

BOARD of SUPERVISORS



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May 29, 2025

Board President Rafael Mandelman
San Francisco Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place, Room 268
San Francisco, CA 94102

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

Dear President Mandelman:

You are receiving this letter as the President of the Board of Supervisors of the City and County of San Francisco ("City"). The City is an affected taxing entity with respect to the San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700 California EIFD").

Resolution of Intention to Establish Enhanced Infrastructure Financing District (EIFD). On November 5, 2024, pursuant to Resolution No. 553-24, which resolution was approved by the Mayor on November, 14, 2024 ("Resolution of Intention"), the Board of Supervisors of the City and County of San Francisco ("City") declared its intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700 California EIFD") pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law").

California Government Code, Section 53398.61, requires the Board of Supervisors to mail a copy of the Resolution of Intention to each affected taxing entity.

Purpose of the EIFD. In the Resolution of Intention, the Board of Supervisors stated that the purpose of the EIFD is to finance (i) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the 3333/3700 California EIFD or the surrounding community, including any directly-related planning and design work and, (ii) the costs described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable), all as more fully described in Exhibit A attached to the Resolution of Intention.

Enhanced Infrastructure Financing District Public Financing Authority No. 1. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 (which was signed by the Mayor on April 7, 2023), pursuant to which it established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA") as the governing body of the now formed San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station). On July 23, 2024, the Board of Supervisors adopted Ordinance No. 210-24 (which was signed by the Mayor on August 1,



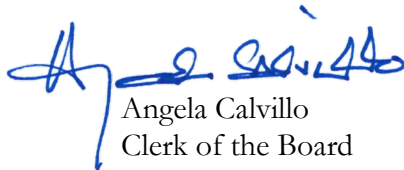
2024) which amended the Administrative Code to provide for the PFA to serve as the governing body for other proposed future EIFDs, including the 3333/3700 California EIFD.

Next Steps. The PFA will hold a meeting at which it will consider adopting a resolution directing preparation of an infrastructure financing plan ("IFP") for the proposed 3333/3700 California Street EIFD.

Once a draft IFP has been prepared, the PFA will make the draft IFP available to the public and each landowner on a designated website (located at <https://sf.gov/departments/eifd-public-financing-authority-no-1>), and staff of the PFA will hold a public meeting to present the draft IFP, answer questions and consider comments. At least 30 days later, the PFA will hold the first of two public hearings.

Questions? If you have any questions, please contact Anna Van Degna, Public Finance Director, Controller's Office of Public Finance, Phone (415)-554-7500 anna.vandegna@sfgov.org, 1 Dr. Carlton B. Goodlett Pl, Room 338, San Francisco, CA 94102.

Sincerely,



Angela Calvillo
Clerk of the Board

ak:jw:ll:ams

cc:

Anna Van Degna, Public Finance Director, Controller's Office of Public Finance
Alisa Somera, Legislative Deputy Director, Office of the Clerk of the Board

1 [Resolution of Intention to Establish San Francisco Enhanced Infrastructure Financing District
2 No. 3 (3333/3700 California Street)]

3 **Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing**
4 **District No. 3 (3333/3700 California Street) to finance public capital facilities and**
5 **projects of communitywide significance related to the 3333/3700 California Street**
6 **Projects and other authorized costs, and determining other matters in connection**
7 **therewith, as defined herein.**

8
9 WHEREAS, Laurel Heights Partners LLC, a Delaware limited liability company ("3333
10 California Street Developer") owns and operates an approximately 10.25-acre site in the City
11 and County of San Francisco ("City") bounded by California Street to the north, Presidio
12 Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel
13 Street and Mayfair Drive to the west, currently comprised of an approximately 455,000 gross
14 square foot office building, an approximately 14,000 gross square foot annex building, surface
15 and subsurface parking areas, and landscaping or landscaped open space ("3333 California
16 Street Project Site"); and

17 WHEREAS, The City, acting by and through its Planning Department, and the 3333
18 California Street Developer entered into a Development Agreement dated as of September
19 11, 2020, and recorded in the Official Records on September 11, 2020, as Document No.
20 2020015925 (the "Original Development Agreement"), and a Memorandum of Minor
21 Modification of Development Agreement (Amendment No. 1) dated as of June 5, 2024, and
22 recorded in the Official Records on June 26, 2024, as Document No. 2024048267
23 ("Amendment No. 1"), and a proposed Second Amendment to Development Agreement
24 ("Amendment No. 2" and together with Amendment No. 1 and the Original Development
25 Agreement, the "3333 California Street Development Agreement") and a copy of the 3333

1 California Street Development Agreement is on file with the Clerk of the Board of Supervisors
2 in File No. 240816; and

3 WHEREAS, 3333 California Street Developer proposes a mixed-use development on
4 the 3333 California Street Project Site that will include residential, non-residential, open
5 space, child care, and related uses ("3333 California Street Project"), including (i)
6 approximately 744 residential units, including not less than 124 on-site affordable senior
7 residential units, (ii) approximately 38,094 square feet of retail/restaurant/commercial use in
8 buildings along California Street, (iii) an approximately 13,933 gross square foot space for
9 child care use, and (iv) approximately 52 percent of the overall lot area (approximately
10 236,000 square feet – excluding green roofs) as open area, with portions to be developed with
11 a combination of public open space, common open space (some of which would be open to
12 the public) and private open space for residents. The proposed project would include 2.87
13 acres of publicly accessible landscaped open space with multi-purpose plazas, lawns,
14 pathways and streetscape improvements; and

15 WHEREAS, On September 5, 2019, by Motion No. 20512, the Planning Commission
16 certified as adequate, accurate, and complete the Final Environmental Impact Report ("3333
17 California Street FEIR") for the 3333 California Street Project pursuant to the California
18 Environmental Quality Act (California Public Resources Code Section 21000 et seq.)
19 ("CEQA"). A copy of Planning Commission Motion No. 20512 is on file with the Clerk of the
20 Board of Supervisors in File No. 190947; also, on September 5, 2019, by Motion No. 20513,
21 the Planning Commission adopted findings, including a rejection of alternatives and a
22 statement of overriding considerations ("3333 California Street CEQA Findings") and a
23 Mitigation Monitoring and Reporting Program ("3333 California Street MMRP"); these Motions
24 are on file with the Clerk of the Board of Supervisors in File No. 190947; in Ordinance
25 No. 276-19, adopted by the Board of Supervisors on November 19, 2019, and signed by the

1 Mayor on November 27, 2019, the Board of Supervisors declared that it had reviewed the
2 3333 California Street FEIR and related documents, and adopted as its own and incorporated
3 by reference as though fully set forth therein the 3333 California Street CEQA Findings,
4 including the statement of overriding considerations, and the 3333 California Street MMRP,
5 and adopted the supplemental 3333 California Street CEQA findings on file with the Clerk of
6 the Board of Supervisors in File No. 190845; and

7 WHEREAS, CALIFORNIA 3700, LLC, a Delaware limited liability company ("3700
8 California Street Developer") owns 14 parcels on a 4.84-acre site located in the City on
9 California Street between Maple Street and Cherry Street ("3700 California Street Project
10 Site"); and

11 WHEREAS, 3700 California Street Developer proposes a modification to existing
12 entitlements which, if approved, will be a mixed-use development ("3700 California Street
13 Project") on the 3700 California Street Project Site that will include demolition of five of the six
14 existing hospital buildings on the 3700 California Street Project Site, including a five-story
15 accessory parking garage; demolition of a two-level, below-grade parking structure;
16 renovation and adaptive re-use of a portion of the Marshal Hale hospital building at 3698
17 California Street to residential and institutional use; retention and renovation of the existing
18 nine-unit residential building at 401 Cherry Street; construction of 19 new buildings that would
19 contain 492 dwelling units, including 15 single-family homes and four multi-family residential
20 buildings, not including the nine units in the existing 401 Cherry building that are being
21 retained, and 75 assisted living and memory care units; and construction of approximately
22 48,800 square feet of residential and 8,400 square feet of institutional shared onsite amenity
23 space and approximately 70,000 square feet of private and common open space areas for
24 residents; and
25

1 WHEREAS, The City and 3700 California Street Developer have not executed a
2 development agreement related to the 3700 California Street Project; and

3 WHEREAS, On February 27, 2020, by Motion No. 20671, the Planning Commission
4 certified as adequate, accurate, and complete for the existing entitlements of the 3700
5 California Street Project the Final Environmental Impact Report ("3700 California Street
6 FEIR") for the 3700 California Street Project pursuant to CEQA; a copy of Planning
7 Commission Motion No. 20671 is on file with the Clerk of the Board of Supervisors in File
8 No. 240816; also, on February 27, 2020, by Motion No. 20677, the Planning Commission
9 adopted findings ("3700 California Street CEQA Findings") and a Mitigation Monitoring and
10 Reporting Program ("3700 California Street MMRP") for the 3700 California Street Project;
11 these Motions are on file with the Clerk of the Board of Supervisors in File No. 240816; the
12 Planning Commission also declared in its Motion No. 20672, on February 27, 2020, that it had
13 reviewed and considered the 3700 California Street FEIR and related documents, and
14 adopted and incorporated by reference as though fully set forth therein, the 3700 California
15 Street MMRP and the 3700 California Street CEQA Findings; and

16 WHEREAS, 3333 California Street Project and 3700 California Street Project are both
17 being developed by Prado Group, Inc.; and

18 WHEREAS, The 3333 California Street Project and the 3700 California Street Project
19 are collectively referred to in this Resolution as the "3333/3700 California Street Projects"; and

20 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of
21 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy
22 of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors
23 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San
24 Francisco ("Guidelines") that describe minimum threshold criteria and strategic criteria for the
25

1 City to consider when evaluating the proposed formation of an infrastructure financing district;
2 and

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

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

15 WHEREAS, Under the Guidelines, the "incremental property tax revenue" that can be
16 allocated by the City to an infrastructure financing district includes:

17 (1) "general property tax increment," i.e., property tax revenue annually allocated
18 to the City and generated by the levy of the 1% ad valorem tax rate upon the increased
19 assessed values of taxable property in the infrastructure financing district above the
20 values shown upon the assessment roll that was last equalized before the formation of
21 the IFD and

22 (2) "MVILF tax increment," i.e., that portion of any ad valorem property tax
23 revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and
24 Taxation Code and that corresponds to the increase in the assessed valuation of
25 taxable property; and

1 WHEREAS, The 3333/3700 California Street Projects will provide significant public
2 benefits to the City including the conversion of two vacant buildings into significant new
3 housing units to contribute to the City's housing supply, including affordable housing, as well
4 as the construction and maintenance of new privately-owned publicly accessible open space
5 and pedestrian pathways, transportation demand management measures, street and
6 infrastructure improvements, and on-site childcare facilities, but the 3333/3700 California
7 Street Projects have significant public infrastructure obligations that must be completed before
8 the 3333/3700 California Street Projects' residential units and community benefits can be
9 constructed; and

10 WHEREAS, The 3333/3700 California Street Projects are eligible for financial
11 assistance from an infrastructure financing district under the Guidelines; and

12 WHEREAS, The Board of Supervisors is authorized to initiate the process to establish
13 an enhanced infrastructure financing district pursuant to Chapter 2.99 of Part 1 of Division 2 of
14 Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law");
15 and

16 WHEREAS, In accordance with Government Code, Section 53398.54, the City has
17 complied with the prerequisites to initiate the creation of, or participate in the governance or
18 financing of, an enhanced infrastructure financing district for the 3333/3700 California Street
19 Projects and has provided the required certification to the Department of Finance and the
20 EIFD Public Financing Authority No. 1 (as defined below) in accordance with the EIFD Law;
21 and

22 WHEREAS, Pursuant to Government Code, Section 53398.59, an enhanced
23 infrastructure financing district may be divided into project areas; and

