number of dollars of taxes that may be allocated to the EIFD pursuant to this IFP.
  - (v) A date on which the EIFD will cease to be in effect and all tax allocations to the EIFD will end and a date on which the EIFD’s authority to repay indebtedness with incremental tax revenues received under the EIFD Law will end. Because the EIFD will include Project Areas, there is a separate and unique time limit for each Project Area that does not exceed 45 years from the end of the first

fiscal year in which the applicable Project Area has actually received one hundred thousand dollars (\$100,000) in annual Allocated Tax Revenue (as defined in this IFP) under the EIFD Law.

- (vi) An analysis of the costs to the City of providing facilities and services to the area of the EIFD while the area is being developed and after the area is developed. The plan includes an analysis of the tax, fee, charge, and other revenues expected to be received by the City as a result of expected development in the area of the EIFD.
- (vii) An analysis of the projected fiscal impact of the EIFD and the associated development upon the City.
- (viii) The goals the EIFD proposes to achieve for each project financed as described in this IFP.

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

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

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

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

## **A. LEGAL DESCRIPTION AND MAP**

1. ***General Description of Property in the EIFD.*** Stonestown NW Parcel LLC, a Delaware limited liability company ("NW Parcel Owner"), Stonestown Shopping Center, L.P., a Delaware limited partnership ("Shopping Owner"), and Stonestown Anchor Acquisition, L.P., a Delaware limited partnership ("Anchor Owner"; together with NW Parcel Owner and Shopping Owner, "Developer") own the approximately 30 acres of developed land located in the southwest part of the City, generally bounded by 19th Avenue to the east, Buckingham Way to the south and west, and Rolph Nicol Jr. Playground and Eucalyptus Drive to the north ("Developer Property").

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

Temple Baptist Church or its successor owns approximately 0.8 acres of land located adjacent to 19th Avenue along the eastern boundary of the Developer Property (Block/Lot 7295/002) that is improved with a church building, as further described on Exhibit A-2 to the Development Agreement ("Variant Sub-Area").

The City owns the approximately three-acre open space known as Rolph Nicol Jr. Playground adjacent to the Developer Property ("RPD Parcel").

The City also owns approximately 0.2 acres of developed and undeveloped public rights-of-way, consisting of portions of Winston Drive and Monte Vista Drive ("Existing City-Owned Rights-of-Way"; and together with portions of the RPD Parcel, the Developer Property, and the Variant Sub-Area, "Project Site").

The Shopping Owner and Anchor Owner also own the existing Stonestown Galleria, which is not a part of the Project Site but is included as part of the development agreement relating to the Project Site ("Development Agreement," as described below) for the limited purposes specified in the Development Agreement.

The Project Site has been approved for a mixed use development ("Project"). The Project, as described in the Stonestown Development Project Final Environmental Impact Report ("FEIR") prepared for the Project and certified by the Planning Commission on May 9, 2024, pursuant to Motion No. 21559 (Case No. 2021-012028ENV), is anticipated to include up to approximately 3.9 million square feet of new construction, and may include (i) up to approximately 3,341 residential units (or approximately 3,491 residential units with the addition of the Variant Sub-Area), consisting of a mix of rental and for-sale housing of varying affordability in a variety of housing types from townhomes to mid- and high-rise buildings, (ii) approximately 160,000 square feet of net new Retail Sales and Service Use (i.e. retail/restaurant/commercial or similar use), (iii) approximately 96,000 net new square feet of Non-Retail Sales and Service Use (e.g., general office, life science, or similar uses), (iv) up to 53,000 net new square feet of cultural, institutional, and educational uses (up to 63,000 net new square feet of such uses with the addition of the Variant Sub-Area), and (v) approximately 6 net new acres of privately-owned, public open space, which exceeds the amount prescribed by open space requirements under the San Francisco Planning Code. The Project also includes up to 4,450 parking spaces (or up to 4,861 parking spaces with the addition of the Variant Sub-Area).

The Project Site is referred to herein 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 two 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 the initial Project Area A (shown as area A on the boundary map) and Project Area B (shown as areas B-1 and B-2 on the boundary map), (3) following one or more subdivisions of the legal parcels constituting Project Area A, Project Areas 1-6 will be created and replace Project Area A, and (4) following one or more subdivisions of the legal parcels constituting Project Area B, Project Areas 7-9 will be created and replace Project Area B.

The creation of each new Project Area and the corresponding replacement of all or a part of the initial Project Areas shall occur automatically upon (1) subdivision of the legal parcels constituting one of the initial Project Areas that creates the new Project Area(s) and (2) the assignment of tax rate areas to such new Project Area(s) 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 (shown as areas B-1 and B-2 on the boundary map) as described in the previous paragraph, the Executive Director of the EIFD will replace then-existing maps and legal descriptions in this IFP with updated maps and legal descriptions for the Project Areas created at that time, as appropriate, add a notation in the Index of Adoption and Amendments, then deliver the updated IFP to the Secretary of the PFA. To establish a public record of the creation and ultimate replacement of Project Areas, (1) the PFA shall acknowledge receipt of the updated IFP at its next public meeting, (2) the Executive Director shall cause the updated IFP that reflects the new Project Areas to be filed with the San Francisco Assessor, (3) the Executive Director of the PFA shall post the updated IFP on the EIFD's website, and (4) the Executive Director shall send the updated IFP to the Clerk of the Board of Supervisors with a cover letter that explains the changes that were made and asks the Clerk to file the updated IFP in the legislative file for the Board of Supervisors resolution that approved the original IFP.

The following Table 2 summarizes the 9 Project Areas following subdivision of Project Area A and Project Area B:

**Table 2. Project Areas After Subdivision**

Project Area	Acres	FY 2025-2026 Assessed Value	Estimated Date of Project Area Formation
1	7.01	\$37,556,758	2027
2	3.14	\$10,271,467	2029
3	4.122	\$15,819,986	2033
4	1.352	\$6,963,116	2036
5	5.346	\$54,379,952	2039
6	5.149	\$29,740,136	2042
7	1.621	\$8,466,750	2042
8	1.928	\$8,462,170	2046
9	1.544	\$19,423,331	2048
<b>Total EIFD</b>	<b>31.212</b>	<b>\$191,083,666</b>	

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

that were made and asks the Clerk to file the amended IFP in the legislative file for the Board of Supervisors resolution that approved the original IFP.

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

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

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

## **B. DESCRIPTION OF FACILITIES AND DEVELOPMENT OR FINANCIAL ASSISTANCE**

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

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

*Description of the Project.* The proposed Project is summarized in Table 3 below.

**Table 3. Anticipated Development Program – San Francisco EIFD No. 2 (Stonestown)**

	Building Area (Square Feet)	Units or Spaces	Anticipated Construction Period
<b>Commercial Uses</b>			
Office	96,000	-	2040-2049
Retail	160,000	-	2040-2049
<b>Commercial Subtotal</b>	<b>256,000</b>	-	-
<b>Parking</b>	<b>Varies</b>	<b>4,611</b>	<b>2028-2051</b>
<b>Community, Institutional, and Education</b>	<b>63,000</b>		<b>2040-2049</b>
<b>Total, Non-Residential</b>	<b>319,000</b>		
<b>Residential Uses</b>			
Market-Rate For Sale		22	2028-2030
Market-Rate Rental		3,119	2028-2051
Affordable Rental, Inclusionary Units <sup>1</sup>		350	2028-2051
Affordable Rental, Stand-Alone Units		0	N/A
<b>Residential Subtotal</b>		<b>3,491</b>	

<sup>1</sup> It is assumed that the inclusionary units are built proportionate to the market rate units in each Project Area.

Table 4 below summarizes the proposed 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. 2 (after Subdivision of Project Area A and Project Area B)**

Project Area	Commercial			Total Residential				Parking Spaces	Community Institutional & Education	Anticipated Construction Period
	Office SF	Retail SF	Total SF	Mkt. Rate Thms.	Mkt. Rental	100% AMI Inclusnry <sup>1</sup>	Total Units			
1	0	3,800	3,800	22	464	53	539	355	3,500	2028-2030
2	0	19,000	19,000	0	144	16	160	880	6,000	2030-2033
3	0	12,868	12,868	0	293	33	326	339	0	2034-2036
4	0	11,949	11,949	0	274	31	305	278	0	2037-2039
5	24,000	18,383	42,383	0	507	56	563	755	15,500	2040-2042
6	0	17,000	17,000	0	343	38	381	378	20,000	2043-2046
7	47,000	41,000	88,000	0	250	28	278	507	18,000	2043-2046
8	25,000	36,000	61,000	0	561	63	623	730	0	2047-2049
9	0	0	0	0	283	32	315	389	0	2049-2051
<b>Total</b>	<b>96,000</b>	<b>160,000</b>	<b>256,000</b>	<b>22</b>	<b>3,119</b>	<b>350</b>	<b>3,491</b>	<b>4,611</b>	<b>63,000</b>	<b>2028-2051</b>

<sup>1</sup> It is assumed that the inclusionary units are built proportionate to the market rate units in each Project Area.

**THE TYPE OF DEVELOPMENT AND THE NUMBER OF RESIDENTIAL UNITS AND SQUARE FOOTAGE OF RETAIL/COMMERCIAL SPACE SET FORTH IN TABLES 3 AND 4 ARE BASED ON CURRENT PROJECTIONS PROVIDED BY THE 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 PROJECT, AND ANY CHANGE IN THE NATURE OF THE PROJECT WILL NOT REQUIRE AN AMENDMENT OF THIS IFP.**

*Development Agreement and Financing Plan.* The City, acting by and through its Planning Department, and the Developer entered into a Development Agreement dated as of May 6, 2025, and recorded in the Official Records on July 7, 2025, as Document No. 2025049884 (as it may be further amended from time to time, "Development Agreement").

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

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

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

*Total Cost of the Project and Related Improvements.* The Developer estimates that the total cost of the Project will be approximately \$3,600,000,000 (2025 dollars), of which nearly \$3,200,000,000 (2025 dollars) is estimated to be attributable to development of the private elements of the Project not being financed by the EIFD (“Privately-Financed Elements”). The Privately-Financed Elements will be paid, or caused to be paid, by the Developer without assistance from the EIFD. The following elements of the Project constitute Facilities that are eligible for financing by the EIFD:

- Acquisition Facilities, which are expected to cost approximately \$23 million (2025 dollars)
- Privately-Owned Facilities, including:
  - Privately-Owned Community Improvements (see Exhibit C) that will be open to the public, which are expected to cost approximately \$248 million (2025 dollars)
  - Privately-owned affordable housing units, which are expected to cost approximately \$167 million (2025 dollars)

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

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

All affordable housing financed by the EIFD, whether on-site or off-site, will be restricted by recorded covenants or restrictions to occupancy at affordable housing costs by persons of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the California Health

and Safety Code, for rent or purchase, for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units.

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

To the extent they are not financed by the EIFD (or through other forms of public finance, including the CFD that may be formed by the City to provide financing for the Facilities), the costs of the Facilities will be borne by the 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 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, on-site or off-site or through payment of in-lieu fees in accordance with the EIFD Acquisition and Financing Agreement. The affordable housing that is financed by the EIFD may be built within or outside the EIFD boundaries. For the avoidance of doubt, whenever the IFP refers to the EIFD financing fees it means that the EIFD funds will be applied to pay the actual costs of the eligible Facilities and the Developers will be provided with a corresponding credit against their obligation to pay such fees. The EIFD Acquisition and Financing Agreement will establish a process by which the Developer may deposit funds with the City in satisfaction of an obligation to pay a fee, but the Developer funds will be deemed a Deposit (as defined in the EIFD Acquisition and Financing Agreement) that may be returned to the Developer when EIFD funds are available.

**4. *Facilities and Other Projects Costs to be Financed by the EIFD.*** The EIFD is projected to use Allocated Tax Revenue (as defined in Section D below) to finance on a pay-go basis and issue Bonds or other debt that is payable from Allocated Tax Revenue to finance approximately \$438 million (estimated in 2025 dollars) in Actual Costs of Facilities, including public capital facilities (estimated to be approximately \$23 million in 2025 dollars), Privately-Owned Community Improvements (see Exhibit C) (estimated to be approximately \$248 million in 2025 dollars), and privately-owned affordable housing costs (estimated to be approximately \$167 million in 2025 dollars).

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

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

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

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

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

In accordance with City policy, the EIFD may only finance infrastructure projects that have an identified source of funding for ongoing maintenance and operations. City policy provides that this commitment could be in the form of a General Fund appropriation or through public-private financing mechanisms, such as a property owner association or a community benefit district agreeing to maintain a public park, or through formation of a supplemental property tax assessment district, like a CFD. In satisfaction of this policy, the Developer agreed in the Development Agreement Financing Plan to establish a CFD to authorize Contingent Services Special Taxes that may be levied only upon satisfaction of certain conditions to finance the costs of the maintenance, repair, and replacement of the privately-maintained portions of the Project Street Network or other Infrastructure (not including any Project Open Spaces) located within the Project from the Contingent Services Special Taxes. The EIFD will not provide financing for the Project Open Spaces. Before it provides financing for Facilities that constitute infrastructure projects that are subject to the policy, the EIFD will confirm that the Developer has established the CFD that authorizes the Contingent Services Special Taxes pursuant to the Development Agreement Financing Plan. Capitalized terms used in this paragraph have the meanings given them in the Development Agreement Financing Plan.

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

**6. Administrative Costs to be Financed by the EIFD.** The EIFD may finance any other expenses incidental to the formation, administration (including preparation of annual reports and audits required by the EIFD Law and communicating with landowners and residents) and implementation of the EIFD and to the construction, completion, inspection, and acquisition of the Facilities, including, but not limited to, the costs of creation and administration of the EIFD; costs of issuance of Bonds (including costs incurred by counsel to the Developer) or other debt of

the EIFD or of any other public agency (including a community facilities district) that finances authorized Facilities, and payment of debt service thereon; costs incurred by the City or the EIFD in connection with the division of taxes pursuant to Government Code section 53398.75; and legal costs. See Section D below.

The City will pay to the EIFD, be deemed to have paid to the EIFD, or advance to third parties on behalf of the EIFD such amounts as the City deems necessary for the EIFD's administrative expenses and overhead. The funds paid by the City to the EIFD, deemed to have been paid to the EIFD or advanced to third parties (including the Developer) 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 Project, which the City has determined will provide clear benefits to the public and neighboring communities, including: (i) conversion of parking lots to housing, including affordable housing; (ii) construction and maintenance of new pedestrian pathways, and landscape areas for a total of approximately six (6) acres of publicly accessible open areas, (iii) transportation demand management measures that exceed the level otherwise required; (iv) street and infrastructure improvements, including enhancement of existing public rights-of-way; (v) workforce obligations; (vi) on-site child care facilities; (vii) a replacement on-site senior center; and (viii) improvements to Ralph Nicol Jr. Playground, 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) That portion of the levied taxes each year specified in the adopted infrastructure financing plan for the city or county and each affected taxing entity that has agreed to participate pursuant to Section 53398.68 in excess of the amount specified in paragraph (1) shall be allocated to, and when collected shall be paid into a special fund of, the EIFD for all lawful purposes of the EIFD. Unless and until the total assessed valuation of the taxable property in the EIFD exceeds the total assessed value of the taxable property in the EIFD as shown by the last equalized assessment roll referred to in paragraph (1), all of the taxes levied and collected upon the taxable property in the EIFD shall be paid to the respective affected taxing entities. When the EIFD ceases to exist pursuant to the adopted infrastructure financing plan, all moneys thereafter received from taxes upon the taxable property in the district shall be paid to the respective affected taxing entities as taxes on all other property are paid.

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

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

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

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

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

(3) When the 45-year period expires for a Project Area (which is referred to as the Project Area's Termination Date as defined herein), (a) all tax allocations to the EIFD from the expired Project Area shall end, (b) the IFP will cease to be in effect with respect to such expired Project Area, and (c) when calculating the Allocated Tax Revenue and the Conditional Tax Revenue, the amount of taxes described in paragraph (1) above shall no longer include the taxes generated in the expired Project Area.

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

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

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

*"Allocated Tax Revenue"* means 58.252419% of the City Share of Increment.<sup>1</sup>

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<sup>1</sup> For the benefit of eligible development projects, like the 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

*“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 9 Project Areas is fiscal year 2025-26. Upon subdivision of the parcels constituting Project Area A and the creation of new Project Areas as described in Section A.4, the Base Year assessed value for Project Area A will be allocated to each of newly-created Project Areas 1, 2, 3, 4, 5, and 6 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 7, 8, and 9 as shown in Table 2.

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

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

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

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

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

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

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

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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.

(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>
<b>City Portion</b>			
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%
<b>Other Taxing Agencies</b>			
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%
<b>Total, All Taxing Agencies</b>	<b>100.000000%</b>	<b>37.624193%</b>	<b>26.964013%</b>

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

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

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

finance the Actual Costs of Facilities and other authorized costs. The annual allocation of Conditional Tax Revenue to the EIFD by the City shall be subject to this condition, and in no event may future allocations of tax revenues be accelerated.

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

Determined separately for each Project Area:

(i) the Commencement Date for Project Areas 1, 2, 3, 4, 5, or 6 shall be the first day of the fiscal year in which both of the following have occurred with respect to the applicable Project Area: (A) a portion of Project Area A has been subdivided and, as applicable, Project Area 1, 2, 3, 4, 5, or 6 has been established pursuant to Section A.4 of this IFP, and (B) the applicable Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year, and

(ii) the Commencement Date for Project Areas 7, 8, or 9 shall be the first day of the fiscal year in which both of the following have occurred with respect to the applicable Project Area: (A) a portion of Project Area B has been subdivided and, as applicable, Project Area 7, 8, or 9 has been established pursuant to Section A.4 of this IFP, and (B) the applicable Project Area produces at least \$100,000 of Allocated Tax Revenue in such fiscal year.

It is understood that Project Areas 1, 2, 3, 4, 5, and 6 may be created at different times as Project Area A is subdivided from time to time; likewise, Project Areas 7, 8, and 9 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, "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. 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 written confirmation by the Director of the Controller's Office of Public Finance 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 and used for any lawful purpose.

7. *Requirements of the EIFD Law.*

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

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

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

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

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

The Allocated Tax Revenue is projected to total approximately \$1.562 billion across all Project Areas over the 45-year term of each Project Area.

The Conditional Tax Revenue is projected to total approximately \$1.120 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. (Dollars in \$000)

	Fiscal Year	Estimated Incremental Assessed Value	Gross Tax Increment (1% Incremental Assessed Value) <sup>1</sup>	City Share of Increment (64,588,206%) <sup>1</sup>	Allocated Tax Revenue to EIFD (\$8,252,419% of City Share of Increment, Conditioned on Project Area Allocation Exceeding \$100,000 <sup>2</sup> )	Admin. Fee Estimate = \$150,000 per year, inflated	Allocated Tax Revenue Minus Admin. Fee(s)	Conditional Tax Revenue Available for Bond Debt Service, if Necessary (41.747581% of City Share of Increment) <sup>2</sup> (\$000)
	2024/25	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bs Yr	2025/26	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2026/27	\$3,822	\$38	\$25	\$0	\$0	\$0	\$0
	2027/28	\$7,720	\$77	\$50	\$0	\$0	\$0	\$0
	2028/29	\$11,696	\$117	\$76	\$0	\$0	\$0	\$0
	2029/30	\$15,751	\$158	\$102	\$0	\$0	\$0	\$0
	2030/31	\$19,888	\$199	\$128	\$0	\$0	\$0	\$0
1st Cmt.	2030/31	\$581,549	\$5,5815	\$3,756	\$2,115	\$179	\$1,936	\$1,516
2	2032/33	\$597,346	\$5,973	\$3,858	\$2,162	\$184	\$1,977	\$1,549
3	2033/34	\$629,272	\$6,293	\$4,064	\$2,209	\$190	\$2,019	\$1,583
4	2034/35	\$840,939	\$8,409	\$5,431	\$3,059	\$196	\$2,863	\$2,192
5	2035/36	\$862,057	\$8,621	\$5,568	\$3,125	\$202	\$2,924	\$2,240
6	2036/37	\$883,608	\$8,836	\$5,707	\$3,193	\$208	\$2,986	\$2,289
7	2037/38	\$1,312,507	\$13,125	\$8,477	\$4,810	\$214	\$4,596	\$3,447
8	2038/39	\$1,343,300	\$13,433	\$8,676	\$4,913	\$220	\$4,693	\$3,521
9	2039/40	\$1,374,724	\$13,747	\$8,879	\$5,019	\$227	\$4,792	\$3,597
10	2040/41	\$1,831,662	\$18,317	\$11,830	\$6,735	\$234	\$6,501	\$4,827
11	2041/42	\$1,873,101	\$18,731	\$12,098	\$6,878	\$241	\$6,638	\$4,930
12	2042/43	\$1,915,389	\$19,154	\$12,371	\$7,025	\$248	\$6,777	\$5,035
13	2043/44	\$2,809,306	\$28,093	\$18,145	\$10,463	\$255	\$10,208	\$7,499
14	2044/45	\$2,870,824	\$28,708	\$18,542	\$10,688	\$263	\$10,425	\$7,659
15	2045/46	\$2,933,603	\$29,336	\$18,948	\$10,917	\$271	\$10,646	\$7,824
16	2046/47	\$2,997,670	\$29,977	\$19,361	\$11,150	\$279	\$10,871	\$7,991
17	2047/48	\$4,344,885	\$43,449	\$28,063	\$16,290	\$287	\$16,003	\$11,675
18	2048/49	\$4,437,913	\$44,379	\$28,664	\$16,637	\$296	\$16,341	\$11,923
19	2049/50	\$4,532,849	\$45,328	\$29,277	\$16,991	\$305	\$16,686	\$12,177
20	2050/51	\$5,873,597	\$58,736	\$37,937	\$22,052	\$314	\$21,738	\$15,804
21	2051/52	\$5,997,974	\$59,980	\$38,740	\$22,518	\$323	\$22,194	\$16,138
22	2052/53	\$6,701,304	\$67,013	\$43,283	\$25,213	\$333	\$24,880	\$18,069
23	2053/54	\$6,842,667	\$68,427	\$44,196	\$25,745	\$343	\$25,402	\$18,451
24	2054/55	\$6,986,930	\$69,869	\$45,127	\$26,288	\$353	\$25,934	\$18,840
25	2055/56	\$7,134,151	\$71,342	\$46,078	\$26,842	\$364	\$26,478	\$19,237
26	2056/57	\$7,284,392	\$72,844	\$47,049	\$27,407	\$375	\$27,032	\$19,642
27	2057/58	\$7,437,715	\$74,377	\$48,039	\$27,984	\$386	\$27,598	\$20,055
28	2058/59	\$7,594,182	\$75,942	\$49,049	\$28,572	\$398	\$28,175	\$20,477
29	2059/60	\$7,753,859	\$77,539	\$50,081	\$29,173	\$410	\$28,763	\$20,908
30	2060/61	\$7,916,810	\$79,168	\$51,133	\$29,786	\$422	\$29,364	\$21,347
31	2061/62	\$8,083,104	\$80,831	\$52,207	\$30,412	\$435	\$29,977	\$21,795
32	2062/63	\$8,252,809	\$82,528	\$53,303	\$31,051	\$448	\$30,603	\$22,253
33	2063/64	\$8,425,994	\$84,260	\$54,422	\$31,702	\$461	\$31,241	\$22,720
34	2064/65	\$8,602,731	\$86,027	\$55,563	\$32,367	\$475	\$31,892	\$23,196
35	2065/66	\$8,783,094	\$87,831	\$56,728	\$33,046	\$489	\$32,556	\$23,683
36	2066/67	\$8,967,156	\$89,672	\$57,917	\$33,738	\$504	\$33,234	\$24,179
37	2067/68	\$9,154,993	\$91,550	\$59,130	\$34,445	\$519	\$33,926	\$24,686
38	2068/69	\$9,346,683	\$93,467	\$60,369	\$35,166	\$535	\$34,631	\$25,202
39	2069/70	\$9,542,304	\$95,423	\$61,632	\$35,902	\$551	\$35,351	\$25,730
40	2070/71	\$9,741,938	\$97,419	\$62,921	\$36,653	\$567	\$36,086	\$26,268
41	2071/72	\$9,945,666	\$99,457	\$64,237	\$37,420	\$584	\$36,836	\$26,818
42	2072/73	\$10,153,573	\$101,536	\$65,580	\$38,202	\$602	\$37,600	\$27,378
43	2073/74	\$10,365,744	\$103,657	\$66,950	\$39,000	\$620	\$38,380	\$27,950
44	2074/75	\$10,582,267	\$105,823	\$68,349	\$39,815	\$638	\$39,176	\$28,534
45	2075/76	\$10,803,231	\$108,032	\$69,776	\$40,646	\$658	\$39,989	\$29,130
46	2076/77	\$11,028,727	\$110,287	\$71,233	\$35,994	\$677	\$35,316	\$25,796
47	2077/78	\$11,258,849	\$112,588	\$72,719	\$36,743	\$698	\$36,046	\$26,333
48	2078/79	\$11,493,690	\$114,937	\$74,236	\$37,509	\$719	\$36,790	\$26,881
49	2079/80	\$11,733,348	\$117,333	\$75,784	\$36,234	\$740	\$35,494	\$25,968
50	2080/81	\$11,977,921	\$119,779	\$77,363	\$36,988	\$762	\$36,226	\$26,508
51	2081/82	\$12,227,511	\$122,275	\$78,975	\$37,757	\$785	\$36,972	\$27,059
52	2082/83	\$12,482,220	\$124,822	\$80,620	\$34,598	\$809	\$33,789	\$24,795
53	2083/84	\$12,742,154	\$127,422	\$82,299	\$35,317	\$833	\$34,484	\$25,311
54	2084/85	\$13,007,419	\$130,074	\$84,013	\$36,051	\$858	\$35,193	\$25,837
55	2085/86	\$13,278,125	\$132,781	\$85,761	\$32,754	\$884	\$31,871	\$23,474
56	2086/87	\$13,554,383	\$135,544	\$87,545	\$33,435	\$910	\$32,525	\$23,962
57	2087/88	\$13,836,307	\$138,363	\$89,366	\$34,130	\$938	\$33,192	\$24,460
58	2088/89	\$14,124,014	\$141,240	\$91,224	\$26,338	\$966	\$25,372	\$18,875
59	2089/90	\$14,417,622	\$144,176	\$93,121	\$26,883	\$995	\$25,888	\$19,266
60	2090/91	\$14,717,252	\$147,173	\$95,056	\$27,439	\$1,024	\$26,415	\$19,665
61	2091/92	\$15,023,028	\$150,230	\$97,031	\$28,007	\$1,055	\$26,951	\$20,071
62	2092/93	\$15,335,075	\$153,351	\$99,047	\$16,156	\$1,087	\$15,069	\$11,579
63	2093/94	\$15,653,523	\$156,535	\$101,103	\$16,490	\$1,119	\$15,370	\$11,818
64	2094/95	\$15,978,503	\$159,785	\$103,202	\$16,830	\$1,153	\$15,677	\$12,061
65	2095/96	\$16,310,148	\$163,101	\$105,344	\$5,415	\$1,188	\$4,228	\$3,881
66	2096/97	\$16,648,596	\$166,486	\$107,530	\$5,528	\$1,223	\$4,304	\$3,962
<b>Cumulative Total Over EIFD Term</b>		<b>\$5,441,347</b>	<b>\$3,514,468</b>		<b>\$1,562,121</b>		<b>\$36,030</b>	<b>\$1,526,091</b>
								<b>\$119,520</b>

<sup>1</sup>Represents aggregate Gross Tax Increment and City Share of Increment figures without consideration for the Commencement Date of each Project Area.<sup>2</sup> 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.

