

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

**Budget & Finance Committee**



January 14, 2026

# 3333/3700 California Street EIFD PFA – Timeline

- November 5, 2024 – Resolution of Intention to Establish EIFD No. 3 (3333/3700 California Street) (“3333/3700 California Street EIFD”) approved by the Board of Supervisors
- November 19, 2024 – Amendment to Development Agreement for 3333 California Street Project approved by the Board of Supervisors
- July 2025 through January 2026 – Three Public EIFD 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

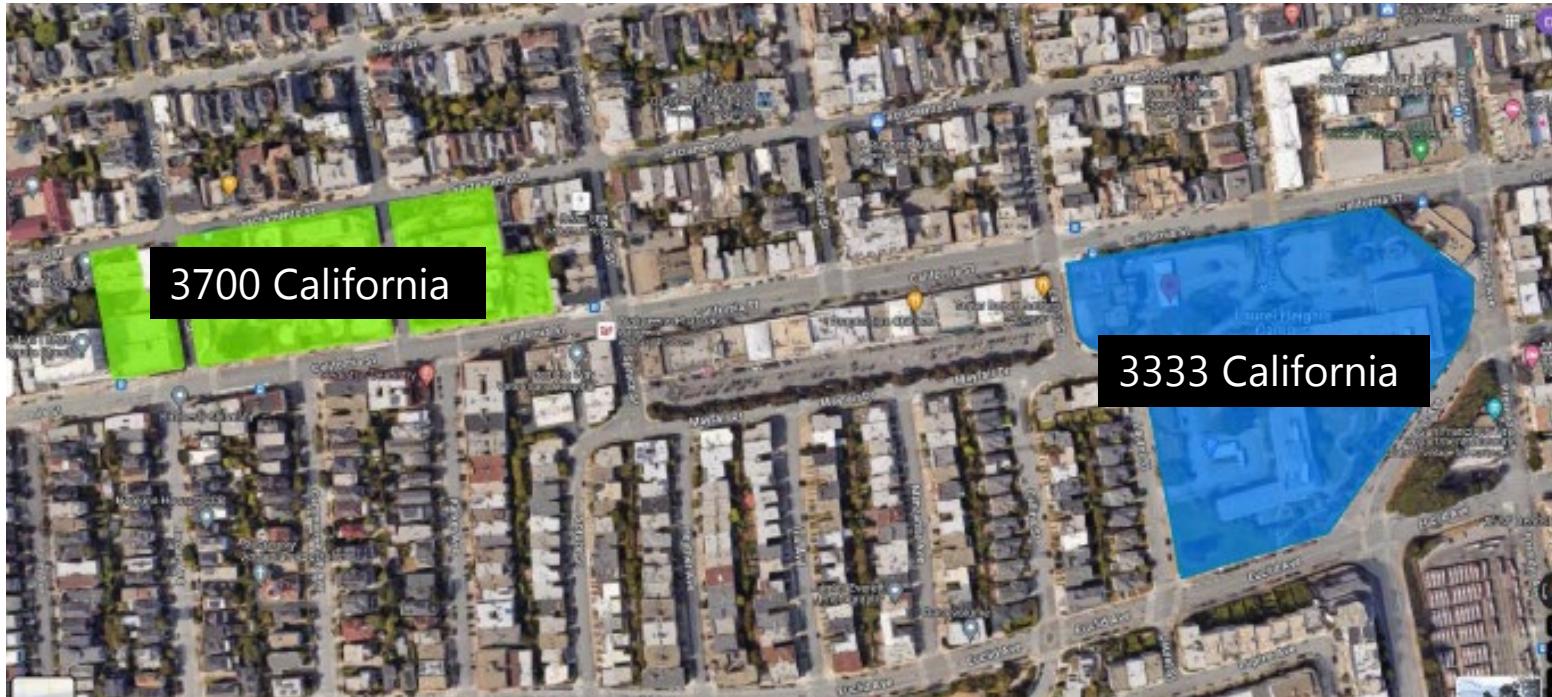
# Goal of the 3333/3700 California Street EIFD

- 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



# 3333 & 3700 California Project Locations

- **3700 California** is located on a 4.9-acre site that encompasses 14 parcels. The site was previously occupied by Sutter Health's CPMC California Street Campus - all buildings are currently vacant.
- **3333 California** is located on a 10.25-acre site at the intersection of Laurel Heights and Presidio Heights. The site was previously occupied by UCSF's Laurel Heights Campus and is now vacant.