24 WHEREAS, The Board of Supervisors intends to establish the San Francisco
25 Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700

1 California Street EIFD”) and project areas within the 3333/3700 California Street EIFD to
2 finance (i) the purchase, construction, expansion, improvement, seismic retrofit or
3 rehabilitation of certain real or other tangible property with an estimated useful life of 15 years
4 or longer that are public capital facilities or projects of communitywide significance that
5 provide significant benefits to the 3333/3700 California Street EIFD or the surrounding
6 community, including any directly-related planning and design work and (ii) the costs
7 described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable),
8 all as more fully described in Exhibit A attached hereto; and

9 WHEREAS, The 3333/3700 California Street EIFD shall be a legally constituted
10 governmental entity separate and distinct from the City and its sole purpose shall be to
11 finance public capital facilities and projects of communitywide significance; and

12 WHEREAS, Government Code, Section 53398.63(d)(5)(B), provides that the
13 infrastructure financing plan for the 3333/3700 California Street EIFD may establish a
14 separate and unique time limit for each project area after which all tax allocations to the
15 3333/3700 California Street EIFD from the project area will end and the 3333/3700 California
16 Street EIFD’s authority to repay indebtedness from tax allocations to the 3333/3700 California
17 Street EIFD from the project area will end, not to exceed 45 years from the date that the
18 3333/3700 California Street EIFD has actually received \$100,000 in annual incremental tax
19 revenue from the project area, and the Board of Supervisors intends that the infrastructure
20 financing plan for the 3333/3700 California Street EIFD will specify the date on which the
21 allocation of tax increment will end on a project area-by-project area basis; and

22 WHEREAS, The Board of Supervisors established the Enhanced Infrastructure
23 Financing District No. 1 (“EIFD Public Financing Authority No. 1”) pursuant to Ordinance
24 No. 044-23, which was passed by the Board of Supervisors on April 4, 2023, and signed by
25

1 the Mayor on April 7, 2023, which Ordinance established Article XLVIII of Chapter 5 of the
2 Administrative Code to govern the EIFD Public Financing Authority No. 1; and

3 WHEREAS, The Board of Supervisors established EIFD Public Financing Authority
4 No. 1 to act as the legislative body of the San Francisco Enhanced Infrastructure Financing
5 District No. 1 (Power Station); and

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

12 WHEREAS, The Board of Supervisors hereby designates EIFD Public Financing
13 Authority No. 1 to act as the governing board of the 3333/3700 California Street EIFD; and

14 WHEREAS, The EIFD Public Financing Authority No. 1 will be responsible for causing
15 preparation of the infrastructure financing plan for the 3333/3700 California Street EIFD
16 ("3333/3700 California Street IFP"), which will describe, among other things, the allocation by
17 the City to the 3333/3700 California Street EIFD of certain incremental property tax revenue
18 for the purpose of funding public capital facilities and other specified projects of
19 communitywide significance that provide significant benefits to the 3333/3700 California Street
20 EIFD or the surrounding community and the issuance by the 3333/3700 California Street EIFD
21 of bonds and other debt; and

22 WHEREAS, The 3333/3700 California Street IFP will be subject to the review and
23 approval by resolution of the Board of Supervisors following a public hearing, and adoption
24 and implementation by the EIFD Public Financing Authority No. 1 following three public
25 hearings; now, therefore, be it

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

3 FURTHER RESOLVED, That the Board of Supervisors hereby proposes and intends to
4 cause the establishment of the 3333/3700 California Street EIFD, to be known as the "San
5 Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street)",
6 under the provisions of the EIFD Law, and further proposes and intends that the 3333/3700
7 California Street EIFD shall include project areas (each, "Project Area"; collectively, "Project
8 Areas"), which shall be referred to as "Project Area ___ of the San Francisco Enhanced
9 Infrastructure Financing District No. 3 (3333/3700 California Street)"; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby determines that the
11 proposed boundaries of the 3333/3700 California Street EIFD and the Project Areas are as
12 shown on the map of the 3333/3700 California Street EIFD and the Project Areas on file with
13 the Clerk of the Board of Supervisors in File No. 240816, which boundaries are hereby
14 preliminarily approved and to which map reference is hereby made for further particulars; and,
15 be it

16 FURTHER RESOLVED, That because the Board of Supervisors anticipates the need
17 to make future changes to the boundaries of the 3333/3700 California Street EIFD and the
18 Project Areas in order to conform to final development parcels approved by the Board of
19 Supervisors and so that the California State Board of Equalization can assign tax rate areas to
20 the Project Areas, the Board of Supervisors hereby declares its intention that the 3333/3700
21 California Street IFP shall establish a procedure by which certain future amendments of the
22 boundaries of the 3333/3700 California Street EIFD and the Project Areas and corresponding
23 amendments to the 3333/3700 California Street IFP may be approved by the EIFD Public
24 Financing Authority No. 1 without further hearings or approvals, as long as the EIFD Public
25 Financing Authority No. 1 finds that the amendments will not impair the 3333/3700 California

1 Street EIFD's ability to pay debt service on its bonds or other debt or, in and of themselves,
2 reduce the debt service coverage on any bonds or other debt below the amount required to
3 issue parity debt; and

4 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
5 that the boundaries of the proposed 3333/3700 California Street EIFD do not include any
6 portion of a former redevelopment project area that was created pursuant to Part 1
7 (commencing with Section 33000) of Division 24 of the California Health and Safety Code;
8 and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
10 that there are no existing dwelling units within the boundaries of the proposed 3333/3700
11 California Street EIFD; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
13 that the types of public capital facilities and other projects of communitywide significance to be
14 financed by the 3333/3700 California Street EIFD shall consist of those described on Exhibit A
15 hereto and hereby incorporated herein ("Facilities"), that the Facilities are authorized to be
16 financed by the 3333/3700 California Street EIFD under Government Code,
17 Sections 53398.52 and 53398.55(b), and that each of the Facilities (i) constitutes real or other
18 tangible property with an estimated useful life of 15 years or longer that is a public capital
19 facility or a project of communitywide significance and provides significant benefits to the
20 3333/3700 California Street EIFD or the surrounding community, (ii) is in addition to those
21 facilities provided in the territory of the 3333/3700 California Street EIFD before the 3333/3700
22 California Street EIFD was created, (iii) will not supplant facilities already available within the
23 proposed boundaries of the 3333/3700 California Street EIFD, although the Facilities may
24 supplement, rehabilitate or upgrade such facilities or make such facilities more sustainable
25 and (iv) if it is located outside the boundaries of the proposed 3333/3700 California Street

1 EIFD, it has a tangible connection to the work of the 3333/3700 California Street EIFD; and,
2 be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the
4 3333/3700 California Street EIFD is necessary to advance the City's goal in proposing the
5 establishment of the 3333/3700 California Street EIFD, which is to help address a shortfall in
6 (i) funding for the provision of public capital facilities and projects of communitywide
7 significance that provide significant benefits and promote economic development and the
8 construction of housing within the boundaries of the 3333/3700 California Street EIFD or the
9 surrounding community and (ii) funding for affordable housing; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, pursuant
11 to the EIFD Law, if the 3333/3700 California Street IFP is approved by the EIFD Public
12 Financing Authority No. 1 in accordance with the EIFD Law, and if the 3333/3700 California
13 Street IFP is approved by resolution of the Board of Supervisors pursuant to Government
14 Code Section 53398.68, in each case after any public hearings required by the EIFD Law, the
15 incremental property tax revenue that is allocated by the City to the 3333/3700 California
16 Street EIFD (but not by any other affected taxing entity), which may include one or a
17 combination of general property tax increment and MVILF tax increment as described in the
18 Guidelines, may be used to finance Facilities and other authorized costs and to pay debt
19 service on bonds and other debt of the 3333/3700 California Street EIFD; and be it

20 FURTHER RESOLVED, That the 3333/3700 California Street IFP shall provide, in
21 compliance with the Guidelines, that no more than 50% of the incremental property tax
22 revenue generated in the 3333/3700 California Street EIFD (which may include one or a
23 combination of general property tax increment and MVILF tax increment) shall be allocated by
24 the City to the 3333/3700 California Street EIFD, not including any incremental property tax
25

1 revenue allocated on a conditional basis to provide debt service coverage on terms the Board
2 of Supervisors shall approve in the 3333/3700 California Street IFP; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
4 of the Office of Public Finance to establish the time and date for a public hearing of the Board
5 of Supervisors on the proposed 3333/3700 California Street IFP and to cause the Clerk of the
6 Board of Supervisors to (i) publish a notice of such public hearing in accordance with the EIFD
7 Law and (ii) mail a copy of such notice to (A) each owner of land (as defined in the EIFD Law)
8 within the proposed EIFD, (B) each affected taxing entity (as defined in the EIFD Law), if any,
9 and (C) the EIFD Public Financing Authority No. 1; and, be it

10 FURTHER RESOLVED, Pursuant to Government Code, Section 53398.60, the Board
11 of Supervisors hereby directs the Clerk of the Board of Supervisors to mail a copy of this
12 Resolution to (i) each owner of land within the proposed EIFD (although the Director of the
13 Office of Public Finance is hereby authorized to instead mail a notice of intention to create the
14 3333/3700 California Street EIFD in accordance with Government Code, Section
15 53398.60(b)), (ii) each affected taxing entity and (iii) the EIFD Public Financing Authority No.
16 1; and, be it

17 FURTHER RESOLVED, The Board of Supervisors hereby authorizes and approves the
18 execution and delivery of a Deposit and Reimbursement Agreement (Deposit Agreement) in
19 substantially the form on file with the Clerk of the Board of Supervisors in File No. 240816, to
20 provide for a deposit by the 3333 California Street Developer to pay the costs of forming the
21 3333/3700 California Street EIFD and managing the 3333/3700 California Street EIFD, and, to
22 the extent applicable, the formation of one or more community facilities districts for the 3333
23 California Street Project, including any costs incurred by the EIFD Public Financing Authority
24 No. 1 and the City, and each of the Mayor, the Controller, the Director of Public Works and the
25 Director of the Office of Public Finance, or such other official of the City as may be designated

1 by such officials (each, an "Authorized Officer"), is hereby authorized and directed to execute
2 the Deposit Agreement, together with such additions or changes as are approved by such
3 Authorized Officer upon consultation with the City Attorney, such changes being consistent
4 with the terms of this Resolution and the Development Agreement; and, be it

5 FURTHER RESOLVED, That this Resolution in no way obligates the Board of
6 Supervisors or the EIFD Public Financing Authority No. 1 to form or approve any projects
7 contemplated within the 3333/3700 California Street EIFD; the establishment of the
8 3333/3700 California Street EIFD is subject to all requirements of EIFD Law and other state
9 and local laws, including (a) the Board of Supervisors' approval of a proposed 3333/3700
10 California Street IFP following a public hearing, to the extent required by the EIFD Law; and
11 (b) the EIFD Public Financing Authority No. 1's approval of the 3333/3700 California Street
12 IFP following three public hearings conducted pursuant to EIFD Law; and, be it

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

21 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
22 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
23 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
24 things and take any and all actions, including execution and delivery of any and all
25 documents, assignments, certificates, requisitions, agreements, notices, consents,

1 instruments of conveyance, warrants and documents, which they, or any of them, may deem
2 necessary or advisable in order to effectuate the purposes of this resolution; provided
3 however that any such actions be solely intended to further the purposes of this resolution,
4 and are subject in all respects to the terms of the Resolution; and, be it

5 FURTHER RESOLVED, That all actions authorized and directed by this resolution,
6 consistent with any documents presented herein, and heretofore taken are hereby ratified,
7 approved and confirmed by this Board of Supervisors; and, be it

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

12
13
14
15 APPROVED AS TO FORM:

16 DAVID CHIU, City Attorney
17
18
19

20 By: /s/Mark D. Blake

21 Mark D. Blake

22 Deputy City Attorney
23

24 n:\spec\as2024\1900003\01776140.docx
25

1
2 EXHIBIT A

3
4 SAN FRANCISCO
5 ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 3
6 (3333/3700 CALIFORNIA STREET)

7
8 DESCRIPTION OF FACILITIES

9 TO BE FINANCED BY THE

10 EIFD
11
12

13 The 3333/3700 California Street EIFD shall be authorized to finance all or a portion of the costs of the
14 purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of the public capital
15 facilities or other projects of communitywide significance that are (i) authorized by the **EIFD Law**, (ii) for
16 the 3333 California Street Project, required or permitted by the 3333 California Street Development
17 Agreement, the Plan Documents or the Approvals and (iii) for the 3700 California Street Project, required
18 or permitted by the plan documents, including, but not limited to, the actual costs of those facilities and
19 projects of communitywide significance described below (the "**Facilities**") and those costs described
20 below.