(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 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 CFD bonds and other CFD debt issued by the City, if any;
- proceeds of special taxes levied by the City on the taxable property in a CFD, if any;
- with regard to affordable housing, federal tax credits, qualified private activity bonds, voter-approved general obligation bonds, affordable housing and jobs/housing impact fees, and other local, state and federal affordable housing resources; and
- other capital sources, including commercial construction loans, grants, and loans from governmental agencies, among others.

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

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

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

The EIFD must conclude (after consultation with the Controller's Office of Public Finance) that the Bonds will have a debt service coverage ratio and 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 Bonds (as defined in Section A.5) are issued by the EIFD (or the CFD if the CFD Bonds are secured by Allocated Tax Revenue), the EIFD shall comply with the provisions of the EIFD Acquisition and Financing Agreement, including consulting with the City's Office of Public Finance as to the timing, parameters, and terms of any Bonds.

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

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

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

- (A) to pay EIFD administrative costs;
- (B) to pay debt service on Bonds or other debt and to replenish any reserve funds associated with Bonds;
- (C) to repay the City for any expenditures of Conditional Tax Revenue actually spent on debt service on Bonds or to replenish any reserve funds for the Bonds; and
- (D) to accumulate over time and, from time to time at the Developer's request, to pay directly or reimburse the Developer for the Actual Costs of Facilities.

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

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

(i) *Allocated Tax Revenue.* After providing an allowance for variations in future inflation, it has been determined that the total nominal dollar amount of Allocated Tax Revenue to be allocated to the EIFD from the Project Areas over the life of the EIFD shall not exceed \$3.124 billion, which reflects a contingency factor of approximately 100% over the projections presented in Table 8 and Exhibit D to account for potential changes in the escalation rates of assessed values and the Actual Costs of the Facilities.

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

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

(ii) *Conditional Tax Revenue.* After providing an allowance for variations in future inflation, it has been determined that the total nominal dollar amount of Conditional Tax Revenue to be conditionally allocated to the EIFD from the Project Areas over the life of the EIFD shall not exceed \$2.239 billion, which reflects a contingency factor of approximately 100% over the projections presented in Table 8 and Exhibit D to account for potential changes in the escalation rates of assessed values and the Actual Costs of the Facilities.

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

(e) **Termination Date**

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

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

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

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

(g) **Fiscal Impact Analysis**

Exhibit E of the IFP provides a summary of the estimated impact of the EIFD and the 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 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 EIFD Acquisition and Financing Agreement, as they may be amended from time to time, are incorporated in this IFP as if fully set forth herein, and any such amendments of the Development Agreement, the Development Agreement Financing Plan and the EIFD Acquisition and Financing Agreement shall not require an amendment of this IFP. Nothing in this IFP shall prevent any amendment to the Development Agreement, the Development Agreement Financing Plan and the EIFD Acquisition and Financing Agreement.

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

Subject to approval by the Board of Supervisors at the time of such annexation, the City and the PFA will, at the written request of the Developer, authorize the amendment of the EIFD to annex in additional property that is (i) owned by, or under the control of, the Developer or its Affiliates, (ii) subject to the Development Agreement and (iii) located in the near vicinity of the EIFD. For purposes of clarity, the Brave Church Property is considered in the near vicinity of the EIFD.

### **5. *Approval by the City and the Developer.***

Other than amendments described in 1-5, 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 EIFD Acquisition and Financing Agreement, and an Event of Default (as defined in the EIFD 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 obtain injunctive relief or compel specific performance of the IFP and the EIFD 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 EIFD Acquisition and Financing Agreement. The EIFD acknowledges and agrees that a failure of the EIFD to timely perform any duty, obligation, or covenant under the IFP, including the application of the Allocated Tax Revenue and Conditional Tax Revenue in accordance with the IFP and the application of such Allocated Tax Revenue to fund the Facilities in accordance with the EIFD Acquisition and Financing Agreement, will cause irreparable harm to the 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 EIFD Acquisition and Financing Agreement.

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

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

**Exhibit A - Legal Description**

PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO  
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 2  
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA NO. A

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

Being all of Parcel Six, as said Parcel Six is described in the two grant deeds recorded on August 14, 2004, on Document Numbers 2004-H787757 and 2004-H787758 of Official Records, in the Office of the Recorder of the City and County of San Francisco, a portion of that certain parcel of land described in that certain deed recorded December 12, 2016, in Document Number 2016-K369952 of Official Records, in said Office of the County Recorder of the City and County of San Francisco, all of Parcel A, portion of Parcel C and Parcel D, as said Parcels are shown and so designated Parcel Map No. 8099, recorded September 24, 2014, in Book 49 of Parcel Maps, at Page 12, in said Office of the Recorder of the City and County of San Francisco, a portion of Winston Drive (width varies) as said Winston Drive is shown and so designated on the Map Showing the Opening of Winston Drive and Buckingham Way, recorded August 29, 1951, in Book R of Maps at Page 23, in said Office of the Recorder of the City and County of San Francisco, and a portion of Monte Vista Drive (60 feet wide), as said Monte Vista Drive is shown on the Map of Merced Gardens, recorded November 7, 1941, in Book O of Maps at Page 55, in said Office of the Recorder of the City and County of San Francisco, more particularly described as follows:

Beginning at a point on the eastern line of said Parcel D, said point being the northern terminus of that certain course shown as "South 02°37'05" East 175.00 feet" on sheet 3 of 4 of said Parcel Map (49 pm 12);

Thence, from said Point of Beginning, along said eastern line of Parcel D, the following two (2) courses:

- 1) South 02°27'29" West (the bearing of said eastern line being taken as South 02°27'29" West for the purpose of making this description, as shown on Record of Survey 10213, recorded April 29, 2020, in Book II of Maps, at Page 125, in said Office of the City and County of San Francisco) 175.00 feet, and
- 2) Along the arc of a tangent 50.00 foot radius curve to the right, through a central angle of 73°59'17", an arc distance of 64.57 feet;

Thence, leaving said eastern line, North 73°38'34" West 69.87 feet;

Thence, along the arc of a tangent 26.50 foot radius curve to the left, through a central angle of 13°53'57", an arc distance of 6.43 feet;

Thence, North 87°32'31" West 63.88 feet;

Thence, North 02°27'29" East 7.50 feet;

Thence, North 86°06'29" West 22.56 feet;

Thence, South 84°20'08" West 83.05 feet;

Thence, South 05°24'28" East 26.08 feet to a point on the southern line of said Parcel D;

Thence, along said southern line, North 87°32'31" West 117.61 feet;

Thence, leaving said southern line, North 02°37'27" East 532.36 feet;

Thence, South 87°32'31" East 2.06 feet;

Thence, North 02°27'29" East 37.74 feet;

Thence, South 87°32'31" East 5.28 feet;

Thence, North 02°27'29" East 17.56 feet;

Thence, North 87°32'31" West 14.85 feet to the southeastern corner of said parcel of land (DN 2016-K369952);

Thence, from said southeastern corner, along the eastern line of said parcel of land (DN 2016-K369952), North 02°27'29" East 86.50 feet;

Thence, leaving said eastern line, North 02°27'29" East 10.00 feet;

Thence, South 87°32'31" East 40.75 feet to a point on said eastern line of said parcel of land (DN 2016-K369952);

Thence, along said eastern line, the following two (2) courses:

- 1) South 87°32'31" East 43.75 feet, and
- 2) North 02°27'29" East 232.00 feet to the northeastern corner of said parcel of land (DN 2016-K369952);

Thence, from said northeastern corner, along the northern line of said parcel of land (DN 2016-K369952), North 87°32'31" West 62.50 feet;

Thence, leaving said northern line, North 87°32'31" West 120.00 feet;

Thence, South 02°27'29" West 14.00 feet to a point on said northern line of said parcel of land (DN 2016-K369952);

Thence, along said northern line, and along the western line of said parcel of land (DN 2016-K369952), the following three (3) courses:

- 1) South  $02^{\circ}27'29''$  West 71.50 feet,
- 2) North  $87^{\circ}32'31''$  West 156.00 feet, and
- 3) South  $02^{\circ}27'29''$  West 172.20 feet;

Thence, leaving said western line, North  $87^{\circ}32'31''$  West 51.89 feet;

Thence, South  $01^{\circ}57'53''$  West 606.30 feet;

Thence, North  $87^{\circ}28'01''$  West 87.09 feet;

Thence, South  $02^{\circ}27'29''$  West 52.29 feet;

Thence, North  $87^{\circ}32'31''$  West 148.07 feet;

Thence, North  $02^{\circ}25'28''$  East 198.93 feet;

Thence, along the arc of a tangent 336.00 foot radius curve to the left, through a central angle of  $11^{\circ}01'08''$ , an arc distance of 64.62 feet;

Thence, North  $08^{\circ}35'40''$  West 85.00 feet;

Thence, along the arc of a tangent 124.00 foot radius curve to the left, through a central angle of  $39^{\circ}27'52''$ , an arc distance of 85.41 feet;

Thence, North  $48^{\circ}03'32''$  West 80.38 feet to a point on the Southern line of said Parcel C;

Thence, along said Southern line of Parcel C, and along the boundary lines of said Parcels A, C, and D and said Parcel Six, as said Parcels are shown on said Record of Survey 10213 (II Maps 125), the following thirty-eight (38) courses:

- 1) Along the arc of a tangent 267.00 foot radius curve to the left, through a central angle of  $02^{\circ}31'36''$ , an arc distance of 11.78 feet to a point of cusp,
- 2) Northeasterly along the arc of a non-tangent 40.00 foot radius curve to the left, from which the center of said curve bears North  $39^{\circ}24'52''$  East, through a central angle of  $132^{\circ}34'05''$ , an arc distance of 92.55 feet,
- 3) North  $03^{\circ}09'13''$  West 215.38 feet,
- 4) South  $74^{\circ}09'19''$  West 30.01 feet,

- 5) North  $28^{\circ}32'43''$  West 82.28 feet,
- 6) North  $70^{\circ}39'36''$  West 25.13 feet,
- 7) North  $87^{\circ}32'13''$  West 86.93 feet,
- 8) North  $02^{\circ}13'01''$  East 23.35 feet,
- 9) South  $85^{\circ}53'24''$  West 112.68 feet,
- 10) South  $53^{\circ}53'24''$  West 199.96 feet,
- 11) North  $33^{\circ}50'36''$  West 389.09 feet,
- 12) North  $74^{\circ}54'34''$  East 152.62 feet,
- 13) North  $41^{\circ}59'04''$  East 175.88 feet,
- 14) North  $70^{\circ}59'44''$  East 105.95 feet,
- 15) South  $89^{\circ}17'46''$  East 37.71 feet,
- 16) North  $00^{\circ}42'15''$  East 95.00 feet,
- 17) South  $89^{\circ}17'45''$  East 231.74 feet,
- 18) North  $03^{\circ}09'13''$  West 100.23 feet,
- 19) South  $89^{\circ}17'45''$  East 76.93 feet,
- 20) South  $00^{\circ}42'15''$  West 100.00 feet,
- 21) South  $89^{\circ}17'45''$  East 1.98 feet,
- 22) South  $03^{\circ}09'13''$  East 171.60 feet,
- 23) South  $02^{\circ}27'29''$  West 75.08 feet,
- 24) Easterly along the arc of a non-tangent 125.96 foot radius curve to the right, from which the center of said curve bears South  $37^{\circ}35'26''$  East, through a central angle of  $38^{\circ}19'50''$ , an arc distance of 84.27 feet,
- 25) South  $89^{\circ}16'03''$  East 276.29 feet,
- 26) North  $88^{\circ}31'32''$  East 306.40 feet,

- 27) Along the arc of a tangent 40.00 foot radius curve to the left, through a central angle of  $87^{\circ}38'06''$ , an arc distance of 61.18 feet,
- 28) North  $00^{\circ}53'26''$  East 247.80 feet,
- 29) South  $89^{\circ}17'45''$  East 58.42 feet,
- 30) Northerly along the arc of a non-tangent 20.00 foot radius curve to the right, from which the center of said curve bears South  $89^{\circ}17'45''$  East, through a central angle of  $90^{\circ}00'00''$ , an arc distance of 31.42 feet,
- 31) South  $89^{\circ}17'45''$  East 36.23 feet,
- 32) South  $00^{\circ}42'04''$  West 179.99 feet,
- 33) Southeasterly along the arc of a non-tangent 165.00 foot radius curve to the right, from which the center of said curve bears South  $19^{\circ}51'38''$  West, through a central angle of  $43^{\circ}01'38''$ , an arc distance of 123.91 feet,
- 34) South  $87^{\circ}32'31''$  East 100.06 feet,
- 35) Southerly along the arc of a non-tangent 1,000.00 foot radius curve to the right, from which the center of said curve bears South  $86^{\circ}50'56''$  West, through a central angle of  $05^{\circ}36'32''$ , an arc distance of 97.89 feet,
- 36) South  $02^{\circ}27'29''$  West 415.30 feet,
- 37) North  $89^{\circ}17'56''$  West 118.30 feet, and
- 38) South  $00^{\circ}23'20''$  East 299.91 feet to a point on the northern line of said Monte Vista Drive (60 feet wide);

Thence, along said northern line, and along the eastern line of said Monte Vista Drive, the following three (3) courses:

- 1) South  $89^{\circ}17'56''$  East 84.00 feet, and
- 2) Along the arc of a tangent 20.00 foot radius curve to the left, through a central angle of  $88^{\circ}14'35''$ , an arc distance of 30.80, and
- 3) South  $02^{\circ}27'29''$  West 100.05 feet to a point on said eastern line of Parcel D;

Thence, along said eastern line, the following two (2) courses:

- 1) South  $02^{\circ}27'29''$  West 62.52 feet, and

2) North 87°32'31" West 10.00 feet to said Point of Beginning.

Containing 26.12 acres of land, more or less.

APNs: 7295-004 (portion), -006, -007, -035, -037 (portion), and -038 (portion)

END OF DESCRIPTION

PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO  
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 2  
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA B (AREA. B-1)

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

Being a portion of Lot 5 and Lot 8, as said lots are shown and so designated on that certain Parcel Map recorded January 5, 1977, in Book 5 of Parcel Maps, at Page 13, in the Office of the Recorder of the City and County of San Francisco, more particularly described as follows:

Beginning at a point on the eastern line of said Lot 5, said point being the northern terminus of that certain course shown as "North 02°37'05" East 301.50 feet" on said Parcel Map;

Thence, from said Point of Beginning, along said eastern line of Lot 5, along the southern line of said Lot 5, and along the southern line of said Lot 8, the following nine (9) courses:

- 1) South 02°27'29" West (the bearing of said eastern line being taken as South 02°27'29" West for the purpose of making this description, as shown on Record of Survey 10213, recorded April 29, 2020, in Book II of Maps, at Page 125, in said Office of the City and County of San Francisco) 301.50 feet,
- 2) Along the arc of a tangent 20.00 foot radius curve to the right, through a central angle of 90°00'00", an arc distance of 31.42 feet,
- 3) North 87°32'31" West 29.19 feet,
- 4) Along the arc of a tangent 97.00 foot radius curve to the left, through a central angle of 42°37'45", an arc distance of 72.17 feet,
- 5) South 49°49'44" West 89.91 feet,
- 6) Along the arc of a tangent 68.00 foot radius curve to the right, through a central angle of 42°37'45", an arc distance of 50.59 feet;
- 7) Along the arc of a compound 133.00 foot radius curve to the right, from which the center of said curve bears North 02°27'29" East, through a central angle of 45°00'00", an arc distance of 104.46 feet,
- 8) North 42°32'31" West 131.56 feet, and
- 9) Along the arc of a tangent 287.00 foot radius curve to the left, through a central angle of 23°19'17", an arc distance of 116.82 feet;

Thence, leaving said southern line of Lot 8, North 02°37'30" East 91.37 feet;

Thence, South 87°24'48" East 234.73 feet;

Thence, North 02°27'29" East 176.41 feet;

Thence, South 87°32'31" East 279.71 feet to a point on said Eastern line of Lot 5;

Thence, along said eastern line, along the arc of a non-tangent 50.00 foot radius curve to the right, from which the center of said curve bears South 44°43'35" West, through a central angle of 47°43'53", an arc distance of 41.65 feet to said Point of Beginning.

Containing 3.55 acres of land, more or less.

APNs 7296-005 (portion), and -008 (portion)

END OF DESCRIPTION

PROPOSED BOUNDARIES OF CITY AND COUNTY OF SAN FRANCISCO  
ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 2  
CITY AND COUNTY OF SAN FRANCISCO, STATE OF CALIFORNIA

PROJECT AREA B (AREA B-2)

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

Being a portion of Lot 6, Lot 7, and Lot 8, as said Lots are shown and so designated on that certain Parcel Map recorded January 5, 1977, in Book 5 of Parcel Maps, at Page 13, in the Office of the Recorder of the City and County of San Francisco, more particularly described as follows:

Beginning at the southwestern corner of said Lot 8;

Thence, from said Point of Beginning, along the western line of said Lot 8, and the western line of said Lot 7, North 02°25'28" East (the bearing of said western line being taken as North 02°25'28" East for the purpose of making this description, as shown on Record of Survey 10213, recorded April 29, 2020, in Book II of Maps, at Page 125, in said Office of the City and County of San Francisco) 423.07 feet;

Thence, leaving said Western line of Lot 7, southeasterly along the arc of a non-tangent 80.00 foot radius curve to the left, from which the center of said curve bears South 87°34'32" East, through a central angle of 89°58'00", an arc distance of 125.62 feet;

Thence, South 87°32'31" East 142.41 feet to a point on the eastern line of said Lot 7;

Thence, along said eastern line, and its southerly prolongation, South 02°27'29" West 271.99 feet to a point on the southern line of said Lot 8;

Thence, along said southern line, the following three (3) courses:

- 1) North 88°10'39" West 2.41 feet,
- 2) Along the arc of a tangent 362.00 foot radius curve to the left, through a central angle of 32°00'39", an arc distance of 202.25 feet, and
- 3) Along the arc of a reverse 138.00 foot radius curve to the right, from which the center of said curve bears North 30°11'18" West, through a central angle of 13°11'47", an arc distance of 31.78 feet to said point of beginning.

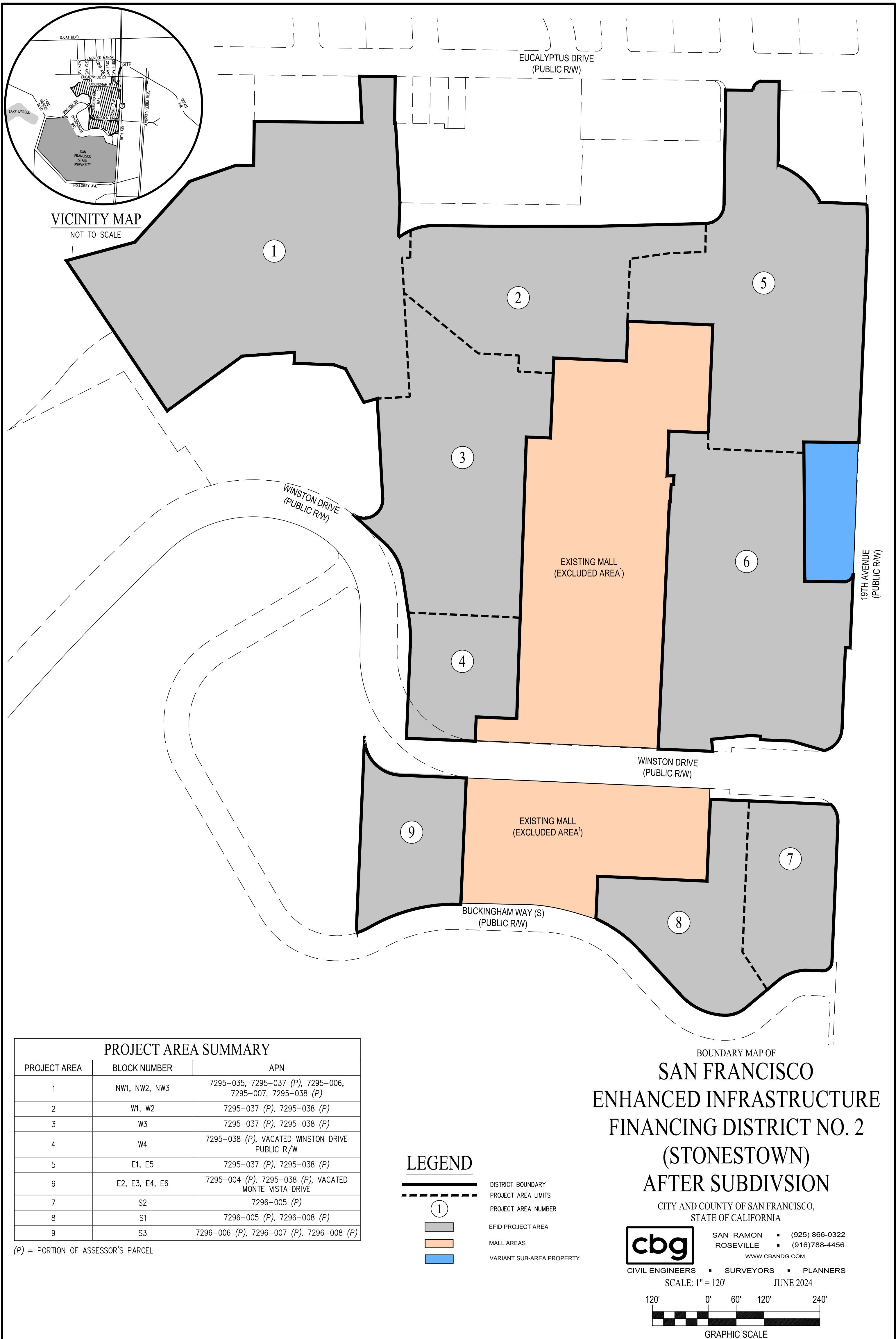
Containing 1.54 acres of land, more or less.

APNs 7296-006 (portion), -007 (portion), and -008 (portion)

END OF DESCRIPTION

**Exhibit B – Site Map**





## Exhibit C -Facilities Eligible for Financing by the EIFD

### DESCRIPTION OF FACILITIES

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

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

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

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

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

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, including but not limited to Private Utility Infrastructure and Public Utility Infrastructure, each as defined in the Development Agreement. For the avoidance of doubt, stand-alone parking structures and the relocated central utility plant do not constitute Facilities.
2. Public Improvements, as defined in the Development Agreement, constructed or caused to be constructed by Developer.
3. The Privately-Owned Community Improvements (excluding Project Open Spaces, which are not eligible to be financed by the EIFD), as defined in the Development

Agreement, including streets, streetscapes, utilities, the Senior Center improvements and the Child Care Facilities, that were constructed or caused to be constructed by Developer.