# 3333 California Street Project – Major Elements

- 744 residential units (125 senior affordable)
- 38,094 square feet of neighborhood-serving retail space
- A 13,933 square foot childcare space (175 seats)
- 3 acres of new public open space
- Sidewalk and streetscape improvements
- Adaptive reuse of existing office building to residential



# 3700 California Street Project – Major Elements

- 530 total market-rate units including:
  - 298 residential units
  - 232-unit senior living community (continuum of care)
- Sidewalk and streetscape improvements
- Adaptive reuse of Marshal Hale hospital building

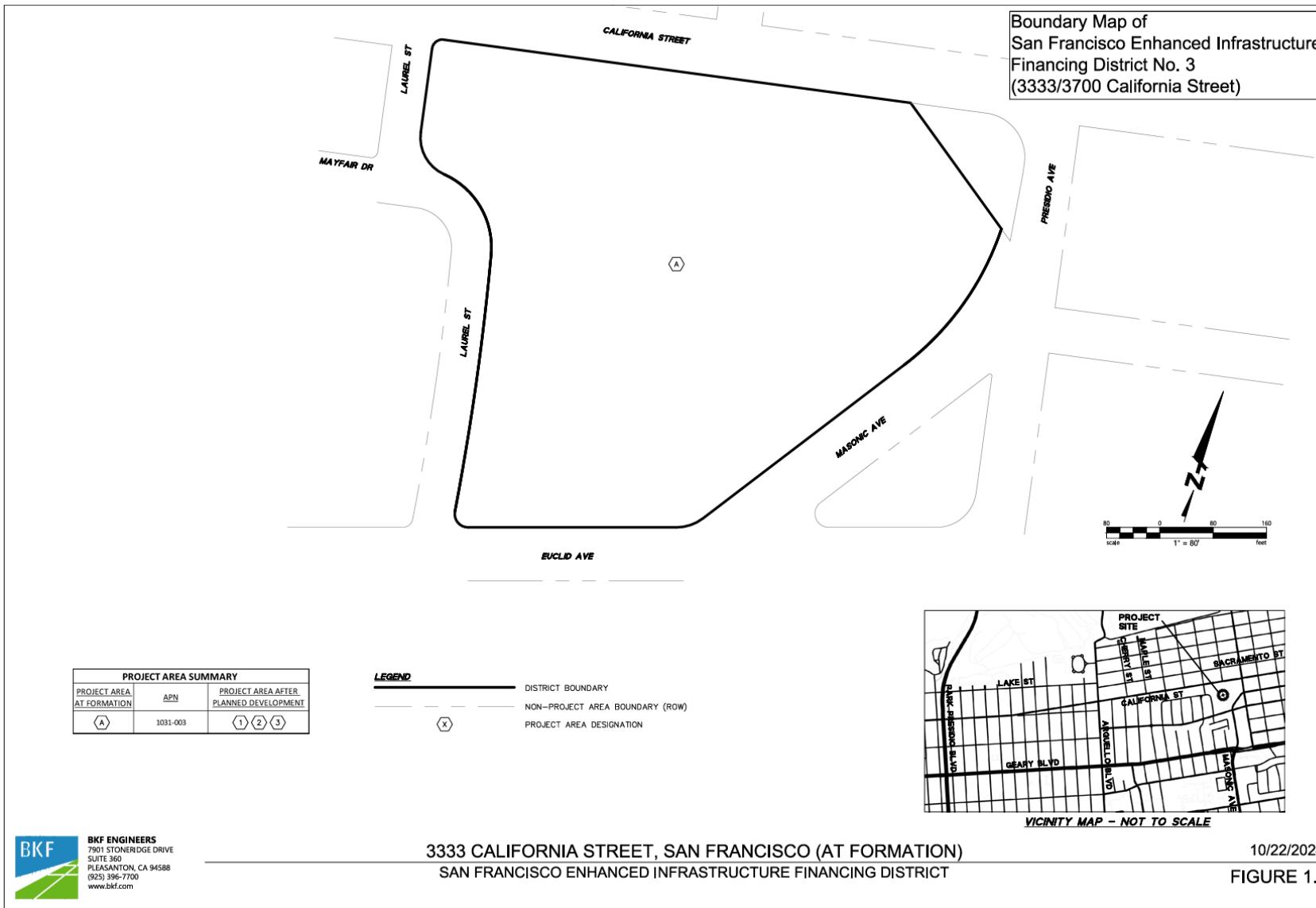


# Infrastructure Financing Plan (IFP) Overview

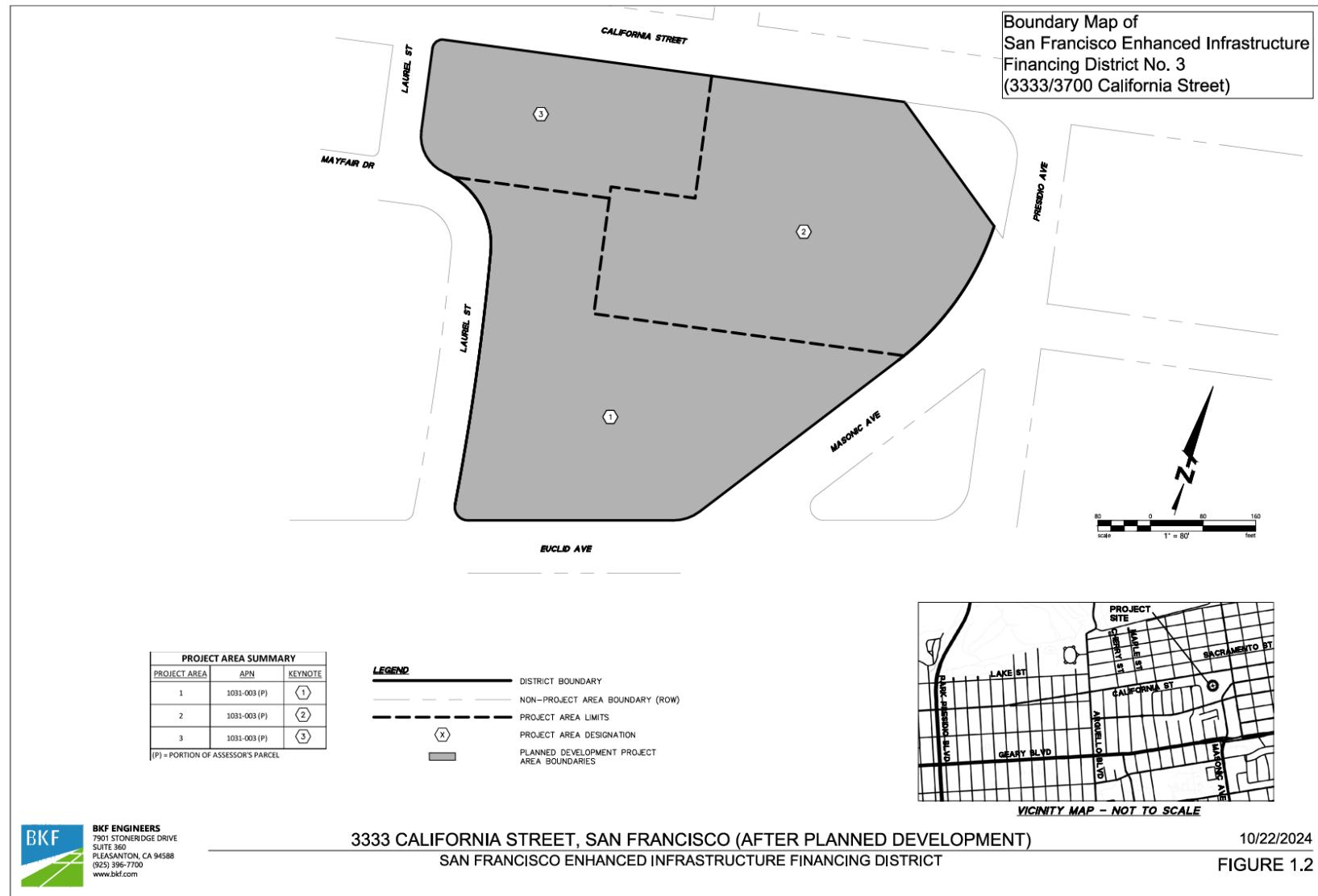
## Key Elements of the IFP include:

1. Map and legal description of the 3333/3700 California Street EIFD (including multiple project areas)
2. Proposed public facilities and other forms of development and financial assistance proposed in the area of the 3333/3700 California Street EIFD
3. Communitywide significance finding
4. Financing Plan
  - a. Description of tax increment allocated to the 3333/3700 California Street EIFD
  - b. Projection of tax increment
  - c. Financing plan for facilities to be assisted by the 3333/3700 California Street EIFD
  - d. Aggregate limit on tax increment allocated to the 3333/3700 California Street EIFD
  - e. Time limit on tax increment allocation
  - f. Costs of providing facilities/services to the 3333/3700 California Street EIFD and projected revenues from development in the 3333/3700 California Street EIFD
  - g. Fiscal Impact Analysis
  - h. Goals of the 3333/3700 California Street EIFD for each project

# 3333 California Street Map at Formation



# 3333 California Street Anticipated Map After Subdivision



BKF ENGINEERS  
701 BRIDGE DRIVE  
SUITE 360  
PLEASANTON, CA 94588  
(925) 396-7700  
www.bkf.com

# 3700 California Street Map



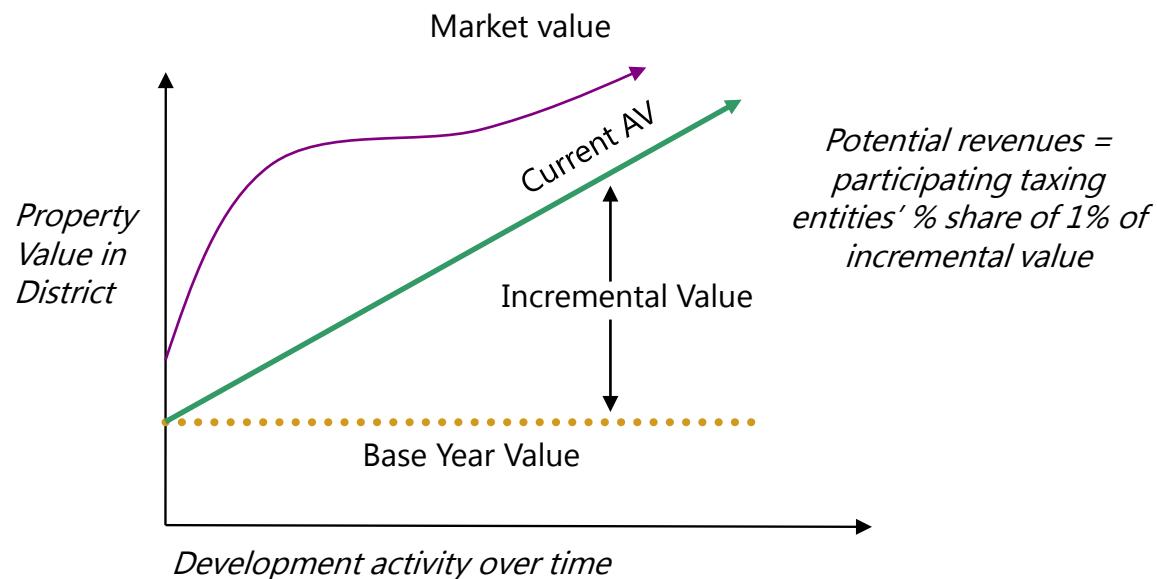
# Description of EIFD Facilities

- 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 3333/3700 California Street Project, including public capital facilities, privately-owned parks, open spaces, streets, streetscapes, and privately-owned affordable housing costs