21
22 The 3333/3700 EIFD shall also be authorized to finance capitalized maintenance of the Facilities
23 financed in whole or in part by the 3333/3700 California Street EIFD (i.e., maintenance that extends the
24 useful life of such Facilities, not routine maintenance).
25

1 The Facilities may be owned by a public agency (including, but not limited to, the City and County of
2 San Francisco ("**City**")) or privately-owned as permitted by the EIFD law.

3
4 Facilities may be physically located within or outside the boundaries of the 3333/3700 California Street
5 EIFD; any Facilities that are located outside the boundaries of the 3333/3700 California Street EIFD
6 must have a tangible connection to the work of the 3333/3700 California Street EIFD.

7
8 Capitalized terms used herein but not defined herein have the meanings given them in the main body of
9 this Resolution.

10
11 The Facilities for the 3333 California Street Project include, but are not limited to, all hard and soft costs
12 of the following:

- 13
14
- 15 1. Public improvements constructed or caused to be constructed by the 3333 California
16 Street Developer, including, but not limited to, site work, streets, utilities, and Streetscape
17 Improvements (as defined in the 3333 California Street Development Agreement).
18
 - 19 2. Privately-owned community improvements constructed or caused to be constructed by
20 the 3333 California Street Developer, including, but not limited to, utilities and Publicly
21 Accessible Private Improvements (as defined in the 3333 California Street Development
22 Agreement).
23
 - 24 3. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
25 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the

1 California Health and Safety Code, for rent or purchase, including the payment of housing
2 in-lieu fees that are used for such purposes.
3

4 The Facilities for the 3700 California Street Project include, but are not limited to, all hard and soft costs
5 of the following:
6

- 7 1. Block A public improvements constructed or caused to be constructed by the 3700
8 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
9
- 10 2. Block B public improvements constructed or caused to be constructed by the 3700
11 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
12
- 13 3. Block C public improvements constructed or caused to be constructed by the 3700
14 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
15
- 16 4. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
17 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the
18 California Health and Safety Code, for rent or purchase, including the payment of housing
19 in-lieu fees that are used for such purposes.
20

21 OTHER EXPENSES 22

23 The 3333/3700 EIFD may also finance any of the following:
24
25

1 1. Costs described in Government Code Sections 53398.53, 53398.56, 53398.57 and
2 53398.58, including, but not limited to, the reimbursement for any costs advanced to file and prosecute
3 an action or proceeding pursuant Government Code Sections 53398.57 and 53398.58.

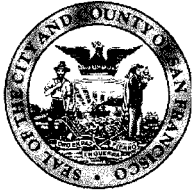
4
5 2. Costs incurred in connection with the division of taxes pursuant to Government Code Section
6 53398.75.

7
8 3. Expenses related to bonds and other debt of the 3333/3700 California Street EIFD, including
9 underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and
10 disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.

11
12 4. Administrative fees of the City, the 3333/3700 California Street EIFD and the bond trustee or
13 fiscal agent related to the bonds and other debt of the 3333/3700 California Street EIFD.

14
15 5. Reimbursement of costs related to the formation of the 3333/3700 California Street EIFD
16 (and any Project Areas) advanced by the City, the landowner(s) in the 3333/3700 California Street EIFD,
17 or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the
18 City, the landowner(s) in the 3333/3700 California Street EIFD or any party related to any of the
19 foregoing, for Facilities, fees or other purposes or costs of the 3333/3700 California Street EIFD.

20
21 6. Costs otherwise incurred in order to carry out the authorized purposes of the 3333/3700
22 California Street EIFD; and any other expenses incidental (including administrative and legal costs) to
23 the 3333/3700 California Street EIFD and to the construction, expansion, improvement, seismic retrofit,
24 rehabilitation, completion, inspection, or acquisition of the Facilities.



City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240816

Date Passed: November 05, 2024

Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) to finance public capital facilities and projects of communitywide significance related to the 3333/3700 California Street Projects and other authorized costs, and determining other matters in connection therewith, as defined herein.

October 30, 2024 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

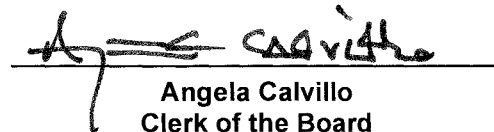
October 30, 2024 Budget and Finance Committee - RECOMMENDED AS AMENDED


November 05, 2024 Board of Supervisors - ADOPTED

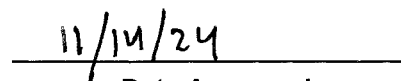
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240816

I hereby certify that the foregoing
Resolution was ADOPTED on 11/5/2024 by
the Board of Supervisors of the City and
County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor


Date Approved

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place
Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

May 29, 2025

Laurel Heights Partners LLC
150 Post Street, Suite 320
San Francisco, CA 94108
Attn: Casey Hession

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

Dear Property Owner:

You are receiving this letter as the owner of the property shown in Attachment 1 (the "Property").

Resolution of Intention to Establish Enhanced Infrastructure Financing District (EIFD). On November 5, 2024, pursuant to Resolution No. 553-24, which resolution was approved by the Mayor on November, 14, 2024 ("Resolution of Intention"), the Board of Supervisors of the City and County of San Francisco ("City") declared its intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700 California EIFD") pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law").

California Government Code, Section 53398.61, requires the Board of Supervisors to mail a copy of the Resolution of Intention to each affected taxing entity.

Purpose of the EIFD. In the Resolution of Intention, the Board of Supervisors stated that the purpose of the EIFD is to finance (i) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the 3333/3700 California EIFD or the surrounding community, including any directly-related planning and design work and, (ii) the costs described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable, all as more fully described in Exhibit A attached to the Resolution of Intention.

Enhanced Infrastructure Financing District Public Financing Authority No. 1. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 (which was signed by the Mayor on April 7, 2023), pursuant to which it established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA") as the governing body of the now formed San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station). On July 23, 2024, the Board of Supervisors adopted Ordinance No. 210-24 (which was signed by the Mayor on August 1, 2024) which amended the Administrative Code to provide for the PFA to serve as the governing body for other proposed future EIFDs, including the 3333/3700 California EIFD.




Next Steps. The PFA will hold a meeting at which it will consider adopting a resolution directing preparation of an infrastructure financing plan ("IFP") for the proposed 3333/3700 California Street EIFD.

Once a draft IFP has been prepared, the PFA will make the draft IFP available to the public and each landowner on a designated website (located at <https://sf.gov/departments/eifd-public-financing-authority-no-1>), and staff of the PFA will hold a public meeting to present the draft IFP, answer questions and consider comments. At least 30 days later, the PFA will hold the first of two public hearings.

Questions? If you have any questions, please contact Anna Van Degna, Public Finance Director, Controller's Office of Public Finance, Phone (415)-554-7500, anna.vandegna@sfgov.org, 1 Dr. Carlton B. Goodlett Pl, Room 338, San Francisco, CA 94102.

Sincerely,



Angela Calvillo
Clerk of the Board

Attachment 1: List of Parcels

ak:jw:ll:ams

cc:

Anna Van Degna, Public Finance Director, Controller's Office of Public Finance
Alisa Somera, Legislative Deputy Director, Office of the Clerk of the Board



Attachment 1

List of Parcels

Laurel Heights Partners LLC	APN: BLOCK: 103, LOT: 003
-----------------------------	---------------------------

1 [Resolution of Intention to Establish San Francisco Enhanced Infrastructure Financing District
2 No. 3 (3333/3700 California Street)]

3 **Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing**
4 **District No. 3 (3333/3700 California Street) to finance public capital facilities and**
5 **projects of communitywide significance related to the 3333/3700 California Street**
6 **Projects and other authorized costs, and determining other matters in connection**
7 **therewith, as defined herein.**

8
9 WHEREAS, Laurel Heights Partners LLC, a Delaware limited liability company ("3333
10 California Street Developer") owns and operates an approximately 10.25-acre site in the City
11 and County of San Francisco ("City") bounded by California Street to the north, Presidio
12 Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel
13 Street and Mayfair Drive to the west, currently comprised of an approximately 455,000 gross
14 square foot office building, an approximately 14,000 gross square foot annex building, surface
15 and subsurface parking areas, and landscaping or landscaped open space ("3333 California
16 Street Project Site"); and

17 WHEREAS, The City, acting by and through its Planning Department, and the 3333
18 California Street Developer entered into a Development Agreement dated as of September
19 11, 2020, and recorded in the Official Records on September 11, 2020, as Document No.
20 2020015925 (the "Original Development Agreement"), and a Memorandum of Minor
21 Modification of Development Agreement (Amendment No. 1) dated as of June 5, 2024, and
22 recorded in the Official Records on June 26, 2024, as Document No. 2024048267
23 ("Amendment No. 1"), and a proposed Second Amendment to Development Agreement
24 ("Amendment No. 2" and together with Amendment No. 1 and the Original Development
25 Agreement, the "3333 California Street Development Agreement") and a copy of the 3333

1 California Street Development Agreement is on file with the Clerk of the Board of Supervisors
2 in File No. 240816; and

3 WHEREAS, 3333 California Street Developer proposes a mixed-use development on
4 the 3333 California Street Project Site that will include residential, non-residential, open
5 space, child care, and related uses ("3333 California Street Project"), including (i)
6 approximately 744 residential units, including not less than 124 on-site affordable senior
7 residential units, (ii) approximately 38,094 square feet of retail/restaurant/commercial use in
8 buildings along California Street, (iii) an approximately 13,933 gross square foot space for
9 child care use, and (iv) approximately 52 percent of the overall lot area (approximately
10 236,000 square feet – excluding green roofs) as open area, with portions to be developed with
11 a combination of public open space, common open space (some of which would be open to
12 the public) and private open space for residents. The proposed project would include 2.87
13 acres of publicly accessible landscaped open space with multi-purpose plazas, lawns,
14 pathways and streetscape improvements; and

15 WHEREAS, On September 5, 2019, by Motion No. 20512, the Planning Commission
16 certified as adequate, accurate, and complete the Final Environmental Impact Report ("3333
17 California Street FEIR") for the 3333 California Street Project pursuant to the California
18 Environmental Quality Act (California Public Resources Code Section 21000 et seq.)
19 ("CEQA"). A copy of Planning Commission Motion No. 20512 is on file with the Clerk of the
20 Board of Supervisors in File No. 190947; also, on September 5, 2019, by Motion No. 20513,
21 the Planning Commission adopted findings, including a rejection of alternatives and a
22 statement of overriding considerations ("3333 California Street CEQA Findings") and a
23 Mitigation Monitoring and Reporting Program ("3333 California Street MMRP"); these Motions
24 are on file with the Clerk of the Board of Supervisors in File No. 190947; in Ordinance
25 No. 276-19, adopted by the Board of Supervisors on November 19, 2019, and signed by the