4. 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. The EIFD shall require, by recorded covenants or restrictions, that housing units built with financial assistance from the EIFD shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units and that any in-lieu fees paid for off-site housing shall have similar covenants and restrictions.
5. Transportation Demand Management measures set forth in the Transportation Exhibit of the Development Agreement.
6. Subject to the provisions of the EIFD Acquisition and Financing Agreement, Stonestown Affordable Housing In-Lieu Fees used to construct housing units in accordance with this IFP and the EIFD Law. The EIFD shall require, by recorded covenants or restrictions that housing units built with financial assistance from the EIFD shall remain available at affordable housing costs to, and occupied by, persons and families of very low, low, or moderate income for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units.
7. To the extent they are used to pay Actual Costs of Facilities, and subject to the provisions of the EIFD Acquisition and Financing Agreement, (a) the RNP Cash Contribution; (b) the Emergency Firefighting In Lieu Payment, (c) fees imposed by the City on the Stonestown Project after EIFD formation and (d) and fees imposed by the City on the Stonestown Project prior to EIFD formation that are modified by the City after EIFD formation.
8. Child Care Facility as defined in Exhibit Q to the Development Agreement.
9. Senior Center as defined in Exhibit Q to the Development Agreement.

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

#### OTHER EXPENSES

The EIFD may also finance any of the following:

1. Costs described in Government Code Sections 53398.53, 53398.56, 53398.57 and 53398.58, including, but not limited to, the reimbursement for any costs advanced to file and prosecute an action or proceeding pursuant Government Code Sections 53398.57 and 53398.58.
2. Costs incurred in connection with the division of taxes pursuant to Government Code Section 53398.75.
3. Expenses related to bonds and other debt of the EIFD, including underwriters' discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.
4. Administrative fees of the City, the EIFD and the bond trustee or fiscal agent related to the bonds and other debt of the EIFD.
5. Reimbursement of costs related to the formation of the EIFD (and any Project Areas) advanced by the City, the landowner(s) in the EIFD, or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the City, the landowner(s) in the EIFD or any party related to any of the foregoing, for Facilities, fees or other purposes or costs of the EIFD.
6. Costs otherwise incurred in order to carry out the authorized purposes of the EIFD; and any other expenses incidental (including administrative and legal costs) to the EIFD and to the 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	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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
<b>EIFD Term</b>					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$751	\$8	\$5	\$0	\$0
2027/28	\$1,517	\$15	\$10	\$0	\$0
2028/29	\$2,299	\$23	\$15	\$0	\$0
2029/30	\$3,096	\$31	\$20	\$0	\$0
2030/31	\$3,909	\$39	\$25	\$0	\$0
2031/32	\$562,179	\$5,622	\$3,631	\$2,115	\$1,516
2032/33	\$574,518	\$5,745	\$3,711	\$2,162	\$1,549
2033/34	\$587,111	\$5,871	\$3,792	\$2,209	\$1,583
2034/35	\$599,963	\$6,000	\$3,875	\$2,257	\$1,618
2035/36	\$613,079	\$6,131	\$3,960	\$2,307	\$1,653
2036/37	\$626,466	\$6,265	\$4,046	\$2,357	\$1,689
2037/38	\$640,128	\$6,401	\$4,134	\$2,408	\$1,726
2038/39	\$654,070	\$6,541	\$4,225	\$2,461	\$1,764
2039/40	\$668,300	\$6,683	\$4,316	\$2,514	\$1,802
2040/41	\$682,823	\$6,828	\$4,410	\$2,569	\$1,841
2041/42	\$697,644	\$6,976	\$4,506	\$2,625	\$1,881
2042/43	\$712,771	\$7,128	\$4,604	\$2,682	\$1,922
2043/44	\$728,208	\$7,282	\$4,703	\$2,740	\$1,964
2044/45	\$743,964	\$7,440	\$4,805	\$2,799	\$2,006
2045/46	\$760,043	\$7,600	\$4,909	\$2,860	\$2,049
2046/47	\$776,454	\$7,765	\$5,015	\$2,921	\$2,094
2047/48	\$793,202	\$7,932	\$5,123	\$2,984	\$2,139
2048/49	\$810,295	\$8,103	\$5,234	\$3,049	\$2,185
2049/50	\$827,739	\$8,277	\$5,346	\$3,114	\$2,232
2050/51	\$845,543	\$8,455	\$5,461	\$3,181	\$2,280
2051/52	\$863,713	\$8,637	\$5,579	\$3,250	\$2,329
2052/53	\$882,257	\$8,823	\$5,698	\$3,319	\$2,379
2053/54	\$901,182	\$9,012	\$5,821	\$3,391	\$2,430
2054/55	\$920,497	\$9,205	\$5,945	\$3,463	\$2,482
2055/56	\$940,209	\$9,402	\$6,073	\$3,537	\$2,535
2056/57	\$960,327	\$9,603	\$6,203	\$3,613	\$2,589
2057/58	\$980,859	\$9,809	\$6,335	\$3,690	\$2,645
2058/59	\$1,001,814	\$10,018	\$6,471	\$3,769	\$2,701
2059/60	\$1,023,199	\$10,232	\$6,609	\$3,850	\$2,759
2060/61	\$1,045,025	\$10,450	\$6,750	\$3,932	\$2,818
2061/62	\$1,067,300	\$10,673	\$6,893	\$4,016	\$2,878
2062/63	\$1,090,033	\$10,900	\$7,040	\$4,101	\$2,939
2063/64	\$1,113,235	\$11,132	\$7,190	\$4,188	\$3,002
2064/65	\$1,136,913	\$11,369	\$7,343	\$4,278	\$3,066
2065/66	\$1,161,079	\$11,611	\$7,499	\$4,368	\$3,131
2066/67	\$1,185,742	\$11,857	\$7,658	\$4,461	\$3,197
2067/68	\$1,210,913	\$12,109	\$7,821	\$4,556	\$3,265
2068/69	\$1,236,602	\$12,366	\$7,987	\$4,653	\$3,334
2069/70	\$1,262,819	\$12,628	\$8,156	\$4,751	\$3,405
2070/71	\$1,289,576	\$12,896	\$8,329	\$4,852	\$3,477
2071/72	\$1,316,884	\$13,169	\$8,506	\$4,955	\$3,551
2072/73	\$1,344,753	\$13,448	\$8,686	\$5,060	\$3,626
2073/74	\$1,373,197	\$13,732	\$8,869	\$5,167	\$3,703
2074/75	\$1,402,225	\$14,022	\$9,057	\$5,276	\$3,781
2075/76	\$1,431,851	\$14,319	\$9,248	\$5,387	\$3,861
2076/77	\$1,462,087	\$14,621	\$9,443	\$0	\$0
2077/78	\$1,492,944	\$14,929	\$9,643	\$0	\$0
2078/79	\$1,524,437	\$15,244	\$9,846	\$0	\$0
2079/80	\$1,556,578	\$15,566	\$10,054	\$0	\$0
2080/81	\$1,589,381	\$15,894	\$10,266	\$0	\$0
2081/82	\$1,622,858	\$16,229	\$10,482	\$0	\$0
2082/83	\$1,657,025	\$16,570	\$10,702	\$0	\$0
2083/84	\$1,691,894	\$16,919	\$10,928	\$0	\$0
2084/85	\$1,727,482	\$17,275	\$11,157	\$0	\$0
2085/86	\$1,763,801	\$17,638	\$11,392	\$0	\$0

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2086/87	\$1,800,869	\$18,009	\$11,631	\$0	\$0
2087/88	\$1,838,699	\$18,387	\$11,876	\$0	\$0
2088/89	\$1,877,307	\$18,773	\$12,125	\$0	\$0
2089/90	\$1,916,710	\$19,167	\$12,380	\$0	\$0
2090/91	\$1,956,925	\$19,569	\$12,639	\$0	\$0
2091/92	\$1,997,966	\$19,980	\$12,905	\$0	\$0
2092/93	\$2,039,853	\$20,399	\$13,175	\$0	\$0
2093/94	\$2,082,601	\$20,826	\$13,451	\$0	\$0
2094/95	\$2,126,230	\$21,262	\$13,733	\$0	\$0
2095/96	\$2,170,756	\$21,708	\$14,021	\$0	\$0
2096/97	\$2,216,199	\$22,162	\$14,314	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>		<b>\$801,709</b>	<b>\$517,809</b>	<b>\$158,197</b>	<b>\$113,375</b>

## Exhibit D-2

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

Fiscal Year EIFD Term	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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$205	\$2	\$1	\$0	\$0
2027/28	\$415	\$4	\$3	\$0	\$0
2028/29	\$629	\$6	\$4	\$0	\$0
2029/30	\$847	\$8	\$5	\$0	\$0
2030/31	\$1,069	\$11	\$7	\$0	\$0
2031/32	\$1,296	\$13	\$8	\$0	\$0
2032/33	\$1,527	\$15	\$10	\$0	\$0
2033/34	\$17,570	\$176	\$113	\$0	\$0
2034/35	\$213,028	\$2,130	\$1,376	\$802	\$574
2035/36	\$217,606	\$2,176	\$1,405	\$819	\$587
2036/37	\$222,277	\$2,223	\$1,436	\$836	\$599
2037/38	\$227,044	\$2,270	\$1,466	\$854	\$612
2038/39	\$231,909	\$2,319	\$1,498	\$873	\$625
2039/40	\$236,874	\$2,369	\$1,530	\$891	\$639
2040/41	\$241,941	\$2,419	\$1,563	\$910	\$652
2041/42	\$247,111	\$2,471	\$1,596	\$930	\$666
2042/43	\$252,387	\$2,524	\$1,630	\$950	\$681
2043/44	\$257,772	\$2,578	\$1,665	\$970	\$695
2044/45	\$263,267	\$2,633	\$1,700	\$991	\$710
2045/46	\$268,874	\$2,689	\$1,737	\$1,012	\$725
2046/47	\$274,597	\$2,746	\$1,774	\$1,033	\$740
2047/48	\$280,436	\$2,804	\$1,811	\$1,055	\$756
2048/49	\$286,396	\$2,864	\$1,850	\$1,078	\$772
2049/50	\$292,478	\$2,925	\$1,889	\$1,100	\$789
2050/51	\$298,684	\$2,987	\$1,929	\$1,124	\$805
2051/52	\$305,018	\$3,050	\$1,970	\$1,148	\$822
2052/53	\$311,481	\$3,115	\$2,012	\$1,172	\$840
2053/54	\$318,077	\$3,181	\$2,054	\$1,197	\$858
2054/55	\$324,808	\$3,248	\$2,098	\$1,222	\$876
2055/56	\$331,677	\$3,317	\$2,142	\$1,248	\$894
2056/57	\$338,687	\$3,387	\$2,188	\$1,274	\$913
2057/58	\$345,841	\$3,458	\$2,234	\$1,301	\$933
2058/59	\$353,141	\$3,531	\$2,281	\$1,329	\$952
2059/60	\$360,591	\$3,606	\$2,329	\$1,357	\$972
2060/61	\$368,194	\$3,682	\$2,378	\$1,385	\$993
2061/62	\$375,952	\$3,760	\$2,428	\$1,414	\$1,014
2062/63	\$383,870	\$3,839	\$2,479	\$1,444	\$1,035
2063/64	\$391,950	\$3,919	\$2,532	\$1,475	\$1,057
2064/65	\$400,195	\$4,002	\$2,585	\$1,506	\$1,079
2065/66	\$408,610	\$4,086	\$2,639	\$1,537	\$1,102
2066/67	\$417,197	\$4,172	\$2,695	\$1,570	\$1,125
2067/68	\$425,960	\$4,260	\$2,751	\$1,603	\$1,149
2068/69	\$434,903	\$4,349	\$2,809	\$1,636	\$1,173
2069/70	\$444,029	\$4,440	\$2,868	\$1,671	\$1,197
2070/71	\$453,342	\$4,533	\$2,928	\$1,706	\$1,222
2071/72	\$462,846	\$4,628	\$2,989	\$1,741	\$1,248
2072/73	\$472,545	\$4,725	\$3,052	\$1,778	\$1,274
2073/74	\$482,443	\$4,824	\$3,116	\$1,815	\$1,301
2074/75	\$492,543	\$4,925	\$3,181	\$1,853	\$1,328
2075/76	\$502,851	\$5,029	\$3,248	\$1,892	\$1,356
2076/77	\$513,370	\$5,134	\$3,316	\$1,932	\$1,384
2077/78	\$524,105	\$5,241	\$3,385	\$1,972	\$1,413
2078/79	\$535,059	\$5,351	\$3,456	\$2,013	\$1,443
2079/80	\$546,239	\$5,462	\$3,528	\$0	\$0
2080/81	\$557,647	\$5,576	\$3,602	\$0	\$0
2081/82	\$569,289	\$5,693	\$3,677	\$0	\$0
2082/83	\$581,170	\$5,812	\$3,754	\$0	\$0
2083/84	\$593,295	\$5,933	\$3,832	\$0	\$0
2084/85	\$605,668	\$6,057	\$3,912	\$0	\$0
2085/86	\$618,295	\$6,183	\$3,993	\$0	\$0
2086/87	\$631,181	\$6,312	\$4,077	\$0	\$0
2087/88	\$644,330	\$6,443	\$4,162	\$0	\$0
2088/89	\$657,750	\$6,577	\$4,248	\$0	\$0

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2089/90	\$671,444	\$6,714	\$4,337	\$0	\$0
2090/91	\$685,419	\$6,854	\$4,427	\$0	\$0
2091/92	\$699,681	\$6,997	\$4,519	\$0	\$0
2092/93	\$714,235	\$7,142	\$4,613	\$0	\$0
2093/94	\$729,087	\$7,291	\$4,709	\$0	\$0
2094/95	\$744,244	\$7,442	\$4,807	\$0	\$0
2095/96	\$759,712	\$7,597	\$4,907	\$0	\$0
2096/97	\$775,496	\$7,755	\$5,009	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>		<b>\$275,997</b>	<b>\$178,262</b>	<b>\$59,416</b>	<b>\$42,581</b>

### Exhibit D-3

#### Project Area 3: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

Fiscal Year EIFD Term	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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$316	\$3	\$2	\$0	\$0
2027/28	\$639	\$6	\$4	\$0	\$0
2028/29	\$968	\$10	\$6	\$0	\$0
2029/30	\$1,304	\$13	\$8	\$0	\$0
2030/31	\$1,647	\$16	\$11	\$0	\$0
2031/32	\$1,996	\$20	\$13	\$0	\$0
2032/33	\$2,352	\$24	\$15	\$0	\$0
2033/34	\$2,716	\$27	\$18	\$0	\$0
2034/35	\$3,086	\$31	\$20	\$0	\$0
2035/36	\$3,464	\$35	\$22	\$0	\$0
2036/37	\$3,850	\$39	\$25	\$0	\$0
2037/38	\$411,151	\$4,112	\$2,656	\$1,547	\$1,109
2038/39	\$419,904	\$4,199	\$2,712	\$1,580	\$1,132
2039/40	\$428,836	\$4,288	\$2,770	\$1,613	\$1,156
2040/41	\$437,952	\$4,380	\$2,829	\$1,648	\$1,181
2041/42	\$447,254	\$4,473	\$2,889	\$1,683	\$1,206
2042/43	\$456,747	\$4,567	\$2,950	\$1,718	\$1,232
2043/44	\$466,435	\$4,664	\$3,013	\$1,755	\$1,258
2044/45	\$476,321	\$4,763	\$3,076	\$1,792	\$1,284
2045/46	\$486,410	\$4,864	\$3,142	\$1,830	\$1,312
2046/47	\$496,706	\$4,967	\$3,208	\$1,869	\$1,339
2047/48	\$507,212	\$5,072	\$3,276	\$1,908	\$1,368
2048/49	\$517,934	\$5,179	\$3,345	\$1,949	\$1,397
2049/50	\$528,876	\$5,289	\$3,416	\$1,990	\$1,426
2050/51	\$540,043	\$5,400	\$3,488	\$2,032	\$1,456
2051/52	\$551,438	\$5,514	\$3,562	\$2,075	\$1,487
2052/53	\$563,067	\$5,631	\$3,637	\$2,118	\$1,518
2053/54	\$574,934	\$5,749	\$3,713	\$2,163	\$1,550
2054/55	\$587,044	\$5,870	\$3,792	\$2,209	\$1,583
2055/56	\$599,403	\$5,994	\$3,871	\$2,255	\$1,616
2056/57	\$612,015	\$6,120	\$3,953	\$2,303	\$1,650
2057/58	\$624,886	\$6,249	\$4,036	\$2,351	\$1,685
2058/59	\$638,020	\$6,380	\$4,121	\$2,400	\$1,720
2059/60	\$651,424	\$6,514	\$4,207	\$2,451	\$1,757
2060/61	\$665,102	\$6,651	\$4,296	\$2,502	\$1,793
2061/62	\$679,061	\$6,791	\$4,386	\$2,555	\$1,831
2062/63	\$693,306	\$6,933	\$4,478	\$2,609	\$1,869
2063/64	\$707,844	\$7,078	\$4,572	\$2,663	\$1,909
2064/65	\$722,679	\$7,227	\$4,668	\$2,719	\$1,949
2065/66	\$737,818	\$7,378	\$4,765	\$2,776	\$1,989
2066/67	\$753,267	\$7,533	\$4,865	\$2,834	\$2,031
2067/68	\$769,034	\$7,690	\$4,967	\$2,893	\$2,074
2068/69	\$785,123	\$7,851	\$5,071	\$2,954	\$2,117
2069/70	\$801,543	\$8,015	\$5,177	\$3,016	\$2,161
2070/71	\$818,298	\$8,183	\$5,285	\$3,079	\$2,206
2071/72	\$835,398	\$8,354	\$5,396	\$3,143	\$2,253
2072/73	\$852,848	\$8,528	\$5,508	\$3,209	\$2,300
2073/74	\$870,656	\$8,707	\$5,623	\$3,276	\$2,348
2074/75	\$888,828	\$8,888	\$5,741	\$3,344	\$2,397
2075/76	\$907,374	\$9,074	\$5,861	\$3,414	\$2,447
2076/77	\$926,299	\$9,263	\$5,983	\$3,485	\$2,498
2077/78	\$945,613	\$9,456	\$6,108	\$3,558	\$2,550
2078/79	\$965,322	\$9,653	\$6,235	\$3,632	\$2,603
2079/80	\$985,435	\$9,854	\$6,365	\$3,708	\$2,657
2080/81	\$1,005,961	\$10,060	\$6,497	\$3,785	\$2,712
2081/82	\$1,026,908	\$10,269	\$6,633	\$3,864	\$2,769
2082/83	\$1,048,283	\$10,483	\$6,771	\$0	\$0
2083/84	\$1,070,098	\$10,701	\$6,912	\$0	\$0
2084/85	\$1,092,359	\$10,924	\$7,055	\$0	\$0
2085/86	\$1,115,077	\$11,151	\$7,202	\$0	\$0
2086/87	\$1,138,260	\$11,383	\$7,352	\$0	\$0
2087/88	\$1,161,919	\$11,619	\$7,505	\$0	\$0
2088/89	\$1,186,062	\$11,861	\$7,661	\$0	\$0

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2089/90	\$1,210,701	\$12,107	\$7,820	\$0	\$0
2090/91	\$1,235,844	\$12,358	\$7,982	\$0	\$0
2091/92	\$1,261,504	\$12,615	\$8,148	\$0	\$0
2092/93	\$1,287,689	\$12,877	\$8,317	\$0	\$0
2093/94	\$1,314,411	\$13,144	\$8,490	\$0	\$0
2094/95	\$1,341,680	\$13,417	\$8,666	\$0	\$0
2095/96	\$1,369,509	\$13,695	\$8,845	\$0	\$0
2096/97	\$1,397,908	\$13,979	\$9,029	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>	<b>\$486,214</b>	<b>\$314,037</b>		<b>\$114,256</b>	<b>\$81,884</b>

## Exhibit D-4

### Project Area 4: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
EIFD Term					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$139	\$1	\$1	\$0	\$0
2027/28	\$281	\$3	\$2	\$0	\$0
2028/29	\$426	\$4	\$3	\$0	\$0
2029/30	\$574	\$6	\$4	\$0	\$0
2030/31	\$725	\$7	\$5	\$0	\$0
2031/32	\$878	\$9	\$6	\$0	\$0
2032/33	\$1,035	\$10	\$7	\$0	\$0
2033/34	\$1,195	\$12	\$8	\$0	\$0
2034/35	\$1,358	\$14	\$9	\$0	\$0
2035/36	\$1,525	\$15	\$10	\$0	\$0
2036/37	\$1,695	\$17	\$11	\$0	\$0
2037/38	\$1,868	\$19	\$12	\$0	\$0
2038/39	\$2,044	\$20	\$13	\$0	\$0
2039/40	\$2,225	\$22	\$14	\$0	\$0
2040/41	\$427,280	\$4,273	\$2,760	\$1,608	\$1,152
2041/42	\$436,182	\$4,362	\$2,817	\$1,641	\$1,176
2042/43	\$445,266	\$4,453	\$2,876	\$1,675	\$1,201
2043/44	\$454,537	\$4,545	\$2,936	\$1,710	\$1,226
2044/45	\$463,998	\$4,640	\$2,997	\$1,746	\$1,251
2045/46	\$473,652	\$4,737	\$3,059	\$1,782	\$1,277
2046/47	\$483,505	\$4,835	\$3,123	\$1,819	\$1,304
2047/48	\$493,560	\$4,936	\$3,188	\$1,857	\$1,331
2048/49	\$503,820	\$5,038	\$3,254	\$1,896	\$1,359
2049/50	\$514,291	\$5,143	\$3,322	\$1,935	\$1,387
2050/51	\$524,977	\$5,250	\$3,391	\$1,975	\$1,416
2051/52	\$535,882	\$5,359	\$3,461	\$2,016	\$1,445
2052/53	\$547,010	\$5,470	\$3,533	\$2,058	\$1,475
2053/54	\$558,367	\$5,584	\$3,606	\$2,101	\$1,506
2054/55	\$569,956	\$5,700	\$3,681	\$2,144	\$1,537
2055/56	\$581,783	\$5,818	\$3,758	\$2,189	\$1,569
2056/57	\$593,852	\$5,939	\$3,836	\$2,234	\$1,601
2057/58	\$606,169	\$6,062	\$3,915	\$2,281	\$1,634
2058/59	\$618,738	\$6,187	\$3,996	\$2,328	\$1,668
2059/60	\$631,565	\$6,316	\$4,079	\$2,376	\$1,703
2060/61	\$644,655	\$6,447	\$4,164	\$2,425	\$1,738
2061/62	\$658,013	\$6,580	\$4,250	\$2,476	\$1,774
2062/63	\$671,645	\$6,716	\$4,338	\$2,527	\$1,811
2063/64	\$685,556	\$6,856	\$4,428	\$2,579	\$1,849
2064/65	\$699,753	\$6,998	\$4,520	\$2,633	\$1,887
2065/66	\$714,241	\$7,142	\$4,613	\$2,687	\$1,926
2066/67	\$729,025	\$7,290	\$4,709	\$2,743	\$1,966
2067/68	\$744,113	\$7,441	\$4,806	\$2,800	\$2,006
2068/69	\$759,510	\$7,595	\$4,906	\$2,858	\$2,048
2069/70	\$775,223	\$7,752	\$5,007	\$2,917	\$2,090
2070/71	\$791,258	\$7,913	\$5,111	\$2,977	\$2,134
2071/72	\$807,621	\$8,076	\$5,216	\$3,039	\$2,178
2072/73	\$824,320	\$8,243	\$5,324	\$3,101	\$2,223
2073/74	\$841,361	\$8,414	\$5,434	\$3,166	\$2,269
2074/75	\$858,752	\$8,588	\$5,547	\$3,231	\$2,316
2075/76	\$876,499	\$8,765	\$5,661	\$3,298	\$2,363
2076/77	\$894,610	\$8,946	\$5,778	\$3,366	\$2,412
2077/78	\$913,092	\$9,131	\$5,898	\$3,435	\$2,462
2078/79	\$931,954	\$9,320	\$6,019	\$3,506	\$2,513
2079/80	\$951,201	\$9,512	\$6,144	\$3,579	\$2,565
2080/81	\$970,844	\$9,708	\$6,271	\$3,653	\$2,618
2081/82	\$990,889	\$9,909	\$6,400	\$3,728	\$2,672
2082/83	\$1,011,345	\$10,113	\$6,532	\$3,805	\$2,727
2083/84	\$1,032,220	\$10,322	\$6,667	\$3,884	\$2,783
2084/85	\$1,053,523	\$10,535	\$6,805	\$3,964	\$2,841
2085/86	\$1,075,263	\$10,753	\$6,945	\$0	\$0
2086/87	\$1,097,449	\$10,974	\$7,088	\$0	\$0
2087/88	\$1,120,089	\$11,201	\$7,234	\$0	\$0
2088/89	\$1,143,194	\$11,432	\$7,384	\$0	\$0

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2089/90	\$1,166,772	\$11,668	\$7,536	\$0	\$0
2090/91	\$1,190,834	\$11,908	\$7,691	\$0	\$0
2091/92	\$1,215,389	\$12,154	\$7,850	\$0	\$0
2092/93	\$1,240,447	\$12,404	\$8,012	\$0	\$0
2093/94	\$1,266,019	\$12,660	\$8,177	\$0	\$0
2094/95	\$1,292,115	\$12,921	\$8,346	\$0	\$0
2095/96	\$1,318,746	\$13,187	\$8,518	\$0	\$0
2096/97	\$1,345,923	\$13,459	\$8,693	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>	<b>\$457,838</b>	<b>\$295,709</b>		<b>\$117,747</b>	<b>\$84,386</b>