Public Facility	Estimated Improvement Costs (\$millions)	Estimated Timing	Location
Demolition, abatement, stabilization, rehabilitation	\$30.0	2026-2031	3333 California Street Project
Parks / Open Spaces	\$12.0	2026-2031	3333 California Street Project
Streets	\$20.0	2026-2031	3333 California Street Project
Site Work	\$60.0	2026-2031	3333 California Street Project
Utilities	\$26.0	2026-2031	3333 California Street Project
Affordable Housing	\$105.0	2027-2030	3333 California Street Project
Demolition, abatement, stabilization, rehabilitation	\$36.0	2026-2029	3700 California Street Project
Streets, Sidewalks, & Utilities	\$31.0	2026-2029	3700 California Street Project
Affordable Housing (off-site)	\$31.0	2027-2030	3700 California Street Project
<b>Total</b>	<b>\$351.0</b>		

# Tax Increment Allocation

- The 3333/3700 California Street EIFD is projected to generate tax increment by capturing growth in assessed value in the EIFD above the FY2025-26 base year value of \$155.6M
- 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:  
\$477.3 million
  - Maximum Aggregate Allocated Tax Revenue:  
\$955.0 million<sup>1</sup>
- Projected Aggregate Conditional Tax Revenue:  
\$342.1 million
  - Maximum Aggregate Conditional Tax Revenue:  
\$684.0 million<sup>1</sup>
- Assuming the 3333/3700 California Street Project achieves the sponsor's performance projections, the Project is estimated to annually generate a \$1.4 million net fiscal benefit to the City's General Fund at buildout



1. Nominal dollars over the life of the 3333/3700 California Street 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





# 3333/3700 California Street 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 3333/3700 California Street EIFD Project Areas

- The 3333/3700 California Street EIFD will consist of four project areas at formation. Upon further subdivision of certain properties, the 3333/3700 California Street EIFD is expected to consist of six project areas.

Project Area at Formation of EIFD	Project Area After Subdivision	APN at Formation <sup>1</sup>	APN Square Feet	FY 2025/26 Assessed Value
	Project Area 1			
Project Area A	Project Area 2	1032-003	447,360	\$106,486,964 <sup>1</sup>
	Project Area 3			
Project Area 4	Project Area 4	1015-052 and 1015-053	32,619	\$9,436,428
		1016-001, 1016-002, 1016-003, 1016-004,		
Project Area 5	Project Area 5	1016-005, 1016-006, 1016-007, 1016-008, 1016-009	109,390	\$29,672,208
Project Area 6	Project Area 6	1017-027 and 1017-028	68,949	\$10,024,254
<b>Total</b>			<b>658,318</b>	<b>\$155,619,854</b>