1 Mayor on November 27, 2019, the Board of Supervisors declared that it had reviewed the
2 3333 California Street FEIR and related documents, and adopted as its own and incorporated
3 by reference as though fully set forth therein the 3333 California Street CEQA Findings,
4 including the statement of overriding considerations, and the 3333 California Street MMRP,
5 and adopted the supplemental 3333 California Street CEQA findings on file with the Clerk of
6 the Board of Supervisors in File No. 190845; and

7 WHEREAS, CALIFORNIA 3700, LLC, a Delaware limited liability company ("3700
8 California Street Developer") owns 14 parcels on a 4.84-acre site located in the City on
9 California Street between Maple Street and Cherry Street ("3700 California Street Project
10 Site"); and

11 WHEREAS, 3700 California Street Developer proposes a modification to existing
12 entitlements which, if approved, will be a mixed-use development ("3700 California Street
13 Project") on the 3700 California Street Project Site that will include demolition of five of the six
14 existing hospital buildings on the 3700 California Street Project Site, including a five-story
15 accessory parking garage; demolition of a two-level, below-grade parking structure;
16 renovation and adaptive re-use of a portion of the Marshal Hale hospital building at 3698
17 California Street to residential and institutional use; retention and renovation of the existing
18 nine-unit residential building at 401 Cherry Street; construction of 19 new buildings that would
19 contain 492 dwelling units, including 15 single-family homes and four multi-family residential
20 buildings, not including the nine units in the existing 401 Cherry building that are being
21 retained, and 75 assisted living and memory care units; and construction of approximately
22 48,800 square feet of residential and 8,400 square feet of institutional shared onsite amenity
23 space and approximately 70,000 square feet of private and common open space areas for
24 residents; and
25

1 WHEREAS, The City and 3700 California Street Developer have not executed a
2 development agreement related to the 3700 California Street Project; and

3 WHEREAS, On February 27, 2020, by Motion No. 20671, the Planning Commission
4 certified as adequate, accurate, and complete for the existing entitlements of the 3700
5 California Street Project the Final Environmental Impact Report ("3700 California Street
6 FEIR") for the 3700 California Street Project pursuant to CEQA; a copy of Planning
7 Commission Motion No. 20671 is on file with the Clerk of the Board of Supervisors in File
8 No. 240816; also, on February 27, 2020, by Motion No. 20677, the Planning Commission
9 adopted findings ("3700 California Street CEQA Findings") and a Mitigation Monitoring and
10 Reporting Program ("3700 California Street MMRP") for the 3700 California Street Project;
11 these Motions are on file with the Clerk of the Board of Supervisors in File No. 240816; the
12 Planning Commission also declared in its Motion No. 20672, on February 27, 2020, that it had
13 reviewed and considered the 3700 California Street FEIR and related documents, and
14 adopted and incorporated by reference as though fully set forth therein, the 3700 California
15 Street MMRP and the 3700 California Street CEQA Findings; and

16 WHEREAS, 3333 California Street Project and 3700 California Street Project are both
17 being developed by Prado Group, Inc.; and

18 WHEREAS, The 3333 California Street Project and the 3700 California Street Project
19 are collectively referred to in this Resolution as the "3333/3700 California Street Projects"; and

20 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of
21 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy
22 of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors
23 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San
24 Francisco ("Guidelines") that describe minimum threshold criteria and strategic criteria for the
25

1 City to consider when evaluating the proposed formation of an infrastructure financing district;
2 and

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

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

15 WHEREAS, Under the Guidelines, the "incremental property tax revenue" that can be
16 allocated by the City to an infrastructure financing district includes:

17 (1) "general property tax increment," i.e., property tax revenue annually allocated
18 to the City and generated by the levy of the 1% ad valorem tax rate upon the increased
19 assessed values of taxable property in the infrastructure financing district above the
20 values shown upon the assessment roll that was last equalized before the formation of
21 the IFD and

22 (2) "MVILF tax increment," i.e., that portion of any ad valorem property tax
23 revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and
24 Taxation Code and that corresponds to the increase in the assessed valuation of
25 taxable property; and

1 WHEREAS, The 3333/3700 California Street Projects will provide significant public
2 benefits to the City including the conversion of two vacant buildings into significant new
3 housing units to contribute to the City's housing supply, including affordable housing, as well
4 as the construction and maintenance of new privately-owned publicly accessible open space
5 and pedestrian pathways, transportation demand management measures, street and
6 infrastructure improvements, and on-site childcare facilities, but the 3333/3700 California
7 Street Projects have significant public infrastructure obligations that must be completed before
8 the 3333/3700 California Street Projects' residential units and community benefits can be
9 constructed; and

10 WHEREAS, The 3333/3700 California Street Projects are eligible for financial
11 assistance from an infrastructure financing district under the Guidelines; and

12 WHEREAS, The Board of Supervisors is authorized to initiate the process to establish
13 an enhanced infrastructure financing district pursuant to Chapter 2.99 of Part 1 of Division 2 of
14 Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law");
15 and

16 WHEREAS, In accordance with Government Code, Section 53398.54, the City has
17 complied with the prerequisites to initiate the creation of, or participate in the governance or
18 financing of, an enhanced infrastructure financing district for the 3333/3700 California Street
19 Projects and has provided the required certification to the Department of Finance and the
20 EIFD Public Financing Authority No. 1 (as defined below) in accordance with the EIFD Law;
21 and

22 WHEREAS, Pursuant to Government Code, Section 53398.59, an enhanced
23 infrastructure financing district may be divided into project areas; and

24 WHEREAS, The Board of Supervisors intends to establish the San Francisco
25 Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700

1 California Street EIFD”) and project areas within the 3333/3700 California Street EIFD to
2 finance (i) the purchase, construction, expansion, improvement, seismic retrofit or
3 rehabilitation of certain real or other tangible property with an estimated useful life of 15 years
4 or longer that are public capital facilities or projects of communitywide significance that
5 provide significant benefits to the 3333/3700 California Street EIFD or the surrounding
6 community, including any directly-related planning and design work and (ii) the costs
7 described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable),
8 all as more fully described in Exhibit A attached hereto; and

9 WHEREAS, The 3333/3700 California Street EIFD shall be a legally constituted
10 governmental entity separate and distinct from the City and its sole purpose shall be to
11 finance public capital facilities and projects of communitywide significance; and

12 WHEREAS, Government Code, Section 53398.63(d)(5)(B), provides that the
13 infrastructure financing plan for the 3333/3700 California Street EIFD may establish a
14 separate and unique time limit for each project area after which all tax allocations to the
15 3333/3700 California Street EIFD from the project area will end and the 3333/3700 California
16 Street EIFD’s authority to repay indebtedness from tax allocations to the 3333/3700 California
17 Street EIFD from the project area will end, not to exceed 45 years from the date that the
18 3333/3700 California Street EIFD has actually received \$100,000 in annual incremental tax
19 revenue from the project area, and the Board of Supervisors intends that the infrastructure
20 financing plan for the 3333/3700 California Street EIFD will specify the date on which the
21 allocation of tax increment will end on a project area-by-project area basis; and

22 WHEREAS, The Board of Supervisors established the Enhanced Infrastructure
23 Financing District No. 1 (“EIFD Public Financing Authority No. 1”) pursuant to Ordinance
24 No. 044-23, which was passed by the Board of Supervisors on April 4, 2023, and signed by
25

1 the Mayor on April 7, 2023, which Ordinance established Article XLVIII of Chapter 5 of the
2 Administrative Code to govern the EIFD Public Financing Authority No. 1; and

3 WHEREAS, The Board of Supervisors established EIFD Public Financing Authority
4 No. 1 to act as the legislative body of the San Francisco Enhanced Infrastructure Financing
5 District No. 1 (Power Station); and

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

12 WHEREAS, The Board of Supervisors hereby designates EIFD Public Financing
13 Authority No. 1 to act as the governing board of the 3333/3700 California Street EIFD; and

14 WHEREAS, The EIFD Public Financing Authority No. 1 will be responsible for causing
15 preparation of the infrastructure financing plan for the 3333/3700 California Street EIFD
16 ("3333/3700 California Street IFP"), which will describe, among other things, the allocation by
17 the City to the 3333/3700 California Street EIFD of certain incremental property tax revenue
18 for the purpose of funding public capital facilities and other specified projects of
19 communitywide significance that provide significant benefits to the 3333/3700 California Street
20 EIFD or the surrounding community and the issuance by the 3333/3700 California Street EIFD
21 of bonds and other debt; and

22 WHEREAS, The 3333/3700 California Street IFP will be subject to the review and
23 approval by resolution of the Board of Supervisors following a public hearing, and adoption
24 and implementation by the EIFD Public Financing Authority No. 1 following three public
25 hearings; now, therefore, be it

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

3 FURTHER RESOLVED, That the Board of Supervisors hereby proposes and intends to
4 cause the establishment of the 3333/3700 California Street EIFD, to be known as the "San
5 Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street)",
6 under the provisions of the EIFD Law, and further proposes and intends that the 3333/3700
7 California Street EIFD shall include project areas (each, "Project Area"; collectively, "Project
8 Areas"), which shall be referred to as "Project Area ___ of the San Francisco Enhanced
9 Infrastructure Financing District No. 3 (3333/3700 California Street)"; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby determines that the
11 proposed boundaries of the 3333/3700 California Street EIFD and the Project Areas are as
12 shown on the map of the 3333/3700 California Street EIFD and the Project Areas on file with
13 the Clerk of the Board of Supervisors in File No. 240816, which boundaries are hereby
14 preliminarily approved and to which map reference is hereby made for further particulars; and,
15 be it

16 FURTHER RESOLVED, That because the Board of Supervisors anticipates the need
17 to make future changes to the boundaries of the 3333/3700 California Street EIFD and the
18 Project Areas in order to conform to final development parcels approved by the Board of
19 Supervisors and so that the California State Board of Equalization can assign tax rate areas to
20 the Project Areas, the Board of Supervisors hereby declares its intention that the 3333/3700
21 California Street IFP shall establish a procedure by which certain future amendments of the
22 boundaries of the 3333/3700 California Street EIFD and the Project Areas and corresponding
23 amendments to the 3333/3700 California Street IFP may be approved by the EIFD Public
24 Financing Authority No. 1 without further hearings or approvals, as long as the EIFD Public
25 Financing Authority No. 1 finds that the amendments will not impair the 3333/3700 California

1 Street EIFD's ability to pay debt service on its bonds or other debt or, in and of themselves,
2 reduce the debt service coverage on any bonds or other debt below the amount required to
3 issue parity debt; and

4 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
5 that the boundaries of the proposed 3333/3700 California Street EIFD do not include any
6 portion of a former redevelopment project area that was created pursuant to Part 1
7 (commencing with Section 33000) of Division 24 of the California Health and Safety Code;
8 and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
10 that there are no existing dwelling units within the boundaries of the proposed 3333/3700
11 California Street EIFD; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
13 that the types of public capital facilities and other projects of communitywide significance to be
14 financed by the 3333/3700 California Street EIFD shall consist of those described on Exhibit A
15 hereto and hereby incorporated herein ("Facilities"), that the Facilities are authorized to be
16 financed by the 3333/3700 California Street EIFD under Government Code,
17 Sections 53398.52 and 53398.55(b), and that each of the Facilities (i) constitutes real or other
18 tangible property with an estimated useful life of 15 years or longer that is a public capital
19 facility or a project of communitywide significance and provides significant benefits to the
20 3333/3700 California Street EIFD or the surrounding community, (ii) is in addition to those
21 facilities provided in the territory of the 3333/3700 California Street EIFD before the 3333/3700
22 California Street EIFD was created, (iii) will not supplant facilities already available within the
23 proposed boundaries of the 3333/3700 California Street EIFD, although the Facilities may
24 supplement, rehabilitate or upgrade such facilities or make such facilities more sustainable
25 and (iv) if it is located outside the boundaries of the proposed 3333/3700 California Street