## Exhibit D-5

### Project Area 5: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
EIFD Term					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$1,088	\$11	\$7	\$0	\$0
2027/28	\$2,197	\$22	\$14	\$0	\$0
2028/29	\$3,328	\$33	\$21	\$0	\$0
2029/30	\$4,483	\$45	\$29	\$0	\$0
2030/31	\$5,660	\$57	\$37	\$0	\$0
2031/32	\$6,861	\$69	\$44	\$0	\$0
2032/33	\$8,086	\$81	\$52	\$0	\$0
2033/34	\$9,335	\$93	\$60	\$0	\$0
2034/35	\$10,609	\$106	\$69	\$0	\$0
2035/36	\$11,909	\$119	\$77	\$0	\$0
2036/37	\$13,235	\$132	\$85	\$0	\$0
2037/38	\$14,587	\$146	\$94	\$0	\$0
2038/39	\$15,966	\$160	\$103	\$0	\$0
2039/40	\$17,373	\$174	\$112	\$0	\$0
2040/41	\$18,808	\$188	\$121	\$0	\$0
2041/42	\$20,272	\$203	\$131	\$0	\$0
2042/43	\$21,765	\$218	\$141	\$0	\$0
2043/44	\$874,050	\$8,741	\$5,645	\$3,289	\$2,357
2044/45	\$893,083	\$8,931	\$5,768	\$3,360	\$2,408
2045/46	\$912,506	\$9,125	\$5,894	\$3,433	\$2,460
2046/47	\$932,327	\$9,323	\$6,022	\$3,508	\$2,514
2047/48	\$952,555	\$9,526	\$6,152	\$3,584	\$2,568
2048/49	\$973,197	\$9,732	\$6,286	\$3,662	\$2,624
2049/50	\$994,262	\$9,943	\$6,422	\$3,741	\$2,681
2050/51	\$1,015,760	\$10,158	\$6,561	\$3,822	\$2,739
2051/52	\$1,037,697	\$10,377	\$6,702	\$3,904	\$2,798
2052/53	\$1,060,085	\$10,601	\$6,847	\$3,988	\$2,858
2053/54	\$1,082,932	\$10,829	\$6,994	\$4,074	\$2,920
2054/55	\$1,106,246	\$11,062	\$7,145	\$4,162	\$2,983
2055/56	\$1,130,039	\$11,300	\$7,299	\$4,252	\$3,047
2056/57	\$1,154,320	\$11,543	\$7,456	\$4,343	\$3,113
2057/58	\$1,179,098	\$11,791	\$7,616	\$4,436	\$3,179
2058/59	\$1,204,385	\$12,044	\$7,779	\$4,531	\$3,248
2059/60	\$1,230,189	\$12,302	\$7,946	\$4,628	\$3,317
2060/61	\$1,256,523	\$12,565	\$8,116	\$4,728	\$3,388
2061/62	\$1,283,396	\$12,834	\$8,289	\$4,829	\$3,461
2062/63	\$1,310,821	\$13,108	\$8,466	\$4,932	\$3,534
2063/64	\$1,338,807	\$13,388	\$8,647	\$5,037	\$3,610
2064/65	\$1,367,368	\$13,674	\$8,832	\$5,145	\$3,687
2065/66	\$1,396,514	\$13,965	\$9,020	\$5,254	\$3,766
2066/67	\$1,426,257	\$14,263	\$9,212	\$5,366	\$3,846
2067/68	\$1,456,610	\$14,566	\$9,408	\$5,480	\$3,928
2068/69	\$1,487,585	\$14,876	\$9,608	\$5,597	\$4,011
2069/70	\$1,519,196	\$15,192	\$9,812	\$5,716	\$4,096
2070/71	\$1,551,454	\$15,515	\$10,021	\$5,837	\$4,183
2071/72	\$1,584,373	\$15,844	\$10,233	\$5,961	\$4,272
2072/73	\$1,617,968	\$16,180	\$10,450	\$6,087	\$4,363
2073/74	\$1,652,251	\$16,523	\$10,672	\$6,216	\$4,455
2074/75	\$1,687,237	\$16,872	\$10,898	\$6,348	\$4,549
2075/76	\$1,722,940	\$17,229	\$11,128	\$6,482	\$4,646
2076/77	\$1,759,375	\$17,594	\$11,363	\$6,620	\$4,744
2077/78	\$1,796,557	\$17,966	\$11,604	\$6,759	\$4,844
2078/79	\$1,834,501	\$18,345	\$11,849	\$6,902	\$4,947
2079/80	\$1,873,223	\$18,732	\$12,099	\$7,048	\$5,051
2080/81	\$1,912,739	\$19,127	\$12,354	\$7,197	\$5,158
2081/82	\$1,953,065	\$19,531	\$12,614	\$7,348	\$5,266
2082/83	\$1,994,218	\$19,942	\$12,880	\$7,503	\$5,377
2083/84	\$2,036,214	\$20,362	\$13,152	\$7,661	\$5,490
2084/85	\$2,079,071	\$20,791	\$13,428	\$7,822	\$5,606
2085/86	\$2,122,807	\$21,228	\$13,711	\$7,987	\$5,724
2086/87	\$2,167,439	\$21,674	\$13,999	\$8,155	\$5,844
2087/88	\$2,212,987	\$22,130	\$14,293	\$8,326	\$5,967
2088/89	\$2,259,468	\$22,595	\$14,593	\$0	\$0

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2089/90	\$2,306,902	\$23,069	\$14,900	\$0	\$0
2090/91	\$2,355,308	\$23,553	\$15,213	\$0	\$0
2091/92	\$2,404,706	\$24,047	\$15,532	\$0	\$0
2092/93	\$2,455,118	\$24,551	\$15,857	\$0	\$0
2093/94	\$2,506,562	\$25,066	\$16,189	\$0	\$0
2094/95	\$2,559,062	\$25,591	\$16,529	\$0	\$0
2095/96	\$2,612,637	\$26,126	\$16,875	\$0	\$0
2096/97	\$2,667,311	\$26,673	\$17,228	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>	<b>\$874,469</b>		<b>\$564,804</b>	<b>\$245,062</b>	<b>\$175,628</b>

## Exhibit D-6

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

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
EIFD Term					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$595	\$6	\$4	\$0	\$0
2027/28	\$1,202	\$12	\$8	\$0	\$0
2028/29	\$1,820	\$18	\$12	\$0	\$0
2029/30	\$2,452	\$25	\$16	\$0	\$0
2030/31	\$3,095	\$31	\$20	\$0	\$0
2031/32	\$3,752	\$38	\$24	\$0	\$0
2032/33	\$4,422	\$44	\$29	\$0	\$0
2033/34	\$5,105	\$51	\$33	\$0	\$0
2034/35	\$5,802	\$58	\$37	\$0	\$0
2035/36	\$6,513	\$65	\$42	\$0	\$0
2036/37	\$7,238	\$72	\$47	\$0	\$0
2037/38	\$7,978	\$80	\$52	\$0	\$0
2038/39	\$8,732	\$87	\$56	\$0	\$0
2039/40	\$9,501	\$95	\$61	\$0	\$0
2040/41	\$10,286	\$103	\$66	\$0	\$0
2041/42	\$11,087	\$111	\$72	\$0	\$0
2042/43	\$11,903	\$119	\$77	\$0	\$0
2043/44	\$12,736	\$127	\$82	\$0	\$0
2044/45	\$13,586	\$136	\$88	\$0	\$0
2045/46	\$14,452	\$145	\$93	\$0	\$0
2046/47	\$15,336	\$153	\$99	\$0	\$0
2047/48	\$662,967	\$6,630	\$4,282	\$2,494	\$1,788
2048/49	\$677,168	\$6,772	\$4,374	\$2,548	\$1,826
2049/50	\$691,660	\$6,917	\$4,467	\$2,602	\$1,865
2050/51	\$706,448	\$7,064	\$4,563	\$2,658	\$1,905
2051/52	\$721,540	\$7,215	\$4,660	\$2,715	\$1,946
2052/53	\$736,941	\$7,369	\$4,760	\$2,773	\$1,987
2053/54	\$752,658	\$7,527	\$4,861	\$2,832	\$2,029
2054/55	\$768,697	\$7,687	\$4,965	\$2,892	\$2,073
2055/56	\$785,065	\$7,851	\$5,071	\$2,954	\$2,117
2056/57	\$801,769	\$8,018	\$5,178	\$3,017	\$2,162
2057/58	\$818,815	\$8,188	\$5,289	\$3,081	\$2,208
2058/59	\$836,210	\$8,362	\$5,401	\$3,146	\$2,255
2059/60	\$853,962	\$8,540	\$5,516	\$3,213	\$2,303
2060/61	\$872,078	\$8,721	\$5,633	\$3,281	\$2,351
2061/62	\$890,565	\$8,906	\$5,752	\$3,351	\$2,401
2062/63	\$909,432	\$9,094	\$5,874	\$3,422	\$2,452
2063/64	\$928,685	\$9,287	\$5,998	\$3,494	\$2,504
2064/65	\$948,332	\$9,483	\$6,125	\$3,568	\$2,557
2065/66	\$968,383	\$9,684	\$6,255	\$3,643	\$2,611
2066/67	\$988,844	\$9,888	\$6,387	\$3,720	\$2,666
2067/68	\$1,009,725	\$10,097	\$6,522	\$3,799	\$2,723
2068/69	\$1,031,034	\$10,310	\$6,659	\$3,879	\$2,780
2069/70	\$1,052,780	\$10,528	\$6,800	\$3,961	\$2,839
2070/71	\$1,074,972	\$10,750	\$6,943	\$4,044	\$2,899
2071/72	\$1,097,619	\$10,976	\$7,089	\$4,130	\$2,960
2072/73	\$1,120,729	\$11,207	\$7,239	\$4,217	\$3,022
2073/74	\$1,144,314	\$11,443	\$7,391	\$4,305	\$3,086
2074/75	\$1,168,382	\$11,684	\$7,546	\$4,396	\$3,150
2075/76	\$1,192,944	\$11,929	\$7,705	\$4,488	\$3,217
2076/77	\$1,218,009	\$12,180	\$7,867	\$4,583	\$3,284
2077/78	\$1,243,588	\$12,436	\$8,032	\$4,679	\$3,353
2078/79	\$1,269,691	\$12,697	\$8,201	\$4,777	\$3,424
2079/80	\$1,296,329	\$12,963	\$8,373	\$4,877	\$3,495
2080/81	\$1,323,514	\$13,235	\$8,548	\$4,980	\$3,569
2081/82	\$1,351,255	\$13,513	\$8,728	\$5,084	\$3,644
2082/83	\$1,379,566	\$13,796	\$8,910	\$5,191	\$3,720
2083/84	\$1,408,456	\$14,085	\$9,097	\$5,299	\$3,798
2084/85	\$1,437,939	\$14,379	\$9,287	\$5,410	\$3,877
2085/86	\$1,468,027	\$14,680	\$9,482	\$5,523	\$3,958
2086/87	\$1,498,731	\$14,987	\$9,680	\$5,639	\$4,041
2087/88	\$1,530,065	\$15,301	\$9,882	\$5,757	\$4,126
2088/89	\$1,562,041	\$15,620	\$10,089	\$5,877	\$4,212

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2089/90	\$1,594,672	\$15,947	\$10,300	\$6,000	\$4,300
2090/91	\$1,627,973	\$16,280	\$10,515	\$6,125	\$4,390
2091/92	\$1,661,956	\$16,620	\$10,734	\$6,253	\$4,481
2092/93	\$1,696,636	\$16,966	\$10,958	\$0	\$0
2093/94	\$1,732,026	\$17,320	\$11,187	\$0	\$0
2094/95	\$1,768,142	\$17,681	\$11,420	\$0	\$0
2095/96	\$1,804,999	\$18,050	\$11,658	\$0	\$0
2096/97	\$1,842,611	\$18,426	\$11,901	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>	<b>\$580,865</b>	<b>\$375,171</b>		<b>\$184,677</b>	<b>\$132,352</b>

## Exhibit D-7

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

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
EIFD Term					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$169	\$2	\$1	\$0	\$0
2027/28	\$342	\$3	\$2	\$0	\$0
2028/29	\$518	\$5	\$3	\$0	\$0
2029/30	\$698	\$7	\$5	\$0	\$0
2030/31	\$881	\$9	\$6	\$0	\$0
2031/32	\$1,068	\$11	\$7	\$0	\$0
2032/33	\$1,259	\$13	\$8	\$0	\$0
2033/34	\$1,453	\$15	\$9	\$0	\$0
2034/35	\$1,652	\$17	\$11	\$0	\$0
2035/36	\$1,854	\$19	\$12	\$0	\$0
2036/37	\$2,061	\$21	\$13	\$0	\$0
2037/38	\$2,271	\$23	\$15	\$0	\$0
2038/39	\$2,486	\$25	\$16	\$0	\$0
2039/40	\$2,705	\$27	\$17	\$0	\$0
2040/41	\$2,928	\$29	\$19	\$0	\$0
2041/42	\$3,156	\$32	\$20	\$0	\$0
2042/43	\$3,389	\$34	\$22	\$0	\$0
2043/44	\$3,626	\$36	\$23	\$0	\$0
2044/45	\$3,868	\$39	\$25	\$0	\$0
2045/46	\$4,114	\$41	\$27	\$0	\$0
2046/47	\$4,366	\$44	\$28	\$0	\$0
2047/48	\$639,727	\$6,397	\$4,132	\$2,407	\$1,725
2048/49	\$653,015	\$6,530	\$4,218	\$2,457	\$1,761
2049/50	\$666,576	\$6,666	\$4,305	\$2,508	\$1,797
2050/51	\$680,414	\$6,804	\$4,395	\$2,560	\$1,835
2051/52	\$694,536	\$6,945	\$4,486	\$2,613	\$1,873
2052/53	\$708,948	\$7,089	\$4,579	\$2,667	\$1,912
2053/54	\$723,655	\$7,237	\$4,674	\$2,723	\$1,951
2054/55	\$738,663	\$7,387	\$4,771	\$2,779	\$1,992
2055/56	\$753,979	\$7,540	\$4,870	\$2,837	\$2,033
2056/57	\$769,610	\$7,696	\$4,971	\$2,896	\$2,075
2057/58	\$785,560	\$7,856	\$5,074	\$2,956	\$2,118
2058/59	\$801,838	\$8,018	\$5,179	\$3,017	\$2,162
2059/60	\$818,449	\$8,184	\$5,286	\$3,079	\$2,207
2060/61	\$835,401	\$8,354	\$5,396	\$3,143	\$2,253
2061/62	\$852,700	\$8,527	\$5,507	\$3,208	\$2,299
2062/63	\$870,354	\$8,704	\$5,621	\$3,275	\$2,347
2063/64	\$888,370	\$8,884	\$5,738	\$3,342	\$2,395
2064/65	\$906,755	\$9,068	\$5,857	\$3,412	\$2,445
2065/66	\$925,517	\$9,255	\$5,978	\$3,482	\$2,496
2066/67	\$944,664	\$9,447	\$6,101	\$3,554	\$2,547
2067/68	\$964,203	\$9,642	\$6,228	\$3,628	\$2,600
2068/69	\$984,142	\$9,841	\$6,356	\$3,703	\$2,654
2069/70	\$1,004,491	\$10,045	\$6,488	\$3,779	\$2,709
2070/71	\$1,025,257	\$10,253	\$6,622	\$3,857	\$2,765
2071/72	\$1,046,448	\$10,464	\$6,759	\$3,937	\$2,822
2072/73	\$1,068,074	\$10,681	\$6,898	\$4,019	\$2,880
2073/74	\$1,090,143	\$10,901	\$7,041	\$4,102	\$2,939
2074/75	\$1,112,664	\$11,127	\$7,186	\$4,186	\$3,000
2075/76	\$1,135,647	\$11,356	\$7,335	\$4,273	\$3,062
2076/77	\$1,159,102	\$11,591	\$7,486	\$4,361	\$3,125
2077/78	\$1,183,037	\$11,830	\$7,641	\$4,451	\$3,190
2078/79	\$1,207,463	\$12,075	\$7,799	\$4,543	\$3,256
2079/80	\$1,232,389	\$12,324	\$7,960	\$4,637	\$3,323
2080/81	\$1,257,827	\$12,578	\$8,124	\$4,732	\$3,392
2081/82	\$1,283,786	\$12,838	\$8,292	\$4,830	\$3,462
2082/83	\$1,310,277	\$13,103	\$8,463	\$4,930	\$3,533
2083/84	\$1,337,311	\$13,373	\$8,637	\$5,032	\$3,606
2084/85	\$1,364,900	\$13,649	\$8,816	\$5,135	\$3,680
2085/86	\$1,393,054	\$13,931	\$8,997	\$5,241	\$3,756

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2086/87	\$1,421,785	\$14,218	\$9,183	\$5,349	\$3,834
2087/88	\$1,451,105	\$14,511	\$9,372	\$5,460	\$3,913
2088/89	\$1,481,026	\$14,810	\$9,566	\$5,572	\$3,993
2089/90	\$1,511,561	\$15,116	\$9,763	\$5,687	\$4,076
2090/91	\$1,542,721	\$15,427	\$9,964	\$5,804	\$4,160
2091/92	\$1,574,521	\$15,745	\$10,170	\$5,924	\$4,246
2092/93	\$1,606,972	\$16,070	\$10,379	\$0	\$0
2093/94	\$1,640,089	\$16,401	\$10,593	\$0	\$0
2094/95	\$1,673,884	\$16,739	\$10,811	\$0	\$0
2095/96	\$1,708,372	\$17,084	\$11,034	\$0	\$0
2096/97	\$1,743,567	\$17,436	\$11,261	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>	<b>\$552,194</b>		<b>\$356,652</b>	<b>\$176,088</b>	<b>\$126,196</b>

## Exhibit D-8

### Project Area 8: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
EIFD Term					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$169	\$2	\$1	\$0	\$0
2027/28	\$342	\$3	\$2	\$0	\$0
2028/29	\$518	\$5	\$3	\$0	\$0
2029/30	\$698	\$7	\$5	\$0	\$0
2030/31	\$881	\$9	\$6	\$0	\$0
2031/32	\$1,068	\$11	\$7	\$0	\$0
2032/33	\$1,258	\$13	\$8	\$0	\$0
2033/34	\$1,453	\$15	\$9	\$0	\$0
2034/35	\$1,651	\$17	\$11	\$0	\$0
2035/36	\$1,853	\$19	\$12	\$0	\$0
2036/37	\$2,059	\$21	\$13	\$0	\$0
2037/38	\$2,270	\$23	\$15	\$0	\$0
2038/39	\$2,485	\$25	\$16	\$0	\$0
2039/40	\$2,703	\$27	\$17	\$0	\$0
2040/41	\$2,927	\$29	\$19	\$0	\$0
2041/42	\$3,155	\$32	\$20	\$0	\$0
2042/43	\$3,387	\$34	\$22	\$0	\$0
2043/44	\$3,624	\$36	\$23	\$0	\$0
2044/45	\$3,866	\$39	\$25	\$0	\$0
2045/46	\$4,112	\$41	\$27	\$0	\$0
2046/47	\$4,364	\$44	\$28	\$0	\$0
2047/48	\$4,620	\$46	\$30	\$0	\$0
2048/49	\$4,882	\$49	\$32	\$0	\$0
2049/50	\$5,149	\$51	\$33	\$0	\$0
2050/51	\$1,249,286	\$12,493	\$8,069	\$4,700	\$3,369
2051/52	\$1,275,070	\$12,751	\$8,235	\$4,797	\$3,438
2052/53	\$1,301,382	\$13,014	\$8,405	\$4,896	\$3,509
2053/54	\$1,328,234	\$13,282	\$8,579	\$4,997	\$3,581
2054/55	\$1,355,636	\$13,556	\$8,756	\$5,100	\$3,655
2055/56	\$1,383,600	\$13,836	\$8,936	\$5,206	\$3,731
2056/57	\$1,412,137	\$14,121	\$9,121	\$5,313	\$3,808
2057/58	\$1,441,260	\$14,413	\$9,309	\$5,423	\$3,886
2058/59	\$1,470,979	\$14,710	\$9,501	\$5,534	\$3,966
2059/60	\$1,501,308	\$15,013	\$9,697	\$5,649	\$4,048
2060/61	\$1,532,258	\$15,323	\$9,897	\$5,765	\$4,132
2061/62	\$1,563,843	\$15,638	\$10,101	\$5,884	\$4,217
2062/63	\$1,596,075	\$15,961	\$10,309	\$6,005	\$4,304
2063/64	\$1,628,968	\$16,290	\$10,521	\$6,129	\$4,392
2064/65	\$1,662,535	\$16,625	\$10,738	\$6,255	\$4,483
2065/66	\$1,696,791	\$16,968	\$10,959	\$6,384	\$4,575
2066/67	\$1,731,748	\$17,317	\$11,185	\$6,516	\$4,669
2067/68	\$1,767,423	\$17,674	\$11,415	\$6,650	\$4,766
2068/69	\$1,803,828	\$18,038	\$11,651	\$6,787	\$4,864
2069/70	\$1,840,980	\$18,410	\$11,891	\$6,927	\$4,964
2070/71	\$1,878,894	\$18,789	\$12,135	\$7,069	\$5,066
2071/72	\$1,917,585	\$19,176	\$12,385	\$7,215	\$5,171
2072/73	\$1,957,068	\$19,571	\$12,640	\$7,363	\$5,277
2073/74	\$1,997,362	\$19,974	\$12,901	\$7,515	\$5,386
2074/75	\$2,038,481	\$20,385	\$13,166	\$7,670	\$5,497
2075/76	\$2,080,444	\$20,804	\$13,437	\$7,828	\$5,610
2076/77	\$2,123,266	\$21,233	\$13,714	\$7,989	\$5,725
2077/78	\$2,166,967	\$21,670	\$13,996	\$8,153	\$5,843
2078/79	\$2,211,563	\$22,116	\$14,284	\$8,321	\$5,963
2079/80	\$2,257,073	\$22,571	\$14,578	\$8,492	\$6,086
2080/81	\$2,303,517	\$23,035	\$14,878	\$8,667	\$6,211
2081/82	\$2,350,912	\$23,509	\$15,184	\$8,845	\$6,339
2082/83	\$2,399,280	\$23,993	\$15,497	\$9,027	\$6,469
2083/84	\$2,448,638	\$24,486	\$15,815	\$9,213	\$6,603
2084/85	\$2,499,009	\$24,990	\$16,141	\$9,402	\$6,738
2085/86	\$2,550,412	\$25,504	\$16,473	\$9,596	\$6,877

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2086/87	\$2,602,869	\$26,029	\$16,811	\$9,793	\$7,018
2087/88	\$2,656,401	\$26,564	\$17,157	\$9,994	\$7,163
2088/89	\$2,711,031	\$27,110	\$17,510	\$10,200	\$7,310
2089/90	\$2,766,781	\$27,668	\$17,870	\$10,410	\$7,460
2090/91	\$2,823,673	\$28,237	\$18,238	\$10,624	\$7,614
2091/92	\$2,881,732	\$28,817	\$18,613	\$10,842	\$7,770
2092/93	\$2,940,981	\$29,410	\$18,995	\$11,065	\$7,930
2093/94	\$3,001,444	\$30,014	\$19,386	\$11,293	\$8,093
2094/95	\$3,063,147	\$30,631	\$19,784	\$11,525	\$8,259
2095/96	\$3,126,115	\$31,261	\$20,191	\$0	\$0
2096/97	\$3,190,374	\$31,904	\$20,606	\$0	\$0
<b>Cumulative Total Over EIFD Term</b>		<b>\$975,478</b>	<b>\$630,044</b>	<b>\$343,027</b>	<b>\$245,836</b>