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

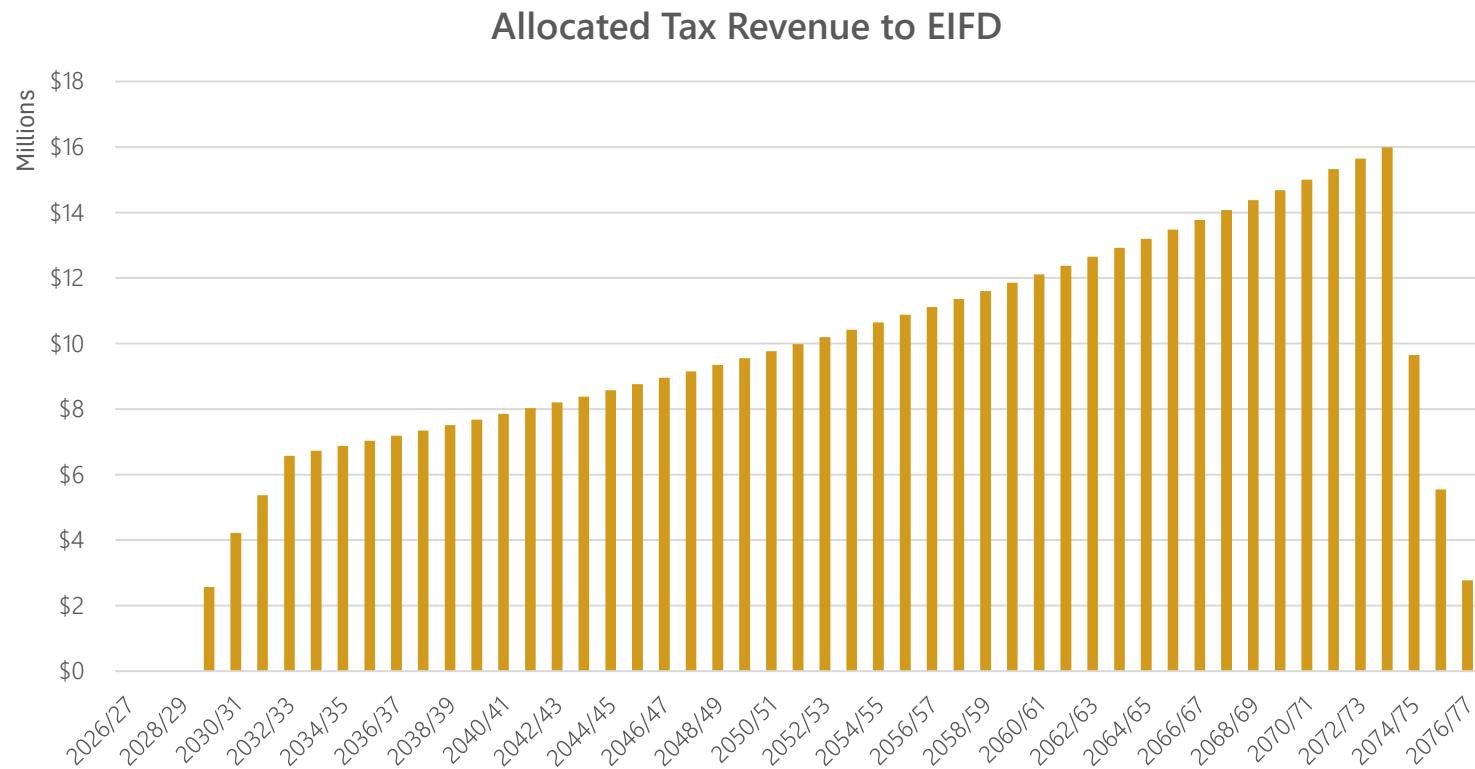
# Finding of Communitywide Significance

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

- Finding assumes that the formation of the 3333/3700 California Street EIFD will enable the development of the 3333/3700 California Street Project, for which the City has determined will provide clear benefits to the public and neighboring communities, including:
  - i. affordable housing in excess of the number of units required pursuant to existing City ordinances, regulations, and policies
  - ii. workforce obligations, including significant training, employment, and economic development opportunities, related to the development and operation of the 3333/3700 California Street Project
  - iii. construction and maintenance of publicly accessible open space, totaling approximately 2.87 acres
  - iv. delivery of childcare spaces
  - v. measures to prioritize and promote travel by walking, biking, and transit and Streetscape Improvements

# Financing Section

## Projection of Allocated Tax Revenues



- Allocated Tax Revenue is projected to total \$477.3 million and Conditional Tax Revenue is projected to total \$342.1 million across all Project Areas
- For each project area, the 45-year clock commences once \$100k of increment in a given fiscal year is allocated