1 EIFD, it has a tangible connection to the work of the 3333/3700 California Street EIFD; and,
2 be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the
4 3333/3700 California Street EIFD is necessary to advance the City's goal in proposing the
5 establishment of the 3333/3700 California Street EIFD, which is to help address a shortfall in
6 (i) funding for the provision of public capital facilities and projects of communitywide
7 significance that provide significant benefits and promote economic development and the
8 construction of housing within the boundaries of the 3333/3700 California Street EIFD or the
9 surrounding community and (ii) funding for affordable housing; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, pursuant
11 to the EIFD Law, if the 3333/3700 California Street IFP is approved by the EIFD Public
12 Financing Authority No. 1 in accordance with the EIFD Law, and if the 3333/3700 California
13 Street IFP is approved by resolution of the Board of Supervisors pursuant to Government
14 Code Section 53398.68, in each case after any public hearings required by the EIFD Law, the
15 incremental property tax revenue that is allocated by the City to the 3333/3700 California
16 Street EIFD (but not by any other affected taxing entity), which may include one or a
17 combination of general property tax increment and MVILF tax increment as described in the
18 Guidelines, may be used to finance Facilities and other authorized costs and to pay debt
19 service on bonds and other debt of the 3333/3700 California Street EIFD; and be it

20 FURTHER RESOLVED, That the 3333/3700 California Street IFP shall provide, in
21 compliance with the Guidelines, that no more than 50% of the incremental property tax
22 revenue generated in the 3333/3700 California Street EIFD (which may include one or a
23 combination of general property tax increment and MVILF tax increment) shall be allocated by
24 the City to the 3333/3700 California Street EIFD, not including any incremental property tax
25

1 revenue allocated on a conditional basis to provide debt service coverage on terms the Board
2 of Supervisors shall approve in the 3333/3700 California Street IFP; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
4 of the Office of Public Finance to establish the time and date for a public hearing of the Board
5 of Supervisors on the proposed 3333/3700 California Street IFP and to cause the Clerk of the
6 Board of Supervisors to (i) publish a notice of such public hearing in accordance with the EIFD
7 Law and (ii) mail a copy of such notice to (A) each owner of land (as defined in the EIFD Law)
8 within the proposed EIFD, (B) each affected taxing entity (as defined in the EIFD Law), if any,
9 and (C) the EIFD Public Financing Authority No. 1; and, be it

10 FURTHER RESOLVED, Pursuant to Government Code, Section 53398.60, the Board
11 of Supervisors hereby directs the Clerk of the Board of Supervisors to mail a copy of this
12 Resolution to (i) each owner of land within the proposed EIFD (although the Director of the
13 Office of Public Finance is hereby authorized to instead mail a notice of intention to create the
14 3333/3700 California Street EIFD in accordance with Government Code, Section
15 53398.60(b)), (ii) each affected taxing entity and (iii) the EIFD Public Financing Authority No.
16 1; and, be it

17 FURTHER RESOLVED, The Board of Supervisors hereby authorizes and approves the
18 execution and delivery of a Deposit and Reimbursement Agreement (Deposit Agreement) in
19 substantially the form on file with the Clerk of the Board of Supervisors in File No. 240816, to
20 provide for a deposit by the 3333 California Street Developer to pay the costs of forming the
21 3333/3700 California Street EIFD and managing the 3333/3700 California Street EIFD, and, to
22 the extent applicable, the formation of one or more community facilities districts for the 3333
23 California Street Project, including any costs incurred by the EIFD Public Financing Authority
24 No. 1 and the City, and each of the Mayor, the Controller, the Director of Public Works and the
25 Director of the Office of Public Finance, or such other official of the City as may be designated

1 by such officials (each, an "Authorized Officer"), is hereby authorized and directed to execute
2 the Deposit Agreement, together with such additions or changes as are approved by such
3 Authorized Officer upon consultation with the City Attorney, such changes being consistent
4 with the terms of this Resolution and the Development Agreement; and, be it

5 FURTHER RESOLVED, That this Resolution in no way obligates the Board of
6 Supervisors or the EIFD Public Financing Authority No. 1 to form or approve any projects
7 contemplated within the 3333/3700 California Street EIFD; the establishment of the
8 3333/3700 California Street EIFD is subject to all requirements of EIFD Law and other state
9 and local laws, including (a) the Board of Supervisors' approval of a proposed 3333/3700
10 California Street IFP following a public hearing, to the extent required by the EIFD Law; and
11 (b) the EIFD Public Financing Authority No. 1's approval of the 3333/3700 California Street
12 IFP following three public hearings conducted pursuant to EIFD Law; and, be it

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

21 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
22 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
23 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
24 things and take any and all actions, including execution and delivery of any and all
25 documents, assignments, certificates, requisitions, agreements, notices, consents,

1 instruments of conveyance, warrants and documents, which they, or any of them, may deem
2 necessary or advisable in order to effectuate the purposes of this resolution; provided
3 however that any such actions be solely intended to further the purposes of this resolution,
4 and are subject in all respects to the terms of the Resolution; and, be it

5 FURTHER RESOLVED, That all actions authorized and directed by this resolution,
6 consistent with any documents presented herein, and heretofore taken are hereby ratified,
7 approved and confirmed by this Board of Supervisors; and, be it

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

12
13
14
15 APPROVED AS TO FORM:

16 DAVID CHIU, City Attorney
17
18
19

20 By: /s/Mark D. Blake

21 Mark D. Blake

22 Deputy City Attorney
23

24 n:\spec\as2024\1900003\01776140.docx
25

1
2 EXHIBIT A

3
4 SAN FRANCISCO
5 ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 3
6 (3333/3700 CALIFORNIA STREET)

7
8 DESCRIPTION OF FACILITIES

9 TO BE FINANCED BY THE

10 EIFD
11
12

13 The 3333/3700 California Street EIFD shall be authorized to finance all or a portion of the costs of the
14 purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of the public capital
15 facilities or other projects of communitywide significance that are (i) authorized by the **EIFD Law**, (ii) for
16 the 3333 California Street Project, required or permitted by the 3333 California Street Development
17 Agreement, the Plan Documents or the Approvals and (iii) for the 3700 California Street Project, required
18 or permitted by the plan documents, including, but not limited to, the actual costs of those facilities and
19 projects of communitywide significance described below (the "**Facilities**") and those costs described
20 below.

21
22 The 3333/3700 EIFD shall also be authorized to finance capitalized maintenance of the Facilities
23 financed in whole or in part by the 3333/3700 California Street EIFD (i.e., maintenance that extends the
24 useful life of such Facilities, not routine maintenance).
25

1 The Facilities may be owned by a public agency (including, but not limited to, the City and County of
2 San Francisco ("**City**")) or privately-owned as permitted by the EIFD law.

3
4 Facilities may be physically located within or outside the boundaries of the 3333/3700 California Street
5 EIFD; any Facilities that are located outside the boundaries of the 3333/3700 California Street EIFD
6 must have a tangible connection to the work of the 3333/3700 California Street EIFD.

7
8 Capitalized terms used herein but not defined herein have the meanings given them in the main body of
9 this Resolution.

10
11 The Facilities for the 3333 California Street Project include, but are not limited to, all hard and soft costs
12 of the following:

- 13
14
- 15 1. Public improvements constructed or caused to be constructed by the 3333 California
16 Street Developer, including, but not limited to, site work, streets, utilities, and Streetscape
17 Improvements (as defined in the 3333 California Street Development Agreement).
18
 - 19 2. Privately-owned community improvements constructed or caused to be constructed by
20 the 3333 California Street Developer, including, but not limited to, utilities and Publicly
21 Accessible Private Improvements (as defined in the 3333 California Street Development
22 Agreement).
23
 - 24 3. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
25 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the

1 California Health and Safety Code, for rent or purchase, including the payment of housing
2 in-lieu fees that are used for such purposes.

3
4 The Facilities for the 3700 California Street Project include, but are not limited to, all hard and soft costs
5 of the following:

- 6
- 7 1. Block A public improvements constructed or caused to be constructed by the 3700
8 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
9
 - 10 2. Block B public improvements constructed or caused to be constructed by the 3700
11 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
12
 - 13 3. Block C public improvements constructed or caused to be constructed by the 3700
14 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
15
 - 16 4. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
17 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the
18 California Health and Safety Code, for rent or purchase, including the payment of housing
19 in-lieu fees that are used for such purposes.
20

21 OTHER EXPENSES

22
23 The 3333/3700 EIFD may also finance any of the following:
24
25

1 1. Costs described in Government Code Sections 53398.53, 53398.56, 53398.57 and
2 53398.58, including, but not limited to, the reimbursement for any costs advanced to file and prosecute
3 an action or proceeding pursuant Government Code Sections 53398.57 and 53398.58.

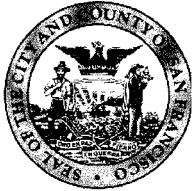
4
5 2. Costs incurred in connection with the division of taxes pursuant to Government Code Section
6 53398.75.

7
8 3. Expenses related to bonds and other debt of the 3333/3700 California Street EIFD, including
9 underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and
10 disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.

11
12 4. Administrative fees of the City, the 3333/3700 California Street EIFD and the bond trustee or
13 fiscal agent related to the bonds and other debt of the 3333/3700 California Street EIFD.

14
15 5. Reimbursement of costs related to the formation of the 3333/3700 California Street EIFD
16 (and any Project Areas) advanced by the City, the landowner(s) in the 3333/3700 California Street EIFD,
17 or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the
18 City, the landowner(s) in the 3333/3700 California Street EIFD or any party related to any of the
19 foregoing, for Facilities, fees or other purposes or costs of the 3333/3700 California Street EIFD.

20
21 6. Costs otherwise incurred in order to carry out the authorized purposes of the 3333/3700
22 California Street EIFD; and any other expenses incidental (including administrative and legal costs) to
23 the 3333/3700 California Street EIFD and to the construction, expansion, improvement, seismic retrofit,
24 rehabilitation, completion, inspection, or acquisition of the Facilities.



City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240816

Date Passed: November 05, 2024

Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) to finance public capital facilities and projects of communitywide significance related to the 3333/3700 California Street Projects and other authorized costs, and determining other matters in connection therewith, as defined herein.

October 30, 2024 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

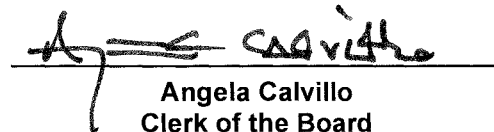
October 30, 2024 Budget and Finance Committee - RECOMMENDED AS AMENDED


November 05, 2024 Board of Supervisors - ADOPTED

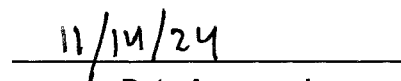
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240816

I hereby certify that the foregoing
Resolution was ADOPTED on 11/5/2024 by
the Board of Supervisors of the City and
County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor


Date Approved

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place
Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

May 29, 2025

Secretary Grant Carson
Enhanced Infrastructure Financing District
Public Financing Authority No. 1
City Hall
1 Dr. Carlton B. Goodlett Place, Room 338
San Francisco, CA 94102

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

Dear Mr. Carson:

You are receiving this letter as Secretary of the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA"), the governing board of the proposed San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700 California EIFD").

Resolution of Intention to Establish Enhanced Infrastructure Financing District (EIFD). On November 5, 2024, pursuant to Resolution No. 553-24, which resolution was approved by the Mayor on November, 14, 2024 ("Resolution of Intention"), the Board of Supervisors of the City and County of San Francisco ("City") declared its intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700 California EIFD") pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law").