## Exhibit D-9

### Project Area 9: Projected Annual Incremental Assessed Property Value and Tax Revenues Allocated to EIFD

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
EIFD Term					
2025/26	\$0	\$0	\$0	\$0	\$0
2026/27	\$388	\$4	\$3	\$0	\$0
2027/28	\$785	\$8	\$5	\$0	\$0
2028/29	\$1,189	\$12	\$8	\$0	\$0
2029/30	\$1,601	\$16	\$10	\$0	\$0
2030/31	\$2,022	\$20	\$13	\$0	\$0
2031/32	\$2,450	\$25	\$16	\$0	\$0
2032/33	\$2,888	\$29	\$19	\$0	\$0
2033/34	\$3,334	\$33	\$22	\$0	\$0
2034/35	\$3,789	\$38	\$24	\$0	\$0
2035/36	\$4,254	\$43	\$27	\$0	\$0
2036/37	\$4,727	\$47	\$31	\$0	\$0
2037/38	\$5,210	\$52	\$34	\$0	\$0
2038/39	\$5,703	\$57	\$37	\$0	\$0
2039/40	\$6,205	\$62	\$40	\$0	\$0
2040/41	\$6,718	\$67	\$43	\$0	\$0
2041/42	\$7,241	\$72	\$47	\$0	\$0
2042/43	\$7,774	\$78	\$50	\$0	\$0
2043/44	\$8,318	\$83	\$54	\$0	\$0
2044/45	\$8,873	\$89	\$57	\$0	\$0
2045/46	\$9,439	\$94	\$61	\$0	\$0
2046/47	\$10,016	\$100	\$65	\$0	\$0
2047/48	\$10,605	\$106	\$68	\$0	\$0
2048/49	\$11,205	\$112	\$72	\$0	\$0
2049/50	\$11,818	\$118	\$76	\$0	\$0
2050/51	\$12,443	\$124	\$80	\$0	\$0
2051/52	\$13,080	\$131	\$84	\$0	\$0
2052/53	\$590,133	\$5,901	\$3,812	\$2,220	\$1,591
2053/54	\$602,629	\$6,026	\$3,892	\$2,267	\$1,625
2054/55	\$615,381	\$6,154	\$3,975	\$2,315	\$1,659
2055/56	\$628,395	\$6,284	\$4,059	\$2,364	\$1,694
2056/57	\$641,675	\$6,417	\$4,144	\$2,414	\$1,730
2057/58	\$655,227	\$6,552	\$4,232	\$2,465	\$1,767
2058/59	\$669,058	\$6,691	\$4,321	\$2,517	\$1,804
2059/60	\$683,172	\$6,832	\$4,412	\$2,570	\$1,842
2060/61	\$697,575	\$6,976	\$4,506	\$2,625	\$1,881
2061/62	\$712,273	\$7,123	\$4,600	\$2,680	\$1,921
2062/63	\$727,273	\$7,273	\$4,697	\$2,736	\$1,961
2063/64	\$742,580	\$7,426	\$4,796	\$2,794	\$2,002
2064/65	\$758,201	\$7,582	\$4,897	\$2,853	\$2,044
2065/66	\$774,143	\$7,741	\$5,000	\$2,913	\$2,087
2066/67	\$790,411	\$7,904	\$5,105	\$2,974	\$2,131
2067/68	\$807,012	\$8,070	\$5,212	\$3,036	\$2,176
2068/69	\$823,954	\$8,240	\$5,322	\$3,100	\$2,222
2069/70	\$841,244	\$8,412	\$5,433	\$3,165	\$2,268
2070/71	\$858,887	\$8,589	\$5,547	\$3,231	\$2,316
2071/72	\$876,893	\$8,769	\$5,664	\$3,299	\$2,364
2072/73	\$895,267	\$8,953	\$5,782	\$3,368	\$2,414
2073/74	\$914,018	\$9,140	\$5,903	\$3,439	\$2,465
2074/75	\$933,154	\$9,332	\$6,027	\$3,511	\$2,516
2075/76	\$952,682	\$9,527	\$6,153	\$3,584	\$2,569
2076/77	\$972,610	\$9,726	\$6,282	\$3,659	\$2,623
2077/78	\$992,946	\$9,929	\$6,413	\$3,736	\$2,677
2078/79	\$1,013,700	\$10,137	\$6,547	\$3,814	\$2,733
2079/80	\$1,034,879	\$10,349	\$6,684	\$3,894	\$2,790
2080/81	\$1,056,492	\$10,565	\$6,824	\$3,975	\$2,849
2081/82	\$1,078,549	\$10,785	\$6,966	\$4,058	\$2,908
2082/83	\$1,101,057	\$11,011	\$7,112	\$4,143	\$2,969
2083/84	\$1,124,027	\$11,240	\$7,260	\$4,229	\$3,031
2084/85	\$1,147,468	\$11,475	\$7,411	\$4,317	\$3,094
2085/86	\$1,171,389	\$11,714	\$7,566	\$4,407	\$3,159

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), Conditioned on City Share of Increment Exceeding \$100,000 (\$000)	Conditional Tax Revenue Available for Bond DS If Necessary (41.747581% of City Share of Increment) (\$000)
2086/87	\$1,195,800	\$11,958	\$7,723	\$4,499	\$3,224
2087/88	\$1,220,713	\$12,207	\$7,884	\$4,593	\$3,292
2088/89	\$1,246,135	\$12,461	\$8,049	\$4,688	\$3,360
2089/90	\$1,272,079	\$12,721	\$8,216	\$4,786	\$3,430
2090/91	\$1,298,555	\$12,986	\$8,387	\$4,886	\$3,501
2091/92	\$1,325,574	\$13,256	\$8,562	\$4,987	\$3,574
2092/93	\$1,353,146	\$13,531	\$8,740	\$5,091	\$3,649
2093/94	\$1,381,284	\$13,813	\$8,921	\$5,197	\$3,724
2094/95	\$1,409,998	\$14,100	\$9,107	\$5,305	\$3,802
2095/96	\$1,439,301	\$14,393	\$9,296	\$5,415	\$3,881
2096/97	\$1,469,205	\$14,692	\$9,489	\$5,528	\$3,962
<b>Cumulative Total Over EIFD Term</b>	<b>\$436,582</b>		<b>\$281,981</b>	<b>\$163,651</b>	<b>\$117,283</b>

**Exhibit E -Stonestown Fiscal Impact Analysis**



**Economic & Planning  
Systems, Inc.**  
The Economics of Land Use

# STONESTOWN FISCAL IMPACT ANALYSIS

REPORT

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**Prepared for Use by:**  
City and County of San Francisco

**Prepared by:**  
Economic & Planning Systems, Inc.

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October 09, 2025

EPS #221033

# 1. Introduction

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This report describes the results and methodology of a Fiscal Impact Analysis (FIA) of the Stonestown Mixed-Use Project (Project) at the Stonestown Galleria site in San Francisco. The City and County of San Francisco (CCSF) is considering forming an Enhanced Infrastructure Financing District (EIFD) to reimburse the Project Sponsor for a portion of the cost of building new public infrastructure to serve the project and the broader community. Economic & Planning Systems, Inc. (EPS) prepared this FIA under contract with Brookfield Properties, the Project Sponsor. CCSF staff requested the FIA to satisfy the requirements of EIFD Law. Section 53398.63 of the EIFD Law requires that an Infrastructure Financing Plan be prepared that contains the following:

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

The Project analyzed here includes 3,491 new residential units, 160,000 square feet of retail space, 96,000 square feet of office space, and 63,000 square feet of community, institutional, and education space, plus parking structures, new parks, plazas, and a town square. Residential uses include 3,467 rental apartments (350 of which are restricted as below-market-rate housing) and 24 for-sale townhomes. The FIA assumes that non-profit entities will occupy 18,000 square feet of the community, institutional, and education space. The Project's development plan comprises six major phases of development ranging from about 358,000 square feet to 736,000 square feet of space each.

This FIA evaluates the Project at the development's approximate midpoint as well as upon completion and full stabilization ("buildout"). The analysis quantifies net redevelopment effects on the City's General Fund and Municipal Transportation Agency Fund. Data sources include the City and County of San Francisco (CCSF) Fiscal Year 2025/26 Adopted Operating Budget, Project Environmental Impact Report, and market assumptions provided by Brookfield Properties.

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 2025 dollars.

## 2. Key Findings

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1. Under the proposed EIFD framework, the Project is projected to generate an ongoing annual net fiscal benefit of about \$774,000 to the CCSF's General Fund at Project buildout.<sup>1</sup> 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 anywhere in the city. Property transfer tax is the greatest recurring revenue item from Project development, followed by property tax, accounting for 39 percent and 35 percent of General Fund revenue, respectively (before mandated General Fund requirements) at Project buildout. The increase in property-related tax revenues is directly attributable to development of new real estate assets and associated assessed valuations on the CCSF tax roll, after accounting for property tax increment pledged to the EIFD. Fully built out, the Project will generate an increase in the CCSF tax roll by over 1 percent (approximately \$3.6 billion over the current total assessment level).

**Table ES-1. Summary of Annual Fiscal Impact with EIFD (2025\$)**

Revenue / Expense Category	Fiscal Baseline	Project Buildout	Net Fiscal Impact at Project Buildout
<b>General Fund</b>			
Annual General Fund Revenues	\$2,492,000	\$27,947,000	\$25,456,000
(Less) General Fund Baseline Funding Requirements	(\$714,000)	(\$8,013,000)	(\$7,298,000)
<b>Annual General Fund Revenues After Baseline Funding</b>			
	<b>\$1,777,000</b>	<b>\$19,935,000</b>	<b>\$18,157,000</b>
(Less) General Fund Expenditures	(\$141,000)	(\$17,524,000)	(\$17,383,000)
<b>Impact on General Fund</b>			
	<b>\$1,636,000</b>	<b>\$2,410,000</b>	<b>\$774,000</b>
<b>MTA Fund</b>			
MTA General Fund Baseline Funding	\$238,589	\$2,675,830	\$2,437,241
MTA General Fund Expenses	(\$38,524)	(\$2,518,491)	(\$2,479,967)
<b>Net Impact on the MTA Fund</b>	<b>\$200,065</b>	<b>\$157,339</b>	<b>(\$42,725)</b>
<b>Total Fiscal Benefit Estimate</b>	<b>\$1,836,065</b>	<b>\$2,567,339</b>	<b>\$731,275</b>

*Note: Totals may not sum due to rounding.*

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<sup>1</sup> Brookfield Properties 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. An estimated 80 percent of the Project's annual net fiscal benefit to the General Fund will be generated by the approximate midpoint of the development program, after completion of Project Phases 1-3. Phases 1 through 3 encompass about 36 percent of the commercial space and 54 percent of total housing units included in the overall Project program. Though development of over 200,000 square feet of commercial space in the second half of the development program helps to enhance the positive fiscal impact of the fully developed project, the first half of the Project yields greater fiscal benefit for the CCSF. At buildout, property tax and property transfer tax together make up over 74 percent of the Project's annual revenue (before mandated transfers). By comparison, gross receipts tax and business registration revenues are a modest contributor to fiscal impact, generating less than 4 percent of the Project's annual revenue (before mandated transfers) at buildout.

**Table ES-2. Annual Fiscal Impact with EIFD by Phase (2025\$)**

Revenue / Expense Category	Phases 1-3	Phases 4-6	Net Fiscal Impact at Project Buildout
Annual General Fund Revenues	\$13,955,000	\$11,500,000	\$25,456,000
(Less) General Fund Baseline Funding Requirements	(\$4,001,000)	(\$3,297,000)	(\$7,298,000)
<b>Annual General Fund Revenues After Baseline Funding</b>	<b>\$9,954,000</b>	<b>\$8,203,000</b>	<b>\$18,157,000</b>
(Less) General Fund Expenditures	(\$9,336,000)	(\$8,047,000)	(\$17,383,000)
<b>Impact on General Fund</b>	<b>\$618,000</b>	<b>\$156,000</b>	<b>\$774,000</b>
<b>MTA Fund</b>			
MTA General Fund Baseline Funding	\$1,336,159	\$1,101,082	\$2,437,241
MTA General Fund Expenses	(\$1,320,275)	(\$1,159,691)	(\$2,479,967)
<b>Net Impact on the MTA Fund</b>	<b>\$15,884</b>	<b>(\$58,609)</b>	<b>(\$42,725)</b>
<b>Total Fiscal Benefit Estimate</b>	<b>\$633,884</b>	<b>\$97,391</b>	<b>\$731,275</b>

*Note: Totals may not sum due to rounding.*

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 moderate net fiscal decline 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. The estimates show the fiscal benefit generated during the first half of the Project's development is approximately \$16,000 per year, while the second half of the Project's development is estimated to generate a fiscal decline of approximately \$59,000 per year, resulting in a cumulative fiscal decline of approximately \$43,000 per year once the Project is fully developed.
4. **The FIA relies on real estate valuation assumptions that are consistent with recent developments and are reasonably achievable when market conditions are strong enough to warrant development of the various components.** Sensitivity analysis reveals that fiscal impacts on the City remain positive even when assumed values are reduced by roughly 8 percent. The sensitivity calculation relies on a hypothetical scenario in which reduced market and assessed values reduce property transfer tax and annual property tax. The results show that Project valuations can be lower than assumed without resulting in a projected net negative fiscal impact.

### 3. Assumptions and Methodology

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This section describes the methodology and calculations underlying the FIA estimates attributable to the Project and existing site use. The memorandum describes the methodology and calculations below. The **Appendix** provides data tables detailing the analysis.

- **Table 1** presents a summary of fiscal impact results for both the existing site use (Baseline) and Project buildout (Proposed Project) 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.
- **Table 2** 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 3** 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

Additional tables that follow detail supporting calculations for the Project, including both General Fund revenue calculations and General Fund cost calculations. The tables associated with the calculations for the FIA Baseline (i.e., existing conditions) are referenced, but not described in detail. The FIA employs the same methodology to analyze the fiscal impact of the project site today.

- **Table 4** provides an overview of the Project program and assumptions related to new residents and employment and associated municipal service population attributed to the project. (See **Table 22** for Baseline).
- **Table 5** documents assumptions related to the Project's anticipated assessed value based on market assumptions provided to EPS by Brookfield Properties. (See **Table 23** for Baseline).
- **Table 6** presents property tax revenue calculations. The proposed project estimate 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. (See **Table 24** for Baseline).

- **Table 7** shows property tax in lieu of vehicle license fees (VLF) revenue increase 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. (See **Table 25** for Baseline).
- **Table 8** estimates property transfer tax revenue 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. These transfers of ownership of the property will occur periodically, but tax revenue estimates are annualized for purposes of the FIA. (See **Table 26** for Baseline).
- **Table 9** documents the assumptions and calculations for household incomes. Household income associated with market-rate units reflects anticipated rents or mortgage payments, as appropriate, assuming that households spend approximately 30 percent of gross income on housing. The analysis assumes that the average household income for the Below-Market Rate Housing will be 100 percent Area Median Income for a 3-person household.
- **Table 10** derives taxable retail spending potential based on household incomes in **Table 9**. New households drive sales with expenditures on taxable items. The table calculates weighted average household spending. Taxable spending estimates differentiate between market rate rental households, market rate for-sale households, and below-market renter households at 100 percent of Area Median Income.
- **Table 11** calculates sales tax revenue accruing to CCSF. In addition to taxable sales from Project households, Project employees and on-site retail contribute to CCSF revenue. Key assumptions include: i) 70 percent of new taxable residential spending is captured in San Francisco, ii) new office employment generate \$25 per workday per office worker, and iii) displacement of existing retail sales and resident and worker sales calculated separately account for 50 percent of taxable retail sales from new retailers. While the Project could generate some taxable business-to-business sales as well, this sales tax revenue category is not considered by the FIA. CCSF's General Fund receives one percent of net-new taxable sales. (See **Table 27** for Baseline).
- **Table 12** documents the assumptions and calculations for parking tax. This tax would only apply to parking stalls designated office and community, institutional, education. The analysis assumes three designated spaces per 1,000 square feet of gross square footage. Key commercial parking assumptions include i) an average parking vacancy of 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 13** documents CCSF's utility users' taxes revenue. 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 Access Line Tax revenue since both households and businesses generally pay the tax. (See **Table 28** for Baseline).
- **Tables 14 and 15** estimate gross receipts tax (GRT) revenue. The FIA relies on annual gross revenue generated per employee for unique business categories and average employment per firm to calculate anticipated gross receipts per firm. San Francisco-specific data were derived from sources including IMPLAN and the Census Bureau's Economic Census. Retail and restaurant sales are from per-square-foot productivity assumptions (consistent with sales tax calculations). These data inform calculations of effective tax rates based on CCSF's updated GRT tax schedules. These revenue data and estimates of effective tax rate are applied to anticipated employment at the Project to estimate GRT. Firms with San Francisco Gross Receipts under \$5 million are exempt from the Gross Receipts Tax. **Table 14** includes EPS assumptions regarding tax exemptions which also reflects potential for sales to have occurred outside of San Francisco. (See **Table 29** and **Table 30** for Baseline).
- **Table 16** estimates CCSF's business registration revenue using many of the same assumptions as used in **Tables 14 and 15**. CCSF has published a schedule of business registration fees based on a firm's gross receipts, which the analysis applies based on the revenue and firm size estimates for each business category. (See **Table 31** for Baseline).
- **Table 17** estimates commercial rents tax revenue (CRT) accruing to CCSF. The total rental proceeds are based on rental rates provided by the Project Sponsor. (See **Table 32** for Baseline).
- **Table 18** 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. (See **Table 33** for Baseline).
- **Table 19** 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. (See **Table 34** for Baseline).

- **Table 20** summarizes the General Fund Revenues and General Fund Expenditures associated with the Proposed Project. (See **Table 35** for Baseline).
- **Table 21** 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 Stonestown 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. (See **Table 36** for Baseline).

The FIA projects that the Project with EIFD will result in a net fiscal benefit to the City of San Francisco General Fund. Importantly, the FIA relies on real estate valuation assumptions that reflect improved market conditions that would warrant new development. Given the planned amenities, westside location, access to transit, proximity to existing retail, and the applicant team's operational expertise, Brookfield Properties believes the assumptions to be achievable in the future.

A sensitivity analysis of the FIA that estimates net fiscal benefits occur even when valuation assumptions are reduced by about 8 percent. The results of the sensitivity analysis showed that Project values likely can be lower without resulting in a net negative fiscal impact to the City.

## Appendix A: Detailed Tables

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**Table 1**  
**Annual Fiscal Impact Summary By Phase with EIFD**  
**Stonestown FIA; EPS #221033**

Item	Baseline			Proposed Project			Net Fiscal Impact		
	Phases 1-3	Phases 4-6	Total	Phases 1-3	Phases 4-6	Buildout	Phases 1-3	Phases 4-6	Buildout
<b>General Fund Revenues</b>									
Property Tax	\$201,000	\$1,033,000	\$1,234,000	\$5,140,000	\$4,669,000	\$9,808,000	\$4,939,000	\$3,636,000	\$8,574,000
Property Tax in Lieu of VLF	\$33,000	\$170,000	\$204,000	\$2,032,000	\$1,846,000	\$3,878,000	\$1,999,000	\$1,675,000	\$3,674,000
Property Transfer Tax	\$91,000	\$467,000	\$558,000	\$5,677,000	\$5,194,000	\$10,871,000	\$5,586,000	\$4,727,000	\$10,313,000
Sales Tax	\$0	\$83,000	\$83,000	\$698,000	\$741,000	\$1,439,000	\$698,000	\$659,000	\$1,357,000
Transient Occupancy Tax (TOT)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parking Tax	\$0	\$0	\$0	\$17,000	\$38,000	\$54,000	\$17,000	\$38,000	\$54,000
Utility User Tax	\$0	\$23,000	\$23,000	\$391,000	\$380,000	\$772,000	\$391,000	\$357,000	\$749,000
Gross Receipts Tax	\$0	\$373,000	\$373,000	\$303,000	\$750,000	\$1,053,000	\$303,000	\$377,000	\$680,000
Business Registration	\$0	\$14,000	\$14,000	\$16,000	\$28,000	\$45,000	\$16,000	\$14,000	\$30,000
Commercial Rents Tax	\$0	\$2,000	\$2,000	\$7,000	\$20,000	\$27,000	\$7,000	\$18,000	\$24,000
<b>Subtotal General Revenue</b>	<b>\$325,000</b>	<b>\$2,166,000</b>	<b>\$2,492,000</b>	<b>\$14,281,000</b>	<b>\$13,667,000</b>	<b>\$27,947,000</b>	<b>\$13,955,000</b>	<b>\$11,500,000</b>	<b>\$25,456,000</b>
(less) Mandated Funding Requirements	-\$93,000	-\$621,000	-\$714,000	-\$4,094,000	-\$3,918,000	-\$8,013,000	-\$4,001,000	-\$3,297,000	-\$7,298,000
<b>General Fund Revenue Above Baseline</b>	<b>\$232,000</b>	<b>\$1,545,000</b>	<b>\$1,777,000</b>	<b>\$10,186,000</b>	<b>\$9,748,000</b>	<b>\$19,935,000</b>	<b>\$9,954,000</b>	<b>\$8,203,000</b>	<b>\$18,157,000</b>
<b>General Fund Expenditures</b>									
Community Health	\$0	\$18,000	\$18,000	\$1,213,000	\$1,064,000	\$2,277,000	\$1,213,000	\$1,045,000	\$2,258,000
Culture & Recreation	\$0	\$3,000	\$3,000	\$203,000	\$178,000	\$380,000	\$203,000	\$175,000	\$377,000
General Administration & Finance	\$0	\$5,000	\$5,000	\$340,000	\$298,000	\$638,000	\$340,000	\$293,000	\$632,000
General City Responsibilities	\$0	\$3,000	\$3,000	\$199,000	\$175,000	\$374,000	\$199,000	\$172,000	\$371,000
Human Welfare & Neighborhood Development	\$0	\$25,000	\$25,000	\$1,656,000	\$1,452,000	\$3,108,000	\$1,656,000	\$1,427,000	\$3,083,000
Police	\$0	\$40,000	\$40,000	\$2,627,000	\$2,304,000	\$4,932,000	\$2,627,000	\$2,264,000	\$4,892,000
Fire	\$0	\$27,000	\$27,000	\$1,782,000	\$1,563,000	\$3,345,000	\$1,782,000	\$1,536,000	\$3,319,000
Other Public Protection	\$0	\$10,000	\$10,000	\$682,000	\$598,000	\$1,279,000	\$682,000	\$588,000	\$1,269,000
Public Works, Transportation & Commerce	\$0	\$10,000	\$10,000	\$635,000	\$557,000	\$1,191,000	\$635,000	\$547,000	\$1,182,000
<b>Service Cost Total</b>	<b>\$0</b>	<b>\$141,000</b>	<b>\$141,000</b>	<b>\$9,336,000</b>	<b>\$8,188,000</b>	<b>\$17,524,000</b>	<b>\$9,336,000</b>	<b>\$8,047,000</b>	<b>\$17,383,000</b>
<b>Annual General Fund Revenues</b>	<b>\$232,000</b>	<b>\$1,404,000</b>	<b>\$1,636,000</b>	<b>\$850,000</b>	<b>\$1,560,000</b>	<b>\$2,410,000</b>	<b>\$618,000</b>	<b>\$156,000</b>	<b>\$774,000</b>

*Note: Totals may not sum due to rounding.*

**Table 2**
**FY2025-26 Revenue Budget Summary and Fiscal Impact Estimating Factors**  
**Stonestown FIA; EPS #221033**
*Buildout*

FY2025-26 Adopted General Fund	Estimating Factors Applied to Calculate City Revenue from the Project
<b>Property Taxes</b> Property Tax in Lieu of VLF Other Property Taxes (1)	<b>\$2,437,000,000</b> \$381,000,000 \$2,056,000,000  % of Citywide Assessed Value 64.588206% of base property tax rate (1%)
<b>Other Local Taxes</b> Sales Tax Hotel Room Tax Parking Tax Property Transfer Tax Gas Electric Steam Users Tax Telephone Users Tax Water Users Tax Access Line Tax Other Local Taxes	<b>\$988,170,000</b> \$189,550,000 \$265,190,000 \$88,800,000 \$267,550,000 \$68,260,000 \$43,120,000 \$4,990,000 \$54,480,000 \$6,230,000  1.00% of estimated taxable sales 13% tax rate (GF portion of 14% rate 5% tax rate (GF portion of 25% rate tax rate schedule \$104.54 per employee \$28.84 per resident/employee \$7.64 per employee \$46.62 per service population <i>not estimated</i>
<b>Business Taxes</b> Gross Receipts Tax Business Registration Fees	<b>\$1,153,600,000</b> \$1,100,600,000 \$53,000,000  tax rate schedule tax rate schedule
<b>Other Revenues</b> Rents & Concessions Fines, Forfeiture, & Penalties Interest & Investment Income Licenses, Permits, & Franchises Intergovernmental Charges for Services Other Revenues Transfers In Prior Year	<b>\$2,918,318,454</b> \$18,501,901 \$6,037,823 \$151,881,895 \$23,126,250 \$1,372,884,661 \$405,243,352 \$18,908,890 \$734,577,719 \$187,155,963  <i>not estimated</i> <i>not estimated</i> <i>not estimated</i> <i>not estimated</i> <i>not estimated</i> <i>not estimated</i> <i>not estimated</i> <i>not estimated</i> <i>not estimated</i>
<b>Total Revenues</b>	<b>\$7,497,088,454</b>

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

Sources: City and County San Francisco Budget and Appropriation Ordinance 2025/2026; Economic &amp; Planning Systems,

**Table 3**  
**San Francisco Population, Employment, and Service Population**  
**Stonestown FIA; EPS #221033**

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

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

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

**Table 4**  
**Proposed Project Program and Service Population**  
**Stonestown FIA; EPS #221033**

*Buildout*

Item	Development Program	Resident or Worker Density Assumptions (1)	Resident Population	Employment	Service Population (2)
<b><u>Commercial Uses</u></b>					
Office	96,000 SF	250 SF / Employee		384	192
Retail	160,000 SF	550 SF / Employee		291	145
Community, Institutional, & Education	<u>63,000</u> SF	630 SF / Employee		<u>100</u>	<u>50</u>
<b>Commercial Subtotal</b>	<b>319,000 SF</b>			<b>775</b>	<b>387</b>
<b><u>Residential Rentals</u></b>					
Market-Rate Rental (3)	3,119 DU	2.36 Residents / HH	7,361		7,361
Below-Market-Rate (Inclusionary)	350 DU	2.36 Residents / HH	826		826
Property Management Employment (5)		0.04 Employees / DU		139	69
<b><u>Residential For-Sale</u></b>					
Market-Rate Townhomes	22 DU	2.36 Residents / HH	52		52
<b>Residential Subtotal</b>	<b>3,491 DU</b>		<b>8,239</b>	<b>139</b>	<b>8,308</b>
<b>Total</b>	<b>3,491 DU</b>		<b>8,239</b>	<b>914</b>	<b>8,696</b>

(1) Household and employment densities vary based on specific tenant and space sizes. EPS assumptions reflect densities reported in the Stonestown Development Project Environmental Impact Report Appendix B dated December 14, 2022.