California Government Code, Section 53398.61, requires the Board of Supervisors to mail a copy of the Resolution of Intention to each affected taxing entity.

Purpose of the EIFD. In the Resolution of Intention, the Board of Supervisors stated that the purpose of the EIFD is to finance (i) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the 3333/3700 California EIFD or the surrounding community, including any directly-related planning and design work and, (ii) the costs described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable), all as more fully described in Exhibit A attached to the Resolution of Intention.

Enhanced Infrastructure Financing District Public Financing Authority No. 1. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 (which was signed by the Mayor on April 7, 2023), pursuant to which it established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA") as the governing body of the now formed San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station). On July 23, 2024, the Board of Supervisors adopted Ordinance No. 210-24 (which was signed by the Mayor on August 1,



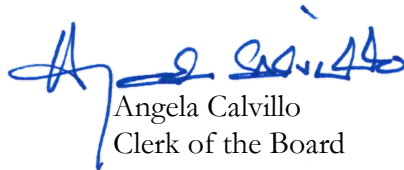
2024) which amended the Administrative Code to provide for the PFA to serve as the governing body for other proposed future EIFDs, including the 3333/3700 California EIFD.

Next Steps. The PFA will hold a meeting at which it will consider adopting a resolution directing preparation of an infrastructure financing plan ("IFP") for the proposed 3333/3700 California Street EIFD.

Once a draft IFP has been prepared, the PFA will make the draft IFP available to the public and each landowner on a designated website (located at <https://sf.gov/departments/eifd-public-financing-authority-no-1>), and staff of the PFA will hold a public meeting to present the draft IFP, answer questions and consider comments. At least 30 days later, the PFA will hold the first of two public hearings.

Questions? If you have any questions, please contact Anna Van Degna, Public Finance Director, Controller's Office of Public Finance, Phone (415)-554-7500, anna.vandegna@sfgov.org, 1 Dr. Carlton B. Goodlett Pl, Room 338, San Francisco, CA 94102.

Sincerely,

A handwritten signature in blue ink, appearing to read "Angela Calvillo".

Angela Calvillo
Clerk of the Board

ak:jw:ll:ams

cc:

Anna Van Degna, Public Finance Director, Controller's Office of Public Finance
Alisa Somera, Legislative Deputy Director, Office of the Clerk of the Board

1 [Resolution of Intention to Establish San Francisco Enhanced Infrastructure Financing District
2 No. 3 (3333/3700 California Street)]

3 **Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing**
4 **District No. 3 (3333/3700 California Street) to finance public capital facilities and**
5 **projects of communitywide significance related to the 3333/3700 California Street**
6 **Projects and other authorized costs, and determining other matters in connection**
7 **therewith, as defined herein.**

8
9 WHEREAS, Laurel Heights Partners LLC, a Delaware limited liability company ("3333
10 California Street Developer") owns and operates an approximately 10.25-acre site in the City
11 and County of San Francisco ("City") bounded by California Street to the north, Presidio
12 Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel
13 Street and Mayfair Drive to the west, currently comprised of an approximately 455,000 gross
14 square foot office building, an approximately 14,000 gross square foot annex building, surface
15 and subsurface parking areas, and landscaping or landscaped open space ("3333 California
16 Street Project Site"); and

17 WHEREAS, The City, acting by and through its Planning Department, and the 3333
18 California Street Developer entered into a Development Agreement dated as of September
19 11, 2020, and recorded in the Official Records on September 11, 2020, as Document No.
20 2020015925 (the "Original Development Agreement"), and a Memorandum of Minor
21 Modification of Development Agreement (Amendment No. 1) dated as of June 5, 2024, and
22 recorded in the Official Records on June 26, 2024, as Document No. 2024048267
23 ("Amendment No. 1"), and a proposed Second Amendment to Development Agreement
24 ("Amendment No. 2" and together with Amendment No. 1 and the Original Development
25 Agreement, the "3333 California Street Development Agreement") and a copy of the 3333

1 California Street Development Agreement is on file with the Clerk of the Board of Supervisors
2 in File No. 240816; and

3 WHEREAS, 3333 California Street Developer proposes a mixed-use development on
4 the 3333 California Street Project Site that will include residential, non-residential, open
5 space, child care, and related uses ("3333 California Street Project"), including (i)
6 approximately 744 residential units, including not less than 124 on-site affordable senior
7 residential units, (ii) approximately 38,094 square feet of retail/restaurant/commercial use in
8 buildings along California Street, (iii) an approximately 13,933 gross square foot space for
9 child care use, and (iv) approximately 52 percent of the overall lot area (approximately
10 236,000 square feet – excluding green roofs) as open area, with portions to be developed with
11 a combination of public open space, common open space (some of which would be open to
12 the public) and private open space for residents. The proposed project would include 2.87
13 acres of publicly accessible landscaped open space with multi-purpose plazas, lawns,
14 pathways and streetscape improvements; and

15 WHEREAS, On September 5, 2019, by Motion No. 20512, the Planning Commission
16 certified as adequate, accurate, and complete the Final Environmental Impact Report ("3333
17 California Street FEIR") for the 3333 California Street Project pursuant to the California
18 Environmental Quality Act (California Public Resources Code Section 21000 et seq.)
19 ("CEQA"). A copy of Planning Commission Motion No. 20512 is on file with the Clerk of the
20 Board of Supervisors in File No. 190947; also, on September 5, 2019, by Motion No. 20513,
21 the Planning Commission adopted findings, including a rejection of alternatives and a
22 statement of overriding considerations ("3333 California Street CEQA Findings") and a
23 Mitigation Monitoring and Reporting Program ("3333 California Street MMRP"); these Motions
24 are on file with the Clerk of the Board of Supervisors in File No. 190947; in Ordinance
25 No. 276-19, adopted by the Board of Supervisors on November 19, 2019, and signed by the

1 Mayor on November 27, 2019, the Board of Supervisors declared that it had reviewed the
2 3333 California Street FEIR and related documents, and adopted as its own and incorporated
3 by reference as though fully set forth therein the 3333 California Street CEQA Findings,
4 including the statement of overriding considerations, and the 3333 California Street MMRP,
5 and adopted the supplemental 3333 California Street CEQA findings on file with the Clerk of
6 the Board of Supervisors in File No. 190845; and

7 WHEREAS, CALIFORNIA 3700, LLC, a Delaware limited liability company ("3700
8 California Street Developer") owns 14 parcels on a 4.84-acre site located in the City on
9 California Street between Maple Street and Cherry Street ("3700 California Street Project
10 Site"); and

11 WHEREAS, 3700 California Street Developer proposes a modification to existing
12 entitlements which, if approved, will be a mixed-use development ("3700 California Street
13 Project") on the 3700 California Street Project Site that will include demolition of five of the six
14 existing hospital buildings on the 3700 California Street Project Site, including a five-story
15 accessory parking garage; demolition of a two-level, below-grade parking structure;
16 renovation and adaptive re-use of a portion of the Marshal Hale hospital building at 3698
17 California Street to residential and institutional use; retention and renovation of the existing
18 nine-unit residential building at 401 Cherry Street; construction of 19 new buildings that would
19 contain 492 dwelling units, including 15 single-family homes and four multi-family residential
20 buildings, not including the nine units in the existing 401 Cherry building that are being
21 retained, and 75 assisted living and memory care units; and construction of approximately
22 48,800 square feet of residential and 8,400 square feet of institutional shared onsite amenity
23 space and approximately 70,000 square feet of private and common open space areas for
24 residents; and
25

1 WHEREAS, The City and 3700 California Street Developer have not executed a
2 development agreement related to the 3700 California Street Project; and

3 WHEREAS, On February 27, 2020, by Motion No. 20671, the Planning Commission
4 certified as adequate, accurate, and complete for the existing entitlements of the 3700
5 California Street Project the Final Environmental Impact Report ("3700 California Street
6 FEIR") for the 3700 California Street Project pursuant to CEQA; a copy of Planning
7 Commission Motion No. 20671 is on file with the Clerk of the Board of Supervisors in File
8 No. 240816; also, on February 27, 2020, by Motion No. 20677, the Planning Commission
9 adopted findings ("3700 California Street CEQA Findings") and a Mitigation Monitoring and
10 Reporting Program ("3700 California Street MMRP") for the 3700 California Street Project;
11 these Motions are on file with the Clerk of the Board of Supervisors in File No. 240816; the
12 Planning Commission also declared in its Motion No. 20672, on February 27, 2020, that it had
13 reviewed and considered the 3700 California Street FEIR and related documents, and
14 adopted and incorporated by reference as though fully set forth therein, the 3700 California
15 Street MMRP and the 3700 California Street CEQA Findings; and

16 WHEREAS, 3333 California Street Project and 3700 California Street Project are both
17 being developed by Prado Group, Inc.; and

18 WHEREAS, The 3333 California Street Project and the 3700 California Street Project
19 are collectively referred to in this Resolution as the "3333/3700 California Street Projects"; and

20 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of
21 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy
22 of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors
23 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San
24 Francisco ("Guidelines") that describe minimum threshold criteria and strategic criteria for the
25

1 City to consider when evaluating the proposed formation of an infrastructure financing district;
2 and

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

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

15 WHEREAS, Under the Guidelines, the "incremental property tax revenue" that can be
16 allocated by the City to an infrastructure financing district includes:

17 (1) "general property tax increment," i.e., property tax revenue annually allocated
18 to the City and generated by the levy of the 1% ad valorem tax rate upon the increased
19 assessed values of taxable property in the infrastructure financing district above the
20 values shown upon the assessment roll that was last equalized before the formation of
21 the IFD and

22 (2) "MVILF tax increment," i.e., that portion of any ad valorem property tax
23 revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and
24 Taxation Code and that corresponds to the increase in the assessed valuation of
25 taxable property; and

1 WHEREAS, The 3333/3700 California Street Projects will provide significant public
2 benefits to the City including the conversion of two vacant buildings into significant new
3 housing units to contribute to the City's housing supply, including affordable housing, as well
4 as the construction and maintenance of new privately-owned publicly accessible open space
5 and pedestrian pathways, transportation demand management measures, street and
6 infrastructure improvements, and on-site childcare facilities, but the 3333/3700 California
7 Street Projects have significant public infrastructure obligations that must be completed before
8 the 3333/3700 California Street Projects' residential units and community benefits can be
9 constructed; and

10 WHEREAS, The 3333/3700 California Street Projects are eligible for financial
11 assistance from an infrastructure financing district under the Guidelines; and

12 WHEREAS, The Board of Supervisors is authorized to initiate the process to establish
13 an enhanced infrastructure financing district pursuant to Chapter 2.99 of Part 1 of Division 2 of
14 Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law");
15 and

16 WHEREAS, In accordance with Government Code, Section 53398.54, the City has
17 complied with the prerequisites to initiate the creation of, or participate in the governance or
18 financing of, an enhanced infrastructure financing district for the 3333/3700 California Street
19 Projects and has provided the required certification to the Department of Finance and the
20 EIFD Public Financing Authority No. 1 (as defined below) in accordance with the EIFD Law;
21 and

22 WHEREAS, Pursuant to Government Code, Section 53398.59, an enhanced
23 infrastructure financing district may be divided into project areas; and

24 WHEREAS, The Board of Supervisors intends to establish the San Francisco
25 Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700

1 California Street EIFD”) and project areas within the 3333/3700 California Street EIFD to
2 finance (i) the purchase, construction, expansion, improvement, seismic retrofit or
3 rehabilitation of certain real or other tangible property with an estimated useful life of 15 years
4 or longer that are public capital facilities or projects of communitywide significance that
5 provide significant benefits to the 3333/3700 California Street EIFD or the surrounding
6 community, including any directly-related planning and design work and (ii) the costs
7 described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable),
8 all as more fully described in Exhibit A attached hereto; and

9 WHEREAS, The 3333/3700 California Street EIFD shall be a legally constituted
10 governmental entity separate and distinct from the City and its sole purpose shall be to
11 finance public capital facilities and projects of communitywide significance; and

12 WHEREAS, Government Code, Section 53398.63(d)(5)(B), provides that the
13 infrastructure financing plan for the 3333/3700 California Street EIFD may establish a
14 separate and unique time limit for each project area after which all tax allocations to the
15 3333/3700 California Street EIFD from the project area will end and the 3333/3700 California
16 Street EIFD’s authority to repay indebtedness from tax allocations to the 3333/3700 California
17 Street EIFD from the project area will end, not to exceed 45 years from the date that the
18 3333/3700 California Street EIFD has actually received \$100,000 in annual incremental tax
19 revenue from the project area, and the Board of Supervisors intends that the infrastructure
20 financing plan for the 3333/3700 California Street EIFD will specify the date on which the
21 allocation of tax increment will end on a project area-by-project area basis; and

22 WHEREAS, The Board of Supervisors established the Enhanced Infrastructure
23 Financing District No. 1 (“EIFD Public Financing Authority No. 1”) pursuant to Ordinance
24 No. 044-23, which was passed by the Board of Supervisors on April 4, 2023, and signed by
25

1 the Mayor on April 7, 2023, which Ordinance established Article XLVIII of Chapter 5 of the
2 Administrative Code to govern the EIFD Public Financing Authority No. 1; and

3 WHEREAS, The Board of Supervisors established EIFD Public Financing Authority
4 No. 1 to act as the legislative body of the San Francisco Enhanced Infrastructure Financing
5 District No. 1 (Power Station); and

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

12 WHEREAS, The Board of Supervisors hereby designates EIFD Public Financing
13 Authority No. 1 to act as the governing board of the 3333/3700 California Street EIFD; and

14 WHEREAS, The EIFD Public Financing Authority No. 1 will be responsible for causing
15 preparation of the infrastructure financing plan for the 3333/3700 California Street EIFD
16 ("3333/3700 California Street IFP"), which will describe, among other things, the allocation by
17 the City to the 3333/3700 California Street EIFD of certain incremental property tax revenue
18 for the purpose of funding public capital facilities and other specified projects of
19 communitywide significance that provide significant benefits to the 3333/3700 California Street
20 EIFD or the surrounding community and the issuance by the 3333/3700 California Street EIFD
21 of bonds and other debt; and

22 WHEREAS, The 3333/3700 California Street IFP will be subject to the review and
23 approval by resolution of the Board of Supervisors following a public hearing, and adoption
24 and implementation by the EIFD Public Financing Authority No. 1 following three public
25 hearings; now, therefore, be it

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

3 FURTHER RESOLVED, That the Board of Supervisors hereby proposes and intends to
4 cause the establishment of the 3333/3700 California Street EIFD, to be known as the "San
5 Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street)",
6 under the provisions of the EIFD Law, and further proposes and intends that the 3333/3700
7 California Street EIFD shall include project areas (each, "Project Area"; collectively, "Project
8 Areas"), which shall be referred to as "Project Area ___ of the San Francisco Enhanced
9 Infrastructure Financing District No. 3 (3333/3700 California Street)"; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby determines that the
11 proposed boundaries of the 3333/3700 California Street EIFD and the Project Areas are as
12 shown on the map of the 3333/3700 California Street EIFD and the Project Areas on file with
13 the Clerk of the Board of Supervisors in File No. 240816, which boundaries are hereby
14 preliminarily approved and to which map reference is hereby made for further particulars; and,
15 be it

16 FURTHER RESOLVED, That because the Board of Supervisors anticipates the need
17 to make future changes to the boundaries of the 3333/3700 California Street EIFD and the
18 Project Areas in order to conform to final development parcels approved by the Board of
19 Supervisors and so that the California State Board of Equalization can assign tax rate areas to
20 the Project Areas, the Board of Supervisors hereby declares its intention that the 3333/3700
21 California Street IFP shall establish a procedure by which certain future amendments of the
22 boundaries of the 3333/3700 California Street EIFD and the Project Areas and corresponding
23 amendments to the 3333/3700 California Street IFP may be approved by the EIFD Public
24 Financing Authority No. 1 without further hearings or approvals, as long as the EIFD Public
25 Financing Authority No. 1 finds that the amendments will not impair the 3333/3700 California

1 Street EIFD's ability to pay debt service on its bonds or other debt or, in and of themselves,
2 reduce the debt service coverage on any bonds or other debt below the amount required to
3 issue parity debt; and

4 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
5 that the boundaries of the proposed 3333/3700 California Street EIFD do not include any
6 portion of a former redevelopment project area that was created pursuant to Part 1
7 (commencing with Section 33000) of Division 24 of the California Health and Safety Code;
8 and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
10 that there are no existing dwelling units within the boundaries of the proposed 3333/3700
11 California Street EIFD; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
13 that the types of public capital facilities and other projects of communitywide significance to be
14 financed by the 3333/3700 California Street EIFD shall consist of those described on Exhibit A
15 hereto and hereby incorporated herein ("Facilities"), that the Facilities are authorized to be
16 financed by the 3333/3700 California Street EIFD under Government Code,
17 Sections 53398.52 and 53398.55(b), and that each of the Facilities (i) constitutes real or other
18 tangible property with an estimated useful life of 15 years or longer that is a public capital
19 facility or a project of communitywide significance and provides significant benefits to the
20 3333/3700 California Street EIFD or the surrounding community, (ii) is in addition to those
21 facilities provided in the territory of the 3333/3700 California Street EIFD before the 3333/3700
22 California Street EIFD was created, (iii) will not supplant facilities already available within the
23 proposed boundaries of the 3333/3700 California Street EIFD, although the Facilities may
24 supplement, rehabilitate or upgrade such facilities or make such facilities more sustainable
25 and (iv) if it is located outside the boundaries of the proposed 3333/3700 California Street

1 EIFD, it has a tangible connection to the work of the 3333/3700 California Street EIFD; and,
2 be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the
4 3333/3700 California Street EIFD is necessary to advance the City's goal in proposing the
5 establishment of the 3333/3700 California Street EIFD, which is to help address a shortfall in
6 (i) funding for the provision of public capital facilities and projects of communitywide
7 significance that provide significant benefits and promote economic development and the
8 construction of housing within the boundaries of the 3333/3700 California Street EIFD or the
9 surrounding community and (ii) funding for affordable housing; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, pursuant
11 to the EIFD Law, if the 3333/3700 California Street IFP is approved by the EIFD Public
12 Financing Authority No. 1 in accordance with the EIFD Law, and if the 3333/3700 California
13 Street IFP is approved by resolution of the Board of Supervisors pursuant to Government
14 Code Section 53398.68, in each case after any public hearings required by the EIFD Law, the
15 incremental property tax revenue that is allocated by the City to the 3333/3700 California
16 Street EIFD (but not by any other affected taxing entity), which may include one or a
17 combination of general property tax increment and MVILF tax increment as described in the
18 Guidelines, may be used to finance Facilities and other authorized costs and to pay debt
19 service on bonds and other debt of the 3333/3700 California Street EIFD; and be it

20 FURTHER RESOLVED, That the 3333/3700 California Street IFP shall provide, in
21 compliance with the Guidelines, that no more than 50% of the incremental property tax
22 revenue generated in the 3333/3700 California Street EIFD (which may include one or a
23 combination of general property tax increment and MVILF tax increment) shall be allocated by
24 the City to the 3333/3700 California Street EIFD, not including any incremental property tax
25

1 revenue allocated on a conditional basis to provide debt service coverage on terms the Board
2 of Supervisors shall approve in the 3333/3700 California Street IFP; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
4 of the Office of Public Finance to establish the time and date for a public hearing of the Board
5 of Supervisors on the proposed 3333/3700 California Street IFP and to cause the Clerk of the
6 Board of Supervisors to (i) publish a notice of such public hearing in accordance with the EIFD
7 Law and (ii) mail a copy of such notice to (A) each owner of land (as defined in the EIFD Law)
8 within the proposed EIFD, (B) each affected taxing entity (as defined in the EIFD Law), if any,
9 and (C) the EIFD Public Financing Authority No. 1; and, be it

10 FURTHER RESOLVED, Pursuant to Government Code, Section 53398.60, the Board
11 of Supervisors hereby directs the Clerk of the Board of Supervisors to mail a copy of this
12 Resolution to (i) each owner of land within the proposed EIFD (although the Director of the
13 Office of Public Finance is hereby authorized to instead mail a notice of intention to create the
14 3333/3700 California Street EIFD in accordance with Government Code, Section
15 53398.60(b)), (ii) each affected taxing entity and (iii) the EIFD Public Financing Authority No.
16 1; and, be it

17 FURTHER RESOLVED, The Board of Supervisors hereby authorizes and approves the
18 execution and delivery of a Deposit and Reimbursement Agreement (Deposit Agreement) in
19 substantially the form on file with the Clerk of the Board of Supervisors in File No. 240816, to
20 provide for a deposit by the 3333 California Street Developer to pay the costs of forming the
21 3333/3700 California Street EIFD and managing the 3333/3700 California Street EIFD, and, to
22 the extent applicable, the formation of one or more community facilities districts for the 3333
23 California Street Project, including any costs incurred by the EIFD Public Financing Authority
24 No. 1 and the City, and each of the Mayor, the Controller, the Director of Public Works and the
25 Director of the Office of Public Finance, or such other official of the City as may be designated

1 by such officials (each, an "Authorized Officer"), is hereby authorized and directed to execute
2 the Deposit Agreement, together with such additions or changes as are approved by such
3 Authorized Officer upon consultation with the City Attorney, such changes being consistent
4 with the terms of this Resolution and the Development Agreement; and, be it

5 FURTHER RESOLVED, That this Resolution in no way obligates the Board of
6 Supervisors or the EIFD Public Financing Authority No. 1 to form or approve any projects
7 contemplated within the 3333/3700 California Street EIFD; the establishment of the
8 3333/3700 California Street EIFD is subject to all requirements of EIFD Law and other state
9 and local laws, including (a) the Board of Supervisors' approval of a proposed 3333/3700
10 California Street IFP following a public hearing, to the extent required by the EIFD Law; and
11 (b) the EIFD Public Financing Authority No. 1's approval of the 3333/3700 California Street
12 IFP following three public hearings conducted pursuant to EIFD Law; and, be it

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

21 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
22 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
23 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
24 things and take any and all actions, including execution and delivery of any and all
25 documents, assignments, certificates, requisitions, agreements, notices, consents,

1 instruments of conveyance, warrants and documents, which they, or any of them, may deem
2 necessary or advisable in order to effectuate the purposes of this resolution; provided
3 however that any such actions be solely intended to further the purposes of this resolution,
4 and are subject in all respects to the terms of the Resolution; and, be it

5 FURTHER RESOLVED, That all actions authorized and directed by this resolution,
6 consistent with any documents presented herein, and heretofore taken are hereby ratified,
7 approved and confirmed by this Board of Supervisors; and, be it

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

12
13
14
15 APPROVED AS TO FORM:

16 DAVID CHIU, City Attorney
17
18
19

20 By: /s/Mark D. Blake

21 Mark D. Blake

22 Deputy City Attorney
23

24 n:\spec\as2024\1900003\01776140.docx
25

1
2 EXHIBIT A

3
4 SAN FRANCISCO
5 ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 3
6 (3333/3700 CALIFORNIA STREET)

7
8 DESCRIPTION OF FACILITIES

9 TO BE FINANCED BY THE

10 EIFD
11
12

13 The 3333/3700 California Street EIFD shall be authorized to finance all or a portion of the costs of the
14 purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of the public capital
15 facilities or other projects of communitywide significance that are (i) authorized by the **EIFD Law**, (ii) for
16 the 3333 California Street Project, required or permitted by the 3333 California Street Development
17 Agreement, the Plan Documents or the Approvals and (iii) for the 3700 California Street Project, required
18 or permitted by the plan documents, including, but not limited to, the actual costs of those facilities and
19 projects of communitywide significance described below (the "**Facilities**") and those costs described
20 below.