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

(3) The market-rate rental units are an average of 750 NSF.

Sources: Brookfield and Stonestown Development Project Environmental Impact Report

**Table 5**  
**Proposed Project Assessed Value**  
**Stonestown FIA; EPS #221033**

*Buildout*

Land Use	Assumption / Factor (1)	Total
<b><u>Commercial Uses</u></b>		
Office	\$992 per Sq.Ft.	\$95,232,000
Retail	\$970 per Sq.Ft.	\$155,200,000
Community, Institutional, & Education	\$970 per Sq.Ft.	\$61,110,000
<b>Subtotal</b>		<b>\$311,542,000</b>
<b><u>Residential Uses</u></b>		
Market Rate (Rental)	\$975,000 per Unit	\$3,041,025,000
Below Market Rate (Inclusionary Rental) (2)	\$573,083 per Unit	\$200,579,050
Market Rate (Townhomes)	\$1,900,800 per Unit	\$41,817,600
<b>Subtotal</b>		<b>\$3,283,421,650</b>
<b>Parking (3)</b>		\$60,060,000
<b>Total Assessed Value</b>		<b>\$3,655,023,650</b>
(Less) Community, Institutional, & Education Sq.Ft. Occupied by Non-Profit (4)		\$17,460,000
<b>Total Assessed Value</b>		<b>\$3,637,563,650</b>

(1) Assessed value assumption for income-generating uses is based on market value expectations.

(2) Inclusionary BMR value based on a 3-person household income of \$140,250 for an 100 percent AMI household (SFMOHD).

(3) For new development, parking includes the assessed value associated with the construction of a new parking structure. The parking structure is valued at cost (hard costs plus soft costs).

(4) Accounts for 18,000 square feet of Community, Institutional, & Education space to be occupied by a property-tax-exempt entity.

Source: Brookfield

**Table 6**  
**Proposed Project Property Tax Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Land Use	Assumption / Factor		Total
<b>Total Assessed Value</b>			<b>\$3,637,563,650</b>
Property Tax	1.0%	Base Property Tax Rate	\$36,375,637
<b>General Fund Revenue</b>	<b>64.588206%</b>	Allocation to General Fund (before EIFD)	<b>\$23,494,371</b>
Tax Increment Allocation <b>Revenue to General Fund</b>	58.252419% <b>41.747581%</b>	to EIFD <b>to General Fund (1)</b>	\$13,686,039 <b>\$9,808,332</b>

(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 7**  
**Proposed Project Property Tax In Lieu of Vehicle License Fee (VLF) Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Land Use	Total
Existing Citywide Property Tax in Lieu of Vehicle License Fee (1)	\$362,629,080
Citywide Assessed Value (2)	\$340,171,657,016
Project Incremental Assessed Value	\$3,637,563,650
Project Assessed Value Increase (3)	1.06933%
<b>Property Tax In Lieu of VLF Revenue (4)</b>	<b>\$3,877,708</b>
<i>Property Tax In Lieu of VLF Revenue per \$1B of AV</i>	<i>\$1,066,017.91</i>

(1) FY 2023-24 Citywide VLF recovered per Controller's Office Property Tax Manager.

(2) FY 2023-24 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 assessed value increase.

**Table 8**  
**Proposed Project Annualized Property Transfer Tax Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Land Use	Market Valuation (1)	Turnover Rate	Imputed Annualized Taxable Transactions	Transfer Tax Rate (2)	Total
<u>Commercial</u>					
Office	\$95,232,000	5.0%	\$4,761,600	6.00%	\$285,696
Retail	\$155,200,000	5.0%	\$7,760,000	6.00%	\$465,600
Community, Institutional, & Education	\$61,110,000	5.0%	\$3,055,500	6.00%	\$183,330
<u>Residential</u>					
Market Rate (Rental)	\$3,041,025,000	5.0%	\$152,051,250	6.00%	\$9,123,075
Below Market Rate (Inclusionary Rental)	\$200,579,050	5.0%	\$10,028,953	6.00%	\$601,737
Market Rate (For-Sale Townhomes)	\$41,817,600	10.0%	\$4,181,760	0.75%	\$31,363
Parking	\$60,060,000	5.0%	\$3,003,000	6.00%	\$180,180
<b>Total</b>	<b>\$3,655,023,650</b>		<b>\$184,842,063</b>		<b>\$10,870,981</b>

(1) Transaction value based on Assessed Valuation for the proposed project.

(2) Assumes sales value of \$25 million or more (\$30 for each \$500 or portion thereof) for all commercial income-generating assets and the market rate rental program. Assumes for-sale housing units sell for over \$1 million but less than \$5 million.

**Table 9**

**Number of New Households and Estimated Annual Household Income**  
**Stonestown FIA; EPS #221033**

*Buildout*

Item	Annual Housing Cost	Assumptions	Estimated Annual Household Income
<b><u>Residential Rentals</u></b>			
Market Rate (1)	\$70,200 Annual Rent	30% of Income is Rent	\$234,000
Below Market Rate (Inclusionary) (2)	<i>Determined by SFMOHCD</i>	100% AMI (Deed Restricted)	\$140,250
<b><u>Residential For-Sale</u></b>			
Townhomes (3)	\$110,473 Annual Mortgage Payment	30% of Income is Housing Cost	\$368,243

(1) Monthly rent of \$7.80 per sq.ft. equates to average per-unit rent of \$5,850 and annual rent shown above. Rent is assumed to be 30 percent of household income. The per square foot rent and net unit size of 750 sq.ft. provided by Brookfield.

(2) San Francisco Mayor's Office of Housing and Community Development (SFMOHCD) 2025 Area Median Incomes. Assumes 3 persons per household at 100% AMI, consistent with SFMOHCD's occupancy standard of one person per bedroom plus one additional person.

(3) Annual mortgage payment estimate relies on typical mortgage financing (6 percent interest, 30-year loan, 20 percent down payment). Housing sale price of \$1,900,800 based on data from Brookfield. Assumes that annual housing costs represent 30 percent of gross household income.

Sources: Brookfield; SFMOHCD; Economic & Planning Systems, Inc.

**Table 10****Annual Taxable Retail Spending of Project Households****Stonestow Stonestown Preliminary Sales Tax Revenue Analysis 2023***Buildout*

Item	Household Income	Estimated Taxable Retail Sales (1)	Taxable Spending per Household
<b><u>Residential Rental Households</u></b>			
Market Rate	\$234,000	14% percent of income	\$33,551
Below Market Rate (Inclusionary at 100% AMI)	\$140,250	23% percent of income	\$32,777
<b><u>Residential For-Sale Households</u></b>			
Townhomes	\$368,243	14% percent of income	\$52,798
<b>Weighted Average Household Taxable Spending</b>			<b>\$33,594</b>

(1) Estimated percent of income spent on taxable retail goods and services. Bureau of Labor Statistics Consumer Expenditure Survey data for respective income groups.

Sources: Brookfield; SFMOHCD; U.S. Bureau of Labor Statistics; Economic & Planning Systems, Inc.

**Table 11**  
**Proposed Project Annual Sales Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Item	Assumptions / Factor	Total
<b><u>Household Taxable Spending and GF Revenue in San Francisco</u></b>		
Number of New Households		3,491
Annual Household Retail Spending Potential	\$33,594 per household	\$117,278,175
<b>New Retail Sales Captured in San Francisco</b>	70% of retail expenditures	<b>\$82,094,722</b>
<b><u>Project Employee Retail Purchases in San Francisco</u></b>		
Annual Office Worker Retail Spending Potential (1)	\$25 per work day	\$1,843,200
<b>Net New Office Worker Taxable Spending in San Francisco (2)</b>	100% of retail expenditures	<b>\$1,843,200</b>
<b><u>Additional On-Site Taxable Sales</u></b>		
Retail Space (Sq.Ft.)		160,000
Gross Taxable Retail Sales (3)	\$750 per square foot	\$120,000,000
<b>Net New On-Site Taxable Sales (4)</b>	50% of gross taxable sales	<b>\$60,000,000</b>
<b>Net New Taxable Retail Sales</b>		<b>\$143,937,922</b>
<b>Total Sales Tax Revenue</b>	1.0% of taxable sales	<b>\$1,439,379</b>

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

(2) Daytime spending estimate applied to office, retail, and CIE employment.

(3) Based on industry standards and HDL data for typical retail sales per square foot.

(4) On-site sales are reduced by 50% to account for sales redistribution and to avoid double counting of on-site resident and worker expenditures. The reduction does not apply to the Baseline scenario.

Sources: Brookfield; SFMOHCD; U.S. Bureau of Labor Statistics; Economic & Planning Systems, Inc.

**Table 12**  
**Proposed Project Parking Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Item	Assumptions	Total at Buildout (2025\$)
Commercial Off-Street Parking at Buildout (1)		477
Occupied Off-Street Parking	95.0% average occupancy	453
Average Revenue Rates	\$200 per space per month	\$90,630
Gross Annual Parking Tax Revenue	12 months per year	\$1,087,560
San Francisco Parking Tax Revenue	25.0% of annual parking revenue	\$271,890
Total Parking Tax Revenue to MTA	80.0% of tax proceeds	\$217,512
<b>Total Parking Tax Revenue to General Fund</b>	<b>20.0% of tax proceeds</b>	<b>\$54,378</b>

(1) Assumes 3 dedicated parking spaces per 1,000 GSF of office and CIE space at buildout. Research has not identified parking tax revenues from the existing parking spaces under the Baseline scenario.

**Table 13**  
**Proposed Project Utility Users Tax Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Item	Allocation Factor	Project Populations	Total
<b>General Fund</b>			
Gas Electric Steam Users Tax	\$105 per Employee	914 Employees	\$95,516
Telephone Users Tax Land & Mobile	\$29 per Residents+Employees	9,152 Residents + Employees	\$263,986
Water Users Tax	\$8 per Employee	914 Employees	\$6,982
Access Line Tax	\$47 per Service Population	8,696 Service Population	<u>\$405,422</u>
<b>Total</b>			<b>\$771,907</b>

**Table 14**  
**Proposed Project Gross Receipts Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**

Land Use	Employees	Number of Firms (1)	Sales	Effective Tax Rate	Percent Tax Exempt (2)	Gross Receipts Tax Revenue
Office	384	23	\$132,758,765	1.29%	50.00%	\$854,514
Retail (3)	145	8	\$60,000,000	0.16%	0.00%	\$95,405
Restaurant (3)	145	10	\$60,000,000	0.15%	50.00%	\$46,331
CIE	100	7	\$11,655,850	1.00%	100.00%	\$0
Building Services	104	2	\$13,336,609	0.43%	0.00%	\$56,973
Leasing Services	35	3	\$11,317,308	0.42%	100.00%	\$0
<b>Total</b>	<b>914</b>					<b>\$1,053,224</b>

(1) Number of Firms based on employees per firm estimate by NAICS category from 2017 Economic Census data for City of San Francisco. Office employment reflects "professional, scientific, and technical services" firms, Retail employment reflects "retail trade" businesses, Restaurant employment reflects "Accommodation and food services" businesses, and Education reflects "educational services" entities.

(2) Assumes 50% of office businesses and 100% of CIE and Leasing firms will not have San Francisco Gross Receipts totalling over \$5 million. Assumes that 50% of restaurants will have total gross receipts less than \$5 million, and the remaining 50% will either have San Francisco Gross Receipts totalling over \$5 million, or be chain restaurants whose operations in the City will generate over \$5 million in total revenue.

(3) Retail and Restaurant sales derived from sales productivity per square foot.

Sources: IMPLAN, City of San Francisco Gross Receipts Tax 2025 Rates

**Table 15**  
**Proposed Project Gross Receipts Tax Revenue Detail**  
**Stonestown FIA; EPS #221033**

	Office	Retail	Restaurant	CIE	Building Services	Leasing Services
Employees	384	145	145	100	104	35
Sales/Employee (1)	\$345,726	\$412,500	\$412,500	\$116,559	\$128,150	\$326,241
Employees/Firm (2)	17.0	17.9	14.7	13.5	45.7	11.5
Gross Receipts Per Firm (3)	\$5,877,341	\$7,383,750	\$6,063,750	\$1,573,540	\$5,856,472	\$3,751,774
<b>Tax Rate Tiers by Business Activity</b>	<b>Category 5</b>	<b>Category 1</b>	<b>Category 1</b>	<b>Category 5</b>	<b>Category 3</b>	<b>Category 3</b>
<b>\$0 - \$1M</b>						
Tax Rate	1.00%	0.10%	0.10%	1.00%	0.41%	0.41%
Tax Revenue per Business	\$10,000	\$1,000	\$1,000	\$10,000	\$4,100	\$4,100
<b>\$1M - \$2.5M</b>						
Tax Rate	1.00%	0.13%	0.13%	1.00%	0.41%	0.41%
Tax Revenue per Business	\$15,000	\$1,950	\$1,950	\$5,735	\$6,150	\$6,150
<b>\$2.5M - \$25M</b>						
Tax Rate	1.50%	0.18%	0.18%	1.50%	0.44%	0.44%
Tax Revenue per Business	\$50,660	\$8,791	\$6,415	\$0	\$14,768	\$5,508
Effective Tax Rate Per Business	1.29%	0.16%	0.15%	1.00%	0.43%	0.42%
<b>Gross Receipts Tax Revenue Per Business (4)</b>	<b>\$75,660</b>	<b>\$11,741</b>	<b>\$9,365</b>	<b>\$15,735</b>	<b>\$25,018</b>	<b>\$15,758</b>

(1) Sales data derived from IMPLAN sales output for San Francisco and sales per square foot for retail and restaurant.

(2) Employees per firm estimate based on citywide average by NAICS category from 2017 Economic Census data for City of San Francisco, supplemented with BLS data to better characterize typical San Francisco restaurant employment.

(3) Analysis calculates effective tax rate assuming all gross receipts are allocated to San Francisco.

(4) Firms with San Francisco Gross Receipts less than \$5 million are exempt from Gross Receipts Tax.

Sources: City of San Francisco Gross Receipts Tax 2025 Rates; San Francisco Economic Census, 2017; BLS Quarterly Census of Employment and Wages, 2024.

**Table 16**  
**Proposed Project Business Registration Revenue Detail**  
**Stonestown FIA; EPS #221033**

*Buildout*

Land Use	Gross Receipts Per Firm	Number of Firms (1)	Business Registration Fee	Business Registration Revenue
Office	\$5,877,341	23	\$800	\$18,071
Retail	\$7,383,750	8	\$800	\$6,501
Restaurant	\$6,063,750	10	\$800	\$7,916
CIE (2)	\$1,573,540	5	\$875	\$4,628
Building Services	\$5,856,472	2	\$800	\$1,822
Leasing Services	\$3,751,774	3	\$1,885	\$5,687
<b>Total Business Registration Revenue</b>				<b>\$44,624</b>

(1) Numbers of firms estimate based on citywide average by NAICS category from 2017 Economic Census data for City of San Francisco. Office employment reflects "professional, scientific, and technical services" firms, Retail employment reflects "retail trade" businesses, Restaurant employment reflects "Accommodation and food services" businesses, and Education reflects "educational services" entities.

(2) 18,000 SF out of 63,000 SF in the proposed project is assumed to be non-profit. Number of firms adjusted to reflect nontaxable status.

Sources: City of San Francisco Business Registration Fees (2025/2026)

**Table 17**  
**Proposed Project Commercial Rents Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**

*Buildout*

Land Use	Rental Rates (1)	Total
Office (2)	\$56.25 per Sq.Ft.	\$5,130,000
Retail (3)		<i>exempt</i>
<b>Total Annual Rental Revenue</b>		<b>\$5,130,000</b>
<b>Gross Receipts Tax Revenue (4)</b>	<b>3.5%</b>	<b>\$179,550</b>
General Fund Allocation (5)		\$26,933
Restricted Revenue (5)		\$152,618

(1) NNN rental rates per square foot per year provided by Brookfield Properties Development.

(2) Assumes office NSF as 95 percent of GSF.

(3) Assumes all retailers in the proposed program are tax-exempt 'non-formula' establishments.

(4) Includes General Fund and restricted revenues.

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

**Table 18**

**Proposed Project Aggregate Discretionary Revenue (ADR) and Mandated Transfers**  
**Stonestown FIA; EPS #221033**

*Buildout*


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<b><u>Aggregate Discretionary Revenue (ADR)</u></b>	
Property Tax	\$9,808,332
Property Tax In-Lieu of Vehicle License Fee	\$3,877,708
Property Transfer Tax	\$10,870,981
Transient Occupancy Tax Allocation to General Fund	\$0
Sales Tax	\$1,439,379
Parking Tax	\$54,378
Utility User Taxes	\$771,907
Gross Receipts Tax	\$1,053,224
Business Registration Tax	\$44,624
Commercial Rents Tax	<u>\$26,933</u>
<b>Total</b>	<b>\$27,947,465</b>
<b><u>General Fund Baseline Requirements</u></b>	
	<b><u>% of ADR</u></b>
MTA Fund	9.5745%
Children's Services	8.7564%
Library Preservation	2.2858%
Street Tree	0.5097%
Early Care and Education Baseline	2.0800%
Housing Trust Fund	1.0933%
Recreation and Parks	1.8258%
Dignity Fund	1.3244%
Student Success Fund	<u>1.2210%</u>
<b>Total Baseline Allocations</b>	<b>28.6709%</b>
	<b>\$8,012,790</b>

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

Table 19

**Proposed Project City and County of San of San Francisco General Fund Cost Estimates**  
**Stonestown FIA; EPS #221033**

Buildout

Item	Allocated General Fund Expenses (FY2025-26)	Percent Variable (1)	Citywide Service Population (2)		Per Capita General Fund Expense	Project Population/ Service Population	Annual Total
Community Health	\$1,223,759,000	25%	1,168,501	Service Pop.	\$262	8,696	\$2,276,702
Culture & Recreation	\$204,503,000	25%	1,168,501	Service Pop.	\$44	8,696	\$380,461
General Administration & Finance	\$342,691,000	25%	1,168,501	Service Pop.	\$73	8,696	\$637,548
General City Responsibilities	\$201,002,000	25%	1,168,501	Service Pop.	\$43	8,696	\$373,947
Human Welfare & Neighborhood Development	\$1,670,511,000	25%	1,168,501	Service Pop.	\$357	8,696	\$3,107,846
Public Protection (3)							
Police	\$736,334,755	90%	1,168,501	Service Pop.	\$567	8,696	\$4,931,602
Fire	\$499,510,852	90%	1,168,501	Service Pop.	\$385	8,696	\$3,345,474
Other Public Protection	\$687,736,036	25%	1,168,501	Service Pop.	\$147	8,696	\$1,279,476
Public Works, Transportation & Commerce	<u>\$177,859,000</u>	90%	1,168,501	Service Pop.	<u>\$137</u>	8,696	<u>\$1,191,211</u>
<b>Total Expenditures</b>	<b>\$5,743,906,643</b>				<b>\$2,015</b>		<b>\$17,524,266</b>

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

(2) Based on data from the U.S. Census Bureau American Community Survey (ACS) and State of California Department of Finance.

(3) Police and Fire Department variable costs are anticipated to be 90% due to robust on-site security services.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2025/2026 No. 119-25; Economic & Planning Systems, Inc.

**Table 20**  
**Proposed Project Annual Fiscal Impact Summary Detail**  
**Stonestown FIA; EPS #221033**

*Buildout*

Item	Annual Fiscal Impact at Project Buildout
<b><u>General Fund Revenues</u></b>	
Property Tax	\$9,808,000
Property Tax in Lieu of VLF	\$3,878,000
Property Transfer Tax	\$10,871,000
Sales Tax	\$1,439,000
Transient Occupancy Tax (TOT)	\$0
Parking Tax	\$54,000
Utility User Tax	\$772,000
Gross Receipts Tax	\$1,053,000
Business Registration	\$45,000
Commercial Rents Tax	<u>\$27,000</u>
<b>Subtotal General Revenue</b>	<b>\$27,947,000</b>
(less) Mandated Funding Requirements	-\$8,013,000
<b>General Fund Revenue after Requirements</b>	<b>\$19,935,000</b>
<b><u>General Fund Expenditures</u></b>	
Community Health	\$2,277,000
Culture & Recreation	\$380,000
General Administration & Finance	\$638,000
General City Responsibilities	\$374,000
Human Welfare & Neighborhood Development	\$3,108,000
Police	\$4,932,000
Fire	\$3,345,000
Other Public Protection	\$1,279,000
Public Works, Transportation & Commerce	<u>\$1,191,000</u>
<b>Service Cost Total</b>	<b>\$17,524,000</b>
<b>Annual General Fund Revenues</b>	<b>\$2,410,000</b>

**Table 21**  
**Proposed Project MTA Fund Fiscal Impact Analysis**  
**Stonestown FIA; EPS #221033**

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<b>Annual MTA Fund Revenues (1)</b>	
ADR Accruing to the General Fund	\$27,947,465
Baseline Allocation to MTA	9.57%
<b>Fund Revenue Attributable to Project</b>	<b>\$2,675,830</b>
<b>Annual MTA Fund Expenses (2)</b>	
MTA General Fund Support (3)	\$548,500,000
Variable GF Support (75%)	\$411,375,000
Service Population Citywide (4)	1,494,975
Per-Capita Variable General Fund Support	\$275
Project Service Population (5)	9,152
<b>Annual MTA Fund Expenses</b>	<b>\$2,518,491</b>
<b>Net Impact on the MTA Fund</b>	<b>\$157,339</b>

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

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

(3) MTA 2024-25 budget presentation.

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

(5) Net new resident and worker population.

**Table 22**  
**Baseline Project Program and Service Population**  
**Stonestown FIA; EPS #221033**

*Baseline*

Item	Development Program	Worker Density Assumptions (1)	Employment	Service Population (2)
<b><u>Commercial Uses</u></b>				
Office	0 SF	550 SF / Employee	0	0
Retail (3)	92,000 SF	657 SF / Employee	140	70
Community, Institutional, & Education	<u>0</u> SF	0 SF / Employee	<u>0</u>	<u>0</u>
<b>Total</b>	<b>92,000 SF</b>		<b>140</b>	<b>70</b>

(1) Employment densities vary based on specific tenant and space sizes. EPS assumptions reflect densities reported in the Stonestown Development Project Environmental Impact Report Appendix B dated December 14, 2022. The Baseline scenario uses a blended square foot per employee assumption to account for the vacant theatre which has zero workers.

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

(3) Includes 50,000 square feet from CitySports, 15,000 square feet from the YMCA Annex/Pet Food Express/Former Citibank, 12,000 from Shake Shack/Marugame, and 15,000 square feet from the vacant theater.

Sources: Brookfield and Stonestown Development Project Environmental Impact Report

**Table 24**  
**Baseline Property Tax Estimate**  
**Stonestown FIA; EPS #221033**

*Baseline*

Land Use	Assumption / Factor		Total
<b>Total Assessed Value (1)</b>			<b>\$191,083,666</b>
Property Tax	1.0%	Base Property Tax Rate	\$1,910,837
<b>General Fund Revenue</b>	<b>64.588206%</b>	Allocation to General Fund (before EIFD)	<b>\$1,234,175</b>
Tax Increment Allocation <b>Revenue to General Fund</b>	0.000000% <b>100.000000%</b>	to EIFD <b>to General Fund</b>	\$0 <b>\$1,234,175</b>

(1) Assessed Values are based on email from City Consultant dated 10/2/2025.

**Table 25**

**Baseline Property Tax In Lieu of Vehicle License Fee (VLF) Estimate**  
**Stonestown FIA; EPS #221033**

*Baseline*

Land Use	Total
Existing Citywide Property Tax in Lieu of Vehicle License Fee (1)	\$362,629,080
Citywide Assessed Value (2)	\$340,171,657,016
Project Incremental Assessed Value	\$191,083,666
Project Assessed Value Increase (3)	0.05617%
<b>Property Tax In Lieu of VLF Revenue (4)</b>	<b>\$203,699</b>
<i>Property Tax In Lieu of VLF Revenue per \$1B of AV</i>	<i>\$1,066,017.91</i>

(1) FY 2023-24 Citywide VLF recovered per Controller's Office Property Tax Manager.

(2) FY 2023-24 net total assessed value for VLF per Controller's Office Property Tax Manager.

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

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

**Table 26**  
**Baseline Annualized Property Transfer Tax Estimate**  
**Stonestown FIA; EPS #221033**

*Baseline*

Land Use	Market Valuation (1)	Turnover Rate	Imputed Annualized Taxable Transactions	Transfer Tax Rate (2)	Total
Existing Assessed Value	\$186,147,547	5.0%	\$9,307,377	6.00%	\$558,443
<b>Total</b>	<b>\$186,147,547</b>		<b>\$9,307,377</b>		<b>\$558,443</b>

(1) Transaction value based on email from City Consultant, excluding Unsecured Property Value.

(2) Assumes sales value of \$25 million or more (\$30 for each \$500 or portion thereof) for all commercial income-generating assets.

**Table 27**
**Baseline Annual Sales Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**
*Baseline*

Item	Assumptions / Factor	Total
<b>On-Site Taxable Sales</b>		
Sales Tax Generating Retail Space (Sq.Ft.) (3)		11,000
Gross Taxable Retail Sales (1)	\$750 per square foot	\$8,250,000
<b>Net New On-Site Taxable Sales</b>	100% of gross taxable sales	<b>\$8,250,000</b>
<b>Total Sales Tax Revenue</b>	1.0% of taxable sales	<b>\$82,500</b>

(1) A weighted average gross taxable retail sales is taken across 11,000 square feet of active retail uses which are sales tax generating (e.g., pet food store). Active commercial spaces which are non-sales tax generating (e.g., fitness center), are not included in this estimate.

Sources: Brookfield; Economic & Planning Systems, Inc.

**Table 28**  
**Baseline Utility Users Tax Estimate**  
**Stonestown FIA; EPS #221033**

*Baseline*

Item	Allocation Factor	Project Populations	Total
<b>General Fund</b>			
Gas Electric Steam Users Tax	\$105 per Employee	140 Employees	\$14,636
Telephone Users Tax Land & Mobile	\$29 per Residents+Employees	140 Residents + Employees	\$4,038
Water Users Tax	\$8 per Employee	140 Employees	\$1,070
Access Line Tax	\$47 per Service Population	70 Service Population	<u>\$3,264</u>
<b>Total</b>			<b>\$23,007</b>

**Table 29**  
**Baseline Gross Receipts Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**

*Baseline*

Land Use	Employees (1)	Number Of Firms (2)	Sales	Effective Tax Rate	Percent Tax Exempt	Gross Receipts Tax Revenue
Financial Services	16	0.37	\$13,068,488	2.71%	0%	\$353,795
Retail (3)	8	1.00	\$3,375,000	0.13%	0%	\$4,525
Restaurant (4)	12	2.00	\$4,875,000	0.12%	50%	\$2,869
Fitness	91	1.00	\$7,525,273	0.16%	0%	\$11,995
CIE (4)	13	0.96	\$1,509,962	1.00%	100%	\$0
<b>Total</b>	<b>140</b>					<b>\$373,184</b>

(1) Employee distribution reflects baseline tenant mix.

(2) Number of Firms based on employees per firm estimate by NAICS category from 2017 Economic Census data for City of San Francisco for Financial Services and CIE. Number of Retail, Restaurant and Fitness firms based on known tenants.

(3) Adjusted by retail margin to reflect total sales.

(4) Firms with sales less than \$5 million are exempt from Gross Receipts Tax. Analysis assumes one of the restaurants is a chain, and while the single location does not exceed \$5 million, the total revenues across multiple locations in the City is expected to exceed \$5 million.

Sources: Brookfield, IMPLAN, City of San Francisco Gross Receipts Tax 2025 Rates

**Table 30**  
**Baseline Gross Receipts Tax Revenue Detail**  
**Stonestown FIA; EPS #221033**

*Baseline*

	<b>Financial Services</b>	<b>Retail</b>	<b>Restaurant</b>	<b>Fitness</b>	<b>CIE</b>
Employees	16	8.2	12	91	13
Sales(1)	\$13,068,488	\$3,375,000	\$4,875,000	\$7,525,273	\$1,509,962
Sales/Employee	\$814,467	\$412,500	\$412,500	\$82,778	\$116,559
Employees/Firm (2)	43.0	8.2	5.9	91	13.5
Gross Receipts Per Firm (3)	\$35,046,927	\$3,375,000	\$2,437,500	\$7,525,273	\$1,573,540
<i>Tax Rate Tiers by Business Activity</i>	<i>Category 6</i>	<i>Category 1</i>	<i>Category 1</i>	<i>Category 1</i>	<i>Category 5</i>
<b>\$0 - \$1M</b>					
Tax Rate	1.50%	0.10%	0.10%	0.10%	1.00%
Tax Revenue per Business	\$15,000	\$1,000	\$1,000	\$1,000	\$10,000
<b>\$1M - \$2.5M</b>					
Tax Rate	1.50%	0.13%	0.13%	0.13%	1.00%
Tax Revenue per Business	\$22,500	\$1,950	\$1,869	\$1,950	\$5,735
<b>\$2.5M - \$25M</b>					
Tax Rate	3.00%	0.18%	0.18%	0.18%	1.50%
Tax Revenue per Business	\$675,000	\$1,575	\$0	\$9,045	\$0
<b>\$25M - \$50M</b>					
Tax Rate	2.35%	0.34%	0.34%	0.34%	1.18%
Tax Revenue per Business	\$236,304	\$0	\$0	\$0	\$0
Effective Tax Rate Per Business	2.71%	0.13%	0.12%	0.16%	1.00%
<b>Gross Receipts Tax Revenue Per Business</b>	<b>\$948,804</b>	<b>\$4,525</b>	<b>\$2,869</b>	<b>\$11,995</b>	<b>\$15,735</b>

(1) Sales data derived from IMPLAN sales output for San Francisco and sales per square foot for retail and restaurant.

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

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

Sources: City of San Francisco Gross Receipts Tax 2025 Rates

**Table 31**  
**Baseline Business Registration Revenue Detail**  
**Stonestown FIA; EPS #221033**

*Baseline*

Land Use	Gross Receipts Per Firm	Number of Firms (1)	Business Registration Fee	Business Registration Revenue
Financial Services	\$35,046,927	0.37	\$20,000	\$7,458
Retail	\$3,375,000	1.00	\$1,885	\$1,885
Restaurant	\$2,437,500	2.00	\$1,131	\$2,261
Fitness	\$7,525,273	1.00	\$2,000	\$2,000
CIE	1573539.75	0.96	\$875	\$839
<b>Total Business Registration Revenue</b>				<b>\$14,444</b>

(1) Number of firms based on actual occupancy of Retail, Restaurant, and Fitness businesses, and is based on citywide average by NAICS category from 2017 Economic Census data for City of San Francisco for Financial Services and CIE.

Sources: City of San Francisco Business Registration Fees (2025/2026)

**Table 32**  
**Baseline Commercial Rents Tax Revenue Estimate**  
**Stonestown FIA; EPS #221033**

*Baseline*

Land Use	Rental Rates (1)	Total
Retail (2)	\$30.00 per Sq.Ft.	\$470,250
<b>Total Annual Rental Revenue</b>		<b>\$470,250</b>
<b>Gross Receipts Tax Revenue (3)</b>	<b>3.5%</b>	<b>\$16,459</b>
<b>General Fund Allocation (4)</b>		<b>\$2,469</b>
Restricted Revenue (4)		\$13,990

(1) NNN rental rates per square foot per year provided by Brookfield Properties Development.

(2) Assumes all retailers in the Baseline scenario are formula establishments.

(3) Includes General Fund and restricted revenues.

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

**Table 33**
**Baseline Aggregate Discretionary Revenue (ADR) and Mandated Transfers**  
**Stonestown FIA; EPS #221033**
*Baseline***Aggregate Discretionary Revenue (ADR)**

Property Tax	\$1,234,175
Property Tax In-Lieu of Vehicle License Fee	\$203,699
Property Transfer Tax	\$558,443
Transient Occupancy Tax Allocation to General Fund	\$0
Sales Tax	\$82,500
Parking Tax	\$0
Utility User Taxes	\$23,007
Gross Receipts Tax	\$373,184
Business Registration Tax	\$14,444
Commercial Rents Tax	<u>\$2,469</u>
<b>Total</b>	<b>\$2,491,921</b>

**General Fund Baseline Requirements****% of ADR**

MTA Fund	9.5745%	\$238,589
Children's Services	8.7564%	\$218,203
Library Preservation	2.2858%	\$56,960
Street Tree	0.5097%	\$12,701
Early Care and Education Baseline	2.0800%	\$51,832
Housing Trust Fund	1.0933%	\$27,244
Recreation and Parks	1.8258%	\$45,497
Dignity Fund	1.3244%	\$33,003
Student Success Fund	<u>1.2210%</u>	<u>\$30,426</u>
<b>Total Baseline Allocations</b>	<b>28.6709%</b>	<b>\$714,456</b>

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

**Table 34**  
**Baseline City and County of San of San Francisco General Fund Cost Estimates**  
**Stonestown FIA; EPS #221033**

*Baseline*

Item	Allocated General Fund Expenses (FY2025-26)	Percent Variable (1)	Citywide Service Population (2)	Per Capita General Fund Expense	Project Population/Service Population	Annual Total
Community Health	\$1,223,759,000	25%	1,168,501 Service Pop.	\$262	70	\$18,328
Culture & Recreation	\$204,503,000	25%	1,168,501 Service Pop.	\$44	70	\$3,063
General Administration & Finance	\$342,691,000	25%	1,168,501 Service Pop.	\$73	70	\$5,132
General City Responsibilities	\$201,002,000	25%	1,168,501 Service Pop.	\$43	70	\$3,010
Human Welfare & Neighborhood Development	\$1,670,511,000	25%	1,168,501 Service Pop.	\$357	70	\$25,018
Public Protection (3)						
Police	\$736,334,755	90%	1,168,501 Service Pop.	\$567	70	\$39,700
Fire	\$499,510,852	90%	1,168,501 Service Pop.	\$385	70	\$26,931
Other Public Protection	\$687,736,036	25%	1,168,501 Service Pop.	\$147	70	\$10,300
Public Works, Transportation & Commerce	<u>\$177,859,000</u>	90%	1,168,501 Service Pop.	<u>\$137</u>	70	<u>\$9,589</u>
<b>Total Expenditures</b>	<b>\$5,743,906,643</b>			<b>\$2,015</b>		<b>\$141,071</b>

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

(2) Based on data from the U.S. Census Bureau American Community Survey (ACS) and State of California Department of Finance.

(3) Police and Fire Department variable costs are anticipated to be 90% due to robust on-site security services.

Sources: City and County San Francisco Budget and Appropriation Ordinance 2025/2026 No. 119-25; Economic & Planning Systems, Inc.

**Table 35**  
**Baseline Annual Fiscal Impact Summary Detail**  
**Stonestown FIA; EPS #221033**

*Baseline*

Item	Annual Fiscal Impact at Project Buildout
<b><u>General Fund Revenues</u></b>	
Property Tax	\$1,234,000
Property Tax in Lieu of VLF	\$204,000
Property Transfer Tax	\$558,000
Sales Tax	\$83,000
Transient Occupancy Tax (TOT)	\$0
Parking Tax	\$0
Utility User Tax	\$23,000
Gross Receipts Tax	\$373,000
Business Registration	\$14,000
Commercial Rents Tax	\$2,000
<b>Subtotal General Revenue</b>	<b>\$2,492,000</b>
(less) Mandated Funding Requirements	-\$714,000
<b>General Fund Revenue after Requirements</b>	<b>\$1,777,000</b>
<b><u>General Fund Expenditures</u></b>	
Community Health	\$18,000
Culture & Recreation	\$3,000
General Administration & Finance	\$5,000
General City Responsibilities	\$3,000
Human Welfare & Neighborhood Development	\$25,000
Police	\$40,000
Fire	\$27,000
Other Public Protection	\$10,000
Public Works, Transportation & Commerce	<u>\$10,000</u>
<b>Service Cost Total</b>	<b>\$141,000</b>
<b>Annual General Fund Revenues</b>	<b>\$1,636,000</b>

**Table 36**  
**Baseline MTA Fund Fiscal Impact Analysis**  
**Stonestown FIA; EPS #221033**

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<b>Annual MTA Fund Revenues (1)</b>	
ADR Accruing to the General Fund	\$2,491,921
Baseline Allocation to MTA	9.57%
<b>Fund Revenue Attributable to Project</b>	<b>\$238,589</b>
<b>Annual MTA Fund Expenses (2)</b>	
MTA General Fund Support (3)	\$548,500,000
Variable GF Support (75%)	\$411,375,000
Service Population Citywide (4)	1,494,975
Per-Capita Variable General Fund Support	\$275
Project Service Population (5)	140
<b>Annual MTA Fund Expenses</b>	<b>\$38,524</b>
<b>Net Impact on the MTA Fund</b>	<b>\$200,065</b>

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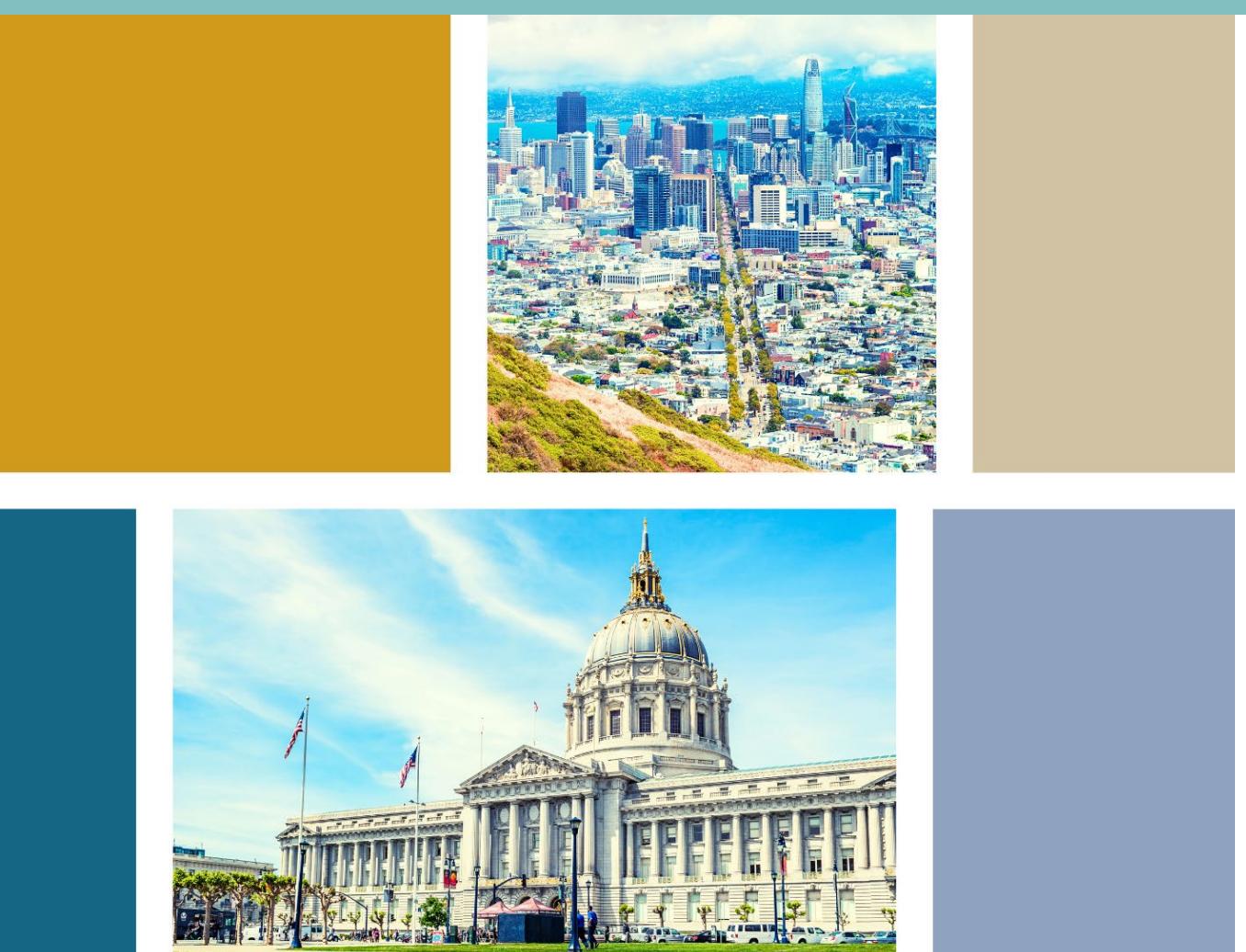
(1) MTA revenues are estimated based on the baseline transfer of General Fund monies to MTA attributable to the Project.

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

(3) MTA 2024-25 budget presentation.

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

(5) Net new resident and worker population.



# San Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown)

## Budget & Finance Committee



January 14, 2026

# Stonestown EIFD PFA – Timeline

- July 16, 2024 – Resolution of Intention to Establish EIFD No. 2 (Stonestown) (“Stonestown EIFD”) approved by the Board of Supervisors
- July 23, 2024 – Development Agreement for the Stonestown Project approved by the Board of Supervisors
- July 2025 through January 2026 – Three EIFD Public Financing Authority No. 1 (PFA) meetings held, including first public hearing on the Infrastructure Financing Plan (IFP)
- January 14, 2026 – Budget & Finance Committee:
  - Public hearing on IFP
  - Consideration of Resolution approving the IFP and Related Documents and Actions

# Goal of the Stonestown EIFD

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

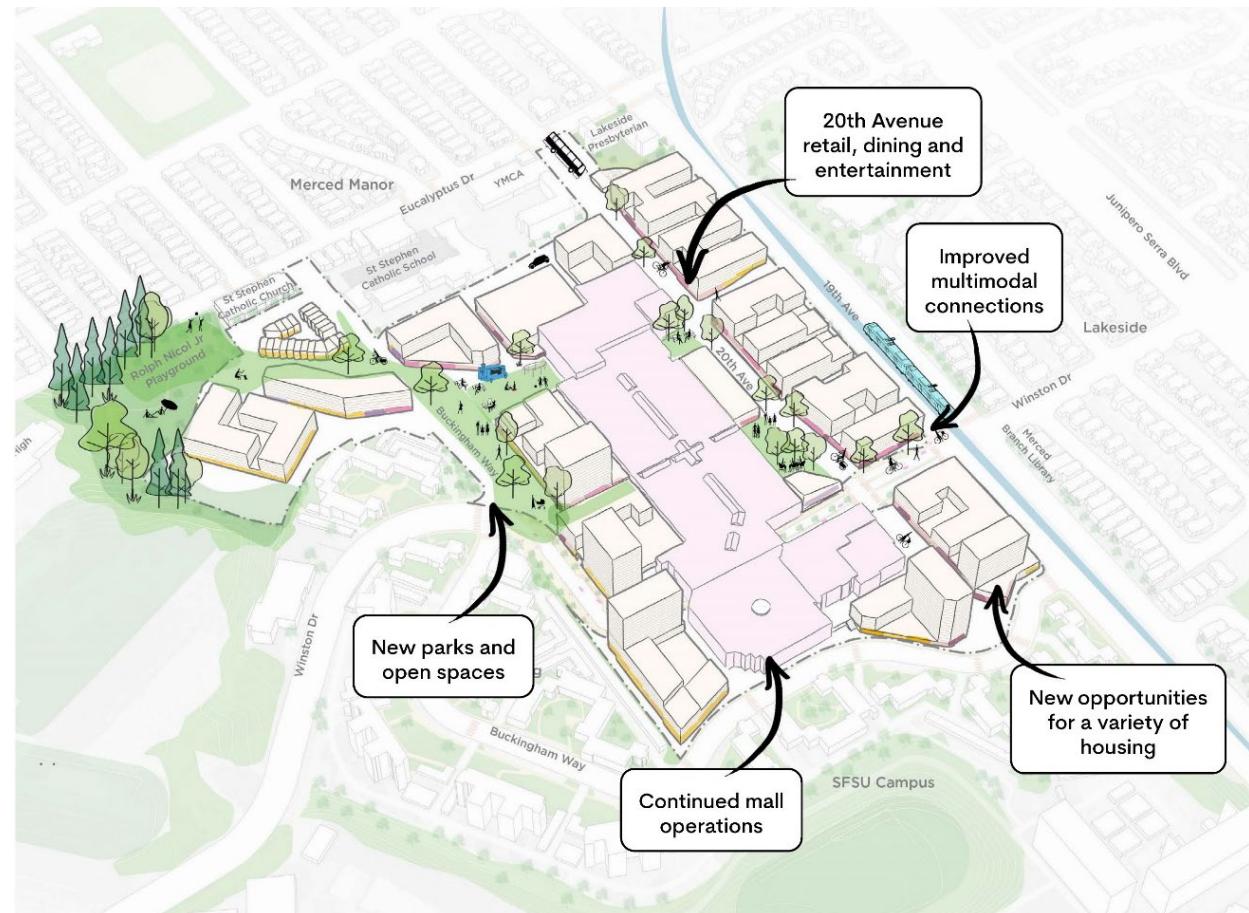


# A TRANSFORMATIVE OPPORTUNITY



# Stonestown Project – Key Public Benefits

- **Streets and transportation:** fully redesigned street network, new pedestrian-focused design and retail main street, 2-way protected bikeways, new utilities and infrastructure, ~\$50m in transportation fees.
- **Open Space:** 6 acres of new publicly accessible open spaces including new site for the Farmer's Market. Improvements to adjacent Ralph Nicol Jr. Playground.
- New **childcare** facility serving 100 children with adjacent open space.
- New **senior center** to replace existing YMCA senior center annex, and rented to nonprofit operator for \$1/year.
- **Affordable Housing:** 20% of all units through onsite inclusionary units, parcel dedication, and in lieu fees.
- **Workforce Agreement:** including First Source Hiring, Local Hire, and LBE and micro-LBE goals.

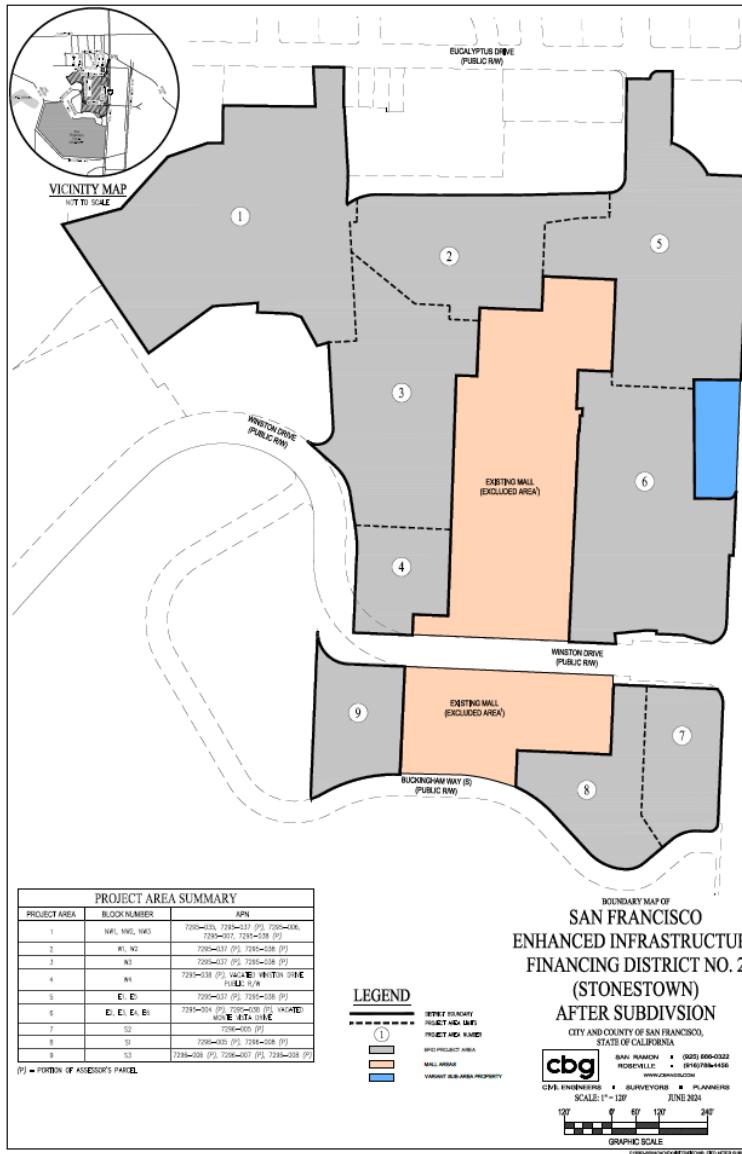
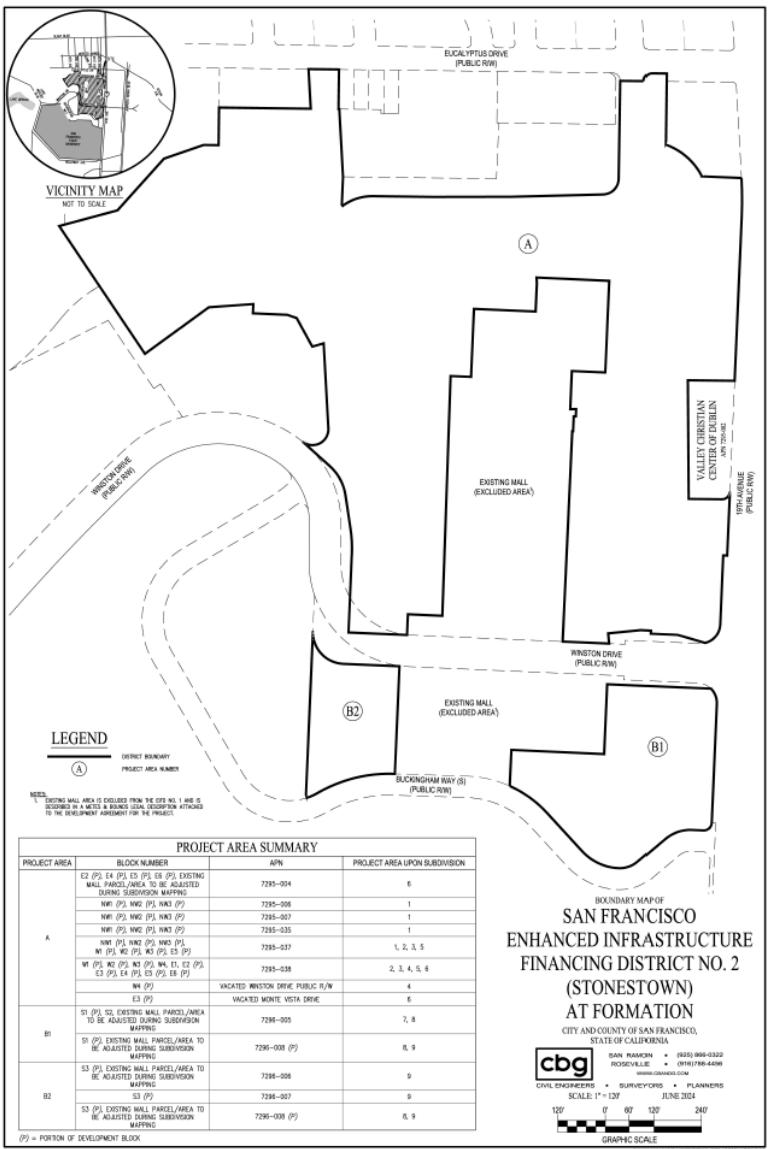


# Infrastructure Financing Plan (IFP) Overview

## Key Elements of the IFP include:

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

# Stonestown Map at EIFD Formation and After Subdivision



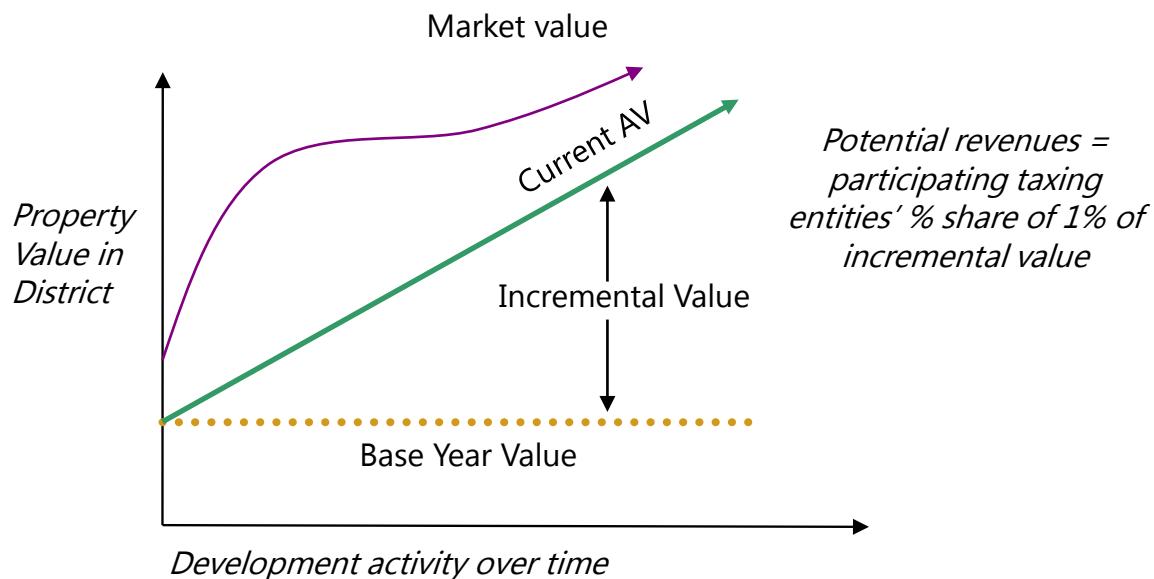
# Description of EIFD Facilities

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

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

# Tax Increment Allocation

- The Stonestown EIFD is projected to generate tax increment by capturing growth in assessed value in the EIFD above the FY2025-26 base year value of \$191.1M
- A portion of the increase in property tax revenues is allocated to fund infrastructure and other projects of communitywide significance
- Allocated Tax Revenue will be used to pay bond debt service and paygo costs
- Conditional Tax Revenue 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 <sup>1</sup>	37.6242%
Conditional Tax Revenue = 41.747581% of the City Share of Increment <sup>1</sup>	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

- Projected Aggregate Allocated Tax Revenue:  
\$1.56 billion
  - Maximum Aggregate Allocated Tax Revenue: \$3.12 billion<sup>1</sup>
- Projected Aggregate Conditional Tax Revenue:  
\$1.12 billion
  - Maximum Aggregate Conditional Tax Revenue: \$2.24 billion<sup>1</sup>
- Assuming the Stonestown Project achieves the sponsor's performance projections, the Project is estimated to annually generate a \$774,000 net fiscal benefit to the City's General Fund at buildout



1. Nominal dollars over the life of the Stonestown EIFD

# EIFD Policy Compliance

- Large scale project with significant rezoning, extensive need for infrastructure, and IFD funding necessary for feasibility
- Project results in a net fiscal benefit to General Fund after tax increment diversion
- 50% of tax increment allocated to EIFD, remainder continues to flow to City
- Debt payments for this EIFD plus all other formed IFDs are not projected to exceed 5% of annual property tax revenue
- Subject to ten year “use it or lose it” requirement





# Stonestown EIFD Formation Next Steps

Date	Milestones	BOS / PFA
January 14, 2026	Budget & Finance Committee Public Hearing and Consideration of Resolution Approving the IFP and Related Documents and Actions	BOS
January 27, 2026*	Board of Supervisors Consideration of Resolution Approving the IFP and Related Documents and Actions	BOS
February 12, 2026*	Second Public Hearing of the PFA Vote whether to Adopt IFP Vote whether to Establish Stonestown EIFD	PFA

*\*Estimated based on current schedule*

# Appendix

# Description of Stonestown EIFD Project Areas

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

		Land Allocation <sup>1</sup>	Improvements Allocation <sup>2</sup>		Land + Imp
Project Area at Formation of EIFD	Project Area After Subdivision	APN at Formation (Land Allocation)	APN at Formation (Improvement Allocation)	Unsecured AV	FY 2025/26 Land + Imp + Unsecured AV
Project Area A	Project Area 1	7295-006, 7295-007, 7295-035, 7295-037 (est 19.7%), 7295-038 (est 0.1%)	7295-035	\$0	\$37,556,758
	Project Area 2	7295-037 (est 37.5%), 7295-038 (est 10.6%)	7295-038 (est 0.4%)	\$27,041	\$10,271,467
	Project Area 3	7294-037 (est 21.9%), 7295-038 (est 16.7%)	7295-038 (est 0.4%)	\$0	\$15,819,986
	Project Area 4	7295-038 (est 5.8%), Vacated Winston Drive Public R/W	7295-038 (est 0.8%)	\$0	\$6,963,116
	Project Area 5	7295-038 (est 22.5%), 7295-037 (est 19.9%)	7295-038 (est 15.2%)	\$1,985,684	\$54,379,952
	Project Area 6	Vacated Monte Vista Drive, 7295-004 (est 0.4%), 7295-038 (est 23.0%)	Vacated Monte Vista Drive, 7295-038 (2.9%)	\$2,923,394	\$29,740,136
Total Project Area A		\$104,091,653	\$45,703,643	\$4,936,119	\$154,731,415
Project Area B	Project Area 7	7296-005 (est 36.1%)	N/A	\$0	\$8,466,750
	Project Area 8	7296-005 (est 34.2%), 7296-008 (est 63.0%)	N/A	\$0	\$8,462,170
	Project Area 9	7296-006 (est 4.3%), 7296-007 (est 84.8%), 7296-008 (est 25.6%)	7296-007 (100%)	\$0	\$19,423,331
Total Project Area B		\$24,527,755	\$11,824,496	\$0	\$36,352,251
Total EIFD		\$126,097,464	\$56,400,139	4,936,119	\$191,083,666

1. Land: The allocation of APN FY 2025/26 assessed land values among the future Project Areas is proportionate to the distribution of the land area of each APN among the Project Areas.

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

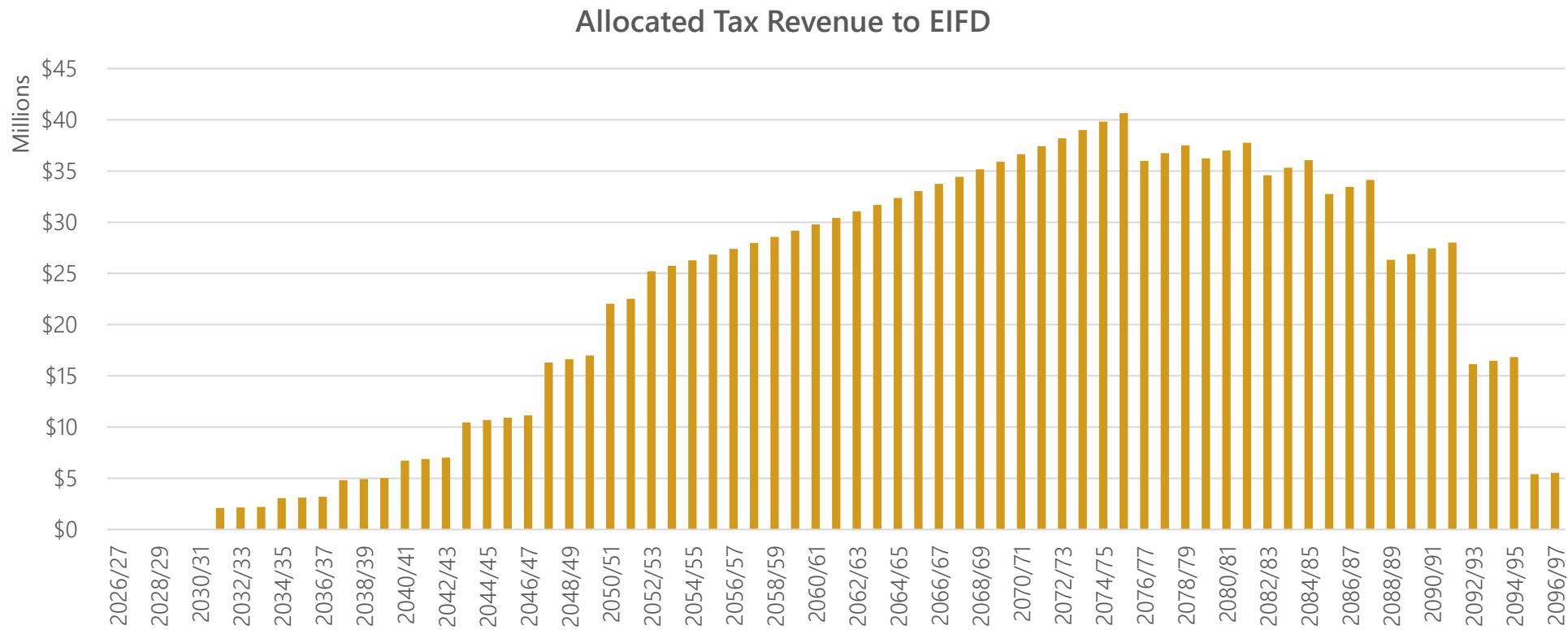
# Finding of Communitywide Significance

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

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

# Financing Section

## Projection of Allocated Tax Revenues



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

1     **Resolution directing preparation of an Infrastructure Financing Plan for the San  
2     Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown), and  
3     determining other matters in connection therewith.**

4  
5  
6         WHEREAS, Stonestown NW Parcel LLC, a Delaware limited liability company (“NW  
7     Parcel Owner”), Stonestown Shopping Center, L.P., a Delaware limited partnership  
8     (“Shopping Owner”), and Stonestown Anchor Acquisition, L.P., a Delaware limited partnership  
9     (“Anchor Owner”; together with NW Parcel Owner and Shopping Owner, “Developer”) own the  
10    approximately 30 acres of developed land located in the southwest part of the City and  
11    County of San Francisco (“City”), generally bounded by 19th Avenue to the east, Buckingham  
12    Way to the south and west, and Rolph Nicol Jr. Playground and Eucalyptus Drive to the north  
13    (“Developer Property”); and

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

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

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

23         WHEREAS, The City also owns approximately 0.2 acres of developed and  
24    undeveloped public rights-of-way, consisting of portions of Winston Drive and Monte Vista  
25

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

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

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

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

23 WHEREAS, On July 16, 2024, pursuant to Resolution No. 399-24, which resolution  
24 was approved by the Mayor July 26, 2024 ("Resolution of Intention"), the Board of Supervisors  
25 declared its intention to establish San Francisco Enhanced Infrastructure Financing District

1       No. 2 (Stonestown) ("Stonestown EIFD"), including project areas (each, "Project Area";  
2       collectively, "Project Areas") pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the  
3       California Government Code, commencing with Section 53398.50 ("EIFD Law"), to finance (i)  
4       the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of  
5       certain real or other tangible property with an estimated useful life of 15 years or longer that  
6       are public capital facilities or projects of communitywide significance that provide significant  
7       benefits to the Stonestown EIFD or the surrounding community, including any directly-related  
8       planning and design work, (ii) the costs described in Government Code Sections 53398.56,  
9       53398.57 and 53398.58 (as applicable) and (iii) the ongoing or capitalized costs to maintain  
10      public capital facilities financed in whole or in part by the Stonestown EIFD, all as more fully  
11      described in Exhibit A attached to the Resolution of Intention; and

12           WHEREAS, Under the EIFD Law, the Stonestown EIFD shall be a legally constituted  
13      governmental entity separate and distinct from the City and its sole purpose shall be to  
14      finance public capital facilities and projects of communitywide significance; and

15           WHEREAS, The Board of Supervisors established the Enhanced Infrastructure  
16      Financing District Public Financing Authority No. 1 ("EIFD Public Financing Authority No. 1")  
17      pursuant to Ordinance No. 44-23, which was adopted on April 4, 2023, and approved by the  
18      Mayor on April 7, 2023 ("Ordinance Establishing PFA"), which Ordinance established Article  
19      XLVIII of Chapter 5 of the Administrative Code to govern the EIFD Public Financing Authority  
20      No. 1; and

21           WHEREAS, Pursuant to Ordinance No. 210-24, which was passed by the Board of  
22      Supervisors on July 23, 2024, and signed by the Mayor on August 1, 2024, Article XLVIII of  
23      Chapter 5 of the Administrative Code was amended to provide for the EIFD Public Financing  
24      Authority No. 1 to act as the governing body of multiple enhanced infrastructure financing

25

1 districts on such terms and conditions as the Board of Supervisors shall determine in the  
2 resolution of intention for such districts; and

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

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

13 WHEREAS, The Stonestown IFP will be subject to the review and approval by  
14 resolution of the Board of Supervisors following a public hearing, and adoption and  
15 implementation by the EIFD Public Financing Authority No. 1 following two public hearings;  
16 and

17 WHEREAS, Pursuant to the Resolution of Intention, the Board of Supervisors directed  
18 the Clerk of the Board of Supervisors to mail a copy of the Resolution of Intention to (i) each  
19 owner of land within the proposed Stonestown EIFD (although the Director of the Controller's  
20 Office of Public Finance was authorized to instead mail a notice of intention to create the  
21 Stonestown EIFD in accordance with Government Code Section 53398.60(b)), (ii) each  
22 affected taxing entity and (iii) the EIFD Public Financing Authority No. 1; and

23 WHEREAS, Upon receipt of the Resolution of Intention, pursuant to Government Code  
24 Section 53398.62, the EIFD Public Financing Authority No. 1 is required to designate and  
25

1 direct the City engineer or other appropriate official to prepare the Stonestown IFP pursuant to  
2 Government Code Section 53398.63; now, therefore, be it

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

5       FURTHER RESOLVED, That pursuant to Government Code Section 53398.62(a), the  
6 EIFD Public Financing Authority No. 1 hereby designates and directs the Executive Director to  
7 work with the necessary City staff and professionals to prepare a draft of the Stonestown IFP;  
8 and, be it

9       FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 hereby directs  
10 the Executive Director, or their designee, to mail the notice described in Government Code  
11 Section 53398.72, to each landowner, resident, and affected taxing entity for the proposed  
12 Stonestown EIFD; and, be it

13       FURTHER RESOLVED, That pursuant to Government Code Section 53398.66(a), a  
14 draft of the Stonestown IFP shall be made available to the public and to each landowner  
15 within the area of the Stonestown EIFD at a meeting held by the EIFD Public Financing  
16 Authority No. 1 on a date determined by the Executive Director. The purposes of the meeting  
17 shall be to allow the staff of the EIFD Public Financing Authority No. 1 to present the draft  
18 Stonestown IFP, answer questions about the draft Stonestown IFP, and consider comments  
19 about the Stonestown IFP; and, be it

20       FURTHER RESOLVED, That the Executive Director, or their designee, is hereby  
21 directed to provide notice of the meeting in accordance with Government Code Section  
22 53398.66(b) and(c); and, be it

23       FURTHER RESOLVED, That the Executive Director, or their designee, is hereby  
24 directed to consult with each affected taxing entity, and, at the request of any affected taxing  
25 entity, to meet with representatives of an affected taxing entity; and, be it

1           FURTHER RESOLVED, That pursuant to Government Code Section 53398.66, the  
2 EIFD Public Financing Authority No. 1 shall consider adoption of the IFP at two public  
3 hearings that shall take place at least 30 days apart, and the EIFD Public Financing Authority  
4 No. 1 hereby directs the Executive Director to determine the date, time and location of such  
5 public hearings and to provide notice of the two public hearings in accordance with  
6 Government Code Sections 53398.66 and 53398.72; and, be it

7           FURTHER RESOLVED, That the EIFD Public Financing Authority No. 1 has reviewed  
8 and considered the FEIR, and finds that the FEIR is adequate for their use for the actions  
9 taken by this resolution and incorporates the FEIR and the CEQA findings contained in the  
10 Ordinance contained in File No. 240410 and further finds that, pursuant to CEQA Guidelines  
11 Section 15162, no additional environmental review is required because there are no  
12 substantial changes to the Stonestown Project analyzed in the FEIR, no change in  
13 circumstances under which Stonestown Project is being undertaken, and no new information  
14 that was not known and could not have been known shows that new significant impacts would  
15 occur, that the impacts identified in the FEIR as significant impacts would be substantially  
16 more severe, or that mitigation or alternatives previously found infeasible are now feasible;  
17 and, be it

18           FURTHER RESOLVED, That if any section, subsection, sentence, clause, phrase, or  
19 word of this resolution, or any application thereof to any person or circumstance, is held to be  
20 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
21 shall not affect the validity of the remaining portions or applications of this resolution, this  
22 Board of Supervisors hereby declaring that it would have passed this resolution and each and  
23 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
24 unconstitutional without regard to whether any other portion of this resolution or application  
25 thereof would be subsequently declared invalid or unconstitutional; and, be it

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

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

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

11                  I hereby certify that the forgoing Resolution was adopted on July 17, 2025, by the Board  
12 of the Enhanced Infrastructure Financing District Public Financing Authority No. 1.

14                    
15                  \_\_\_\_\_  
Chair

14                    
15                  \_\_\_\_\_  
Secretary

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BOARD of SUPERVISORS



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San Francisco 94102-4689  
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**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 at the date and time below. At such public hearing all interested parties may attend and provide comments on the IFP for the Stonestown Project (described below):

**Date:** January 14, 2026

**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. 251262.** Resolution approving the Infrastructure Financing Plan for the San Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown), including the division of taxes set forth therein, an EIFD 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. 2 (Stonestown) (“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 public capital facilities or projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work (as described below); and 2) the costs described in California Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable).

The EIFD is intended to provide financial assistance to a mixed-use development project that may include residential, retail, commercial, open space, parking and related uses (“Stonestown Project”).

The Board of Supervisors has established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 (“PFA”) as the governing board of certain existing and proposed enhanced infrastructure financing districts under the EIFD Law, including the EIFD described above.

DATED/POSTED: January 2, 2026

PUBLISHED: January 4, 2026

**NOTICE OF PUBLIC HEARING**

File No. 251262 - Infrastructure Financing Plan and Related Documents and Actions - San Francisco

Enhanced Infrastructure Financing District No. 2 (Stonestown)

Hearing Date: January 14, 2026

**Page 2**

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On July 16, 2024, the Board of Supervisors declared its intention to establish the EIFD (as amended in committee, the “Resolution of Intention”). In the Resolution of Intention, the Board of Supervisors designated the PFA to act as the governing board of the EIFD.

On July 17, 2025, 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 20, 2025, the PFA held a public meeting at which staff of the PFA presented the draft IFP and answered questions and considered comments about the draft IFP. The PFA has made the draft IFP available on the following website: <https://sf.gov/departments/eifd-public-financing-authority-no-1>.

The PFA has scheduled and shall hold two public hearings on the formation of the EIFD on January 8, 2026, and February 12, 2026, subject to rescheduling, if necessary. At the first public hearing, the PFA will consider any written and oral comments and take action to modify or reject the IFP. Any modifications will be made available on the website identified above.

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](mailto: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, January 9, 2026.

For any questions about this hearing, please contact the Assistant Clerk for the Budget and Finance Committee:

Brent Jalipa ([Brent.Jalipa@sfgov.org](mailto:Brent.Jalipa@sfgov.org)) ~ (415) 554-7712



Angela Calvillo

Clerk of the Board of Supervisors  
City and County of San Francisco

bjj:jec:ams

# CALIFORNIA NEWSPAPER SERVICE BUREAU

## DAILY JOURNAL CORPORATION

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BRENT JALIPA  
CCSF BD OF SUPERVISORS (OFFICIAL NOTICES)  
1 DR CARLTON B GOODLETT PL #244  
SAN FRANCISCO, CA 94102

EXM# 4000082

**NOTICE OF PUBLIC  
HEARING  
BUDGET AND FINANCE  
COMMITTEE**  
**BOARD OF SUPERVISORS  
OF THE CITY AND  
COUNTY OF SAN FRAN-  
CISCO**  
**WEDNESDAY, JANUARY  
14, 2026 - 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 at the date and time below. At such public hearing all interested parties may attend and provide comments on the IFP for the Stonestown Project (described below): **File No. 251262**. Resolution approving the Infrastructure Financing Plan for the San Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown), including the division of taxes set forth therein, an EIFD 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. 2 (Stonestown) ("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 public capital facilities or projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work (as described below); and 2) the costs described in California Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable). The EIFD is intended to provide financial assistance to a mixed-use development project that may include residential, retail, commercial, open space, parking and related uses ("Stonestown Project"). The Board of Supervisors has established the Enhanced Infrastructure

Financing District Public Financing Authority No. 1 ("PFA") as the governing board of certain existing and proposed enhanced infrastructure financing districts under the EIFD Law, including the EIFD described above. On July 16, 2024, the Board of Supervisors declared its intention to establish the EIFD (as amended in committee, the "Resolution of Intention"). In the Resolution of Intention, the Board of Supervisors designated the PFA to act as the governing board of the EIFD. On July 17, 2025, 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 20, 2025, the PFA held a public meeting at which staff of the PFA presented the draft IFP and answered questions and considered comments about the draft IFP. The PFA has made the draft IFP available on the following website: <https://sf.gov/departments/ed-public-financing-authority-no-1>. The PFA has scheduled and shall hold two public hearings on the formation of the EIFD on January 8, 2026, and February 12, 2026, subject to rescheduling, if necessary. At the first public hearing, the PFA will consider any written and oral comments and take action to modify or reject the IFP. Any modifications will be made available on the website identified above. 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](mailto: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

## COPY OF NOTICE

Notice Type: GPN GOVT PUBLIC NOTICE

Ad Description

BJJ - 251262 - EIFD IFP Stonestown - 1/14/26

To the right is a copy of the notice you sent to us for publication in the SAN FRANCISCO EXAMINER. Thank you for using our newspaper. Please read this notice carefully and call us with any corrections. The Proof of Publication will be filed with the County Clerk, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

01/04/2026

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

Publication	\$1178.10
Set aside for CCSF Outreach Fund	\$130.90
Total	\$1309.00



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, January 9, 2026. For any questions about this hearing, please contact the Assistant Clerk for the Budget and Finance Committee: Brent Jalipa  
([Brent.Jalipa@sfgov.org](mailto:Brent.Jalipa@sfgov.org) ~ (415) 554-7712) Angela Calvillo - Clerk of the Board of Supervisors, City and County of San Francisco

**EXM-4000082#**





### PROOF OF MAILING

Legislative File Nos. 251261 and 251262

Description of Items: Notices - Infrastructure Financing Plan and Related Documents and Actions:

- San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) (Two Notices)
- San Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown) (Three Notices)

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: January 6, 2026

Time: 11:46 a.m.

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.

OFFICE OF THE MAYOR  
SAN FRANCISCO



DANIEL LURIE  
MAYOR

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Adam Thongsavat, Liaison to the Board of Supervisors  
RE: Resolution Approving the Infrastructure Financing Plan and Related Documents and Actions – San Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown)  
DATE: December 16, 2025

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Resolution approving the Infrastructure Financing Plan for the San Francisco Enhanced Infrastructure Financing District No. 2 (Stonestown), including the division of taxes set forth therein, an EIFD Acquisition and Financing Agreement, and documents and actions related thereto, and authorizing the filing of a judicial validation action.

Should you have any questions, please contact Adam Thongsavat at [adam.thongsavat@sfgov.org](mailto:adam.thongsavat@sfgov.org)