21
22 The 3333/3700 EIFD shall also be authorized to finance capitalized maintenance of the Facilities
23 financed in whole or in part by the 3333/3700 California Street EIFD (i.e., maintenance that extends the
24 useful life of such Facilities, not routine maintenance).
25

1 The Facilities may be owned by a public agency (including, but not limited to, the City and County of
2 San Francisco ("**City**")) or privately-owned as permitted by the EIFD law.

3
4 Facilities may be physically located within or outside the boundaries of the 3333/3700 California Street
5 EIFD; any Facilities that are located outside the boundaries of the 3333/3700 California Street EIFD
6 must have a tangible connection to the work of the 3333/3700 California Street EIFD.

7
8 Capitalized terms used herein but not defined herein have the meanings given them in the main body of
9 this Resolution.

10
11 The Facilities for the 3333 California Street Project include, but are not limited to, all hard and soft costs
12 of the following:

- 13
14
- 15 1. Public improvements constructed or caused to be constructed by the 3333 California
16 Street Developer, including, but not limited to, site work, streets, utilities, and Streetscape
17 Improvements (as defined in the 3333 California Street Development Agreement).
18
 - 19 2. Privately-owned community improvements constructed or caused to be constructed by
20 the 3333 California Street Developer, including, but not limited to, utilities and Publicly
21 Accessible Private Improvements (as defined in the 3333 California Street Development
22 Agreement).
23
 - 24 3. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
25 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the

1 California Health and Safety Code, for rent or purchase, including the payment of housing
2 in-lieu fees that are used for such purposes.
3

4 The Facilities for the 3700 California Street Project include, but are not limited to, all hard and soft costs
5 of the following:
6

- 7 1. Block A public improvements constructed or caused to be constructed by the 3700
8 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
9
- 10 2. Block B public improvements constructed or caused to be constructed by the 3700
11 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
12
- 13 3. Block C public improvements constructed or caused to be constructed by the 3700
14 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
15
- 16 4. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
17 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the
18 California Health and Safety Code, for rent or purchase, including the payment of housing
19 in-lieu fees that are used for such purposes.
20

21 OTHER EXPENSES 22

23 The 3333/3700 EIFD may also finance any of the following:
24
25

1 1. Costs described in Government Code Sections 53398.53, 53398.56, 53398.57 and
2 53398.58, including, but not limited to, the reimbursement for any costs advanced to file and prosecute
3 an action or proceeding pursuant Government Code Sections 53398.57 and 53398.58.

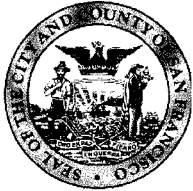
4
5 2. Costs incurred in connection with the division of taxes pursuant to Government Code Section
6 53398.75.

7
8 3. Expenses related to bonds and other debt of the 3333/3700 California Street EIFD, including
9 underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and
10 disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.

11
12 4. Administrative fees of the City, the 3333/3700 California Street EIFD and the bond trustee or
13 fiscal agent related to the bonds and other debt of the 3333/3700 California Street EIFD.

14
15 5. Reimbursement of costs related to the formation of the 3333/3700 California Street EIFD
16 (and any Project Areas) advanced by the City, the landowner(s) in the 3333/3700 California Street EIFD,
17 or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the
18 City, the landowner(s) in the 3333/3700 California Street EIFD or any party related to any of the
19 foregoing, for Facilities, fees or other purposes or costs of the 3333/3700 California Street EIFD.

20
21 6. Costs otherwise incurred in order to carry out the authorized purposes of the 3333/3700
22 California Street EIFD; and any other expenses incidental (including administrative and legal costs) to
23 the 3333/3700 California Street EIFD and to the construction, expansion, improvement, seismic retrofit,
24 rehabilitation, completion, inspection, or acquisition of the Facilities.



City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240816

Date Passed: November 05, 2024

Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) to finance public capital facilities and projects of communitywide significance related to the 3333/3700 California Street Projects and other authorized costs, and determining other matters in connection therewith, as defined herein.

October 30, 2024 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

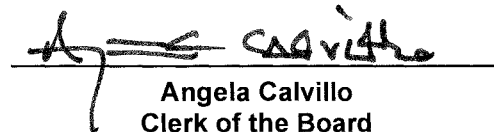
October 30, 2024 Budget and Finance Committee - RECOMMENDED AS AMENDED


November 05, 2024 Board of Supervisors - ADOPTED

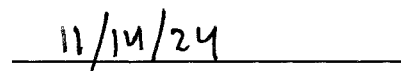
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240816

I hereby certify that the foregoing
Resolution was ADOPTED on 11/5/2024 by
the Board of Supervisors of the City and
County of San Francisco.


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor


Date Approved

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place
Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

May 29, 2025

California 3700 LLC
150 Post Street, Suite 320
San Francisco, CA 94108
Attn: Casey Hession

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

Dear Property Owner:

You are receiving this letter as the owner of the property shown in Attachment 1 (the "Property").

Resolution of Intention to Establish Enhanced Infrastructure Financing District (EIFD). On November 5, 2024, pursuant to Resolution No. 553-24, which resolution was approved by the Mayor on November, 14, 2024 ("Resolution of Intention"), the Board of Supervisors of the City and County of San Francisco ("City") declared its intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700 California EIFD") pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law").

California Government Code, Section 53398.61, requires the Board of Supervisors to mail a copy of the Resolution of Intention to each affected taxing entity.

Purpose of the EIFD. In the Resolution of Intention, the Board of Supervisors stated that the purpose of the EIFD is to finance (i) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the 3333/3700 California EIFD or the surrounding community, including any directly-related planning and design work and , (ii) the costs described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable), all as more fully described in Exhibit A attached to the Resolution of Intention.

Enhanced Infrastructure Financing District Public Financing Authority No. 1. On April 4, 2023, the Board of Supervisors adopted Ordinance No. 044-23 (which was signed by the Mayor on April 7, 2023), pursuant to which it established the Enhanced Infrastructure Financing District Public Financing Authority No. 1 ("PFA") as the governing body of the now formed San Francisco Enhanced Infrastructure Financing District No. 1 (Power Station). On July 23, 2024, the Board of Supervisors adopted Ordinance No. 210-24 (which was signed by the Mayor on August 1, 2024) which amended the Administrative Code to provide for the PFA to serve as the governing body for other proposed future EIFDs, including the 3333/3700 California EIFD.




Next Steps. The PFA will hold a meeting at which it will consider adopting a resolution directing preparation of an infrastructure financing plan ("IFP") for the proposed 3333/3700 California Street EIFD.

Once a draft IFP has been prepared, the PFA will make the draft IFP available to the public and each landowner on a designated website (located at <https://sf.gov/departments/eifd-public-financing-authority-no-1>), and staff of the PFA will hold a public meeting to present the draft IFP, answer questions and consider comments. At least 30 days later, the PFA will hold the first of two public hearings.

Questions? If you have any questions, please contact Anna Van Degna, Public Finance Director, Controller's Office of Public Finance, Phone (415)-554-7500, anna.vandegna@sfgov.org, 1 Dr. Carlton B. Goodlett Pl, Room 338, San Francisco, CA 94102.

Sincerely,



Angela Calvillo
Clerk of the Board

Attachment 1: List of Parcels

ak;jw:ll:ams

cc:

Anna Van Degna, Public Finance Director, Controller's Office of Public Finance
Alisa Somera, Legislative Deputy Director, Office of the Clerk of the Board



Attachment 1

List of Parcels

California 3700 LLC	APNs: BLOCK: 1015, LOT: 052; BLOCK: 1015, LOT: 053; BLOCK: 1016, LOT: 001; BLOCK: 1016, LOT: 002; BLOCK: 1016, LOT: 003; BLOCK: 1016, LOT: 004; BLOCK: 1016, LOT: 005; BLOCK: 1016, LOT: 006; BLOCK: 1016, LOT: 007; BLOCK: 1016, LOT: 008; BLOCK: 1016, LOT: 009; BLOCK: 1017, LOT: 027; BLOCK: 1017, LOT: 028
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1 [Resolution of Intention to Establish San Francisco Enhanced Infrastructure Financing District
2 No. 3 (3333/3700 California Street)]

3 **Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing**
4 **District No. 3 (3333/3700 California Street) to finance public capital facilities and**
5 **projects of communitywide significance related to the 3333/3700 California Street**
6 **Projects and other authorized costs, and determining other matters in connection**
7 **therewith, as defined herein.**

8
9 WHEREAS, Laurel Heights Partners LLC, a Delaware limited liability company ("3333
10 California Street Developer") owns and operates an approximately 10.25-acre site in the City
11 and County of San Francisco ("City") bounded by California Street to the north, Presidio
12 Avenue to the east, Masonic Avenue to the southeast, Euclid Avenue to the south, and Laurel
13 Street and Mayfair Drive to the west, currently comprised of an approximately 455,000 gross
14 square foot office building, an approximately 14,000 gross square foot annex building, surface
15 and subsurface parking areas, and landscaping or landscaped open space ("3333 California
16 Street Project Site"); and

17 WHEREAS, The City, acting by and through its Planning Department, and the 3333
18 California Street Developer entered into a Development Agreement dated as of September
19 11, 2020, and recorded in the Official Records on September 11, 2020, as Document No.
20 2020015925 (the "Original Development Agreement"), and a Memorandum of Minor
21 Modification of Development Agreement (Amendment No. 1) dated as of June 5, 2024, and
22 recorded in the Official Records on June 26, 2024, as Document No. 2024048267
23 ("Amendment No. 1"), and a proposed Second Amendment to Development Agreement
24 ("Amendment No. 2" and together with Amendment No. 1 and the Original Development
25 Agreement, the "3333 California Street Development Agreement") and a copy of the 3333

1 California Street Development Agreement is on file with the Clerk of the Board of Supervisors
2 in File No. 240816; and

3 WHEREAS, 3333 California Street Developer proposes a mixed-use development on
4 the 3333 California Street Project Site that will include residential, non-residential, open
5 space, child care, and related uses ("3333 California Street Project"), including (i)
6 approximately 744 residential units, including not less than 124 on-site affordable senior
7 residential units, (ii) approximately 38,094 square feet of retail/restaurant/commercial use in
8 buildings along California Street, (iii) an approximately 13,933 gross square foot space for
9 child care use, and (iv) approximately 52 percent of the overall lot area (approximately
10 236,000 square feet – excluding green roofs) as open area, with portions to be developed with
11 a combination of public open space, common open space (some of which would be open to
12 the public) and private open space for residents. The proposed project would include 2.87
13 acres of publicly accessible landscaped open space with multi-purpose plazas, lawns,
14 pathways and streetscape improvements; and

15 WHEREAS, On September 5, 2019, by Motion No. 20512, the Planning Commission
16 certified as adequate, accurate, and complete the Final Environmental Impact Report ("3333
17 California Street FEIR") for the 3333 California Street Project pursuant to the California
18 Environmental Quality Act (California Public Resources Code Section 21000 et seq.)
19 ("CEQA"). A copy of Planning Commission Motion No. 20512 is on file with the Clerk of the
20 Board of Supervisors in File No. 190947; also, on September 5, 2019, by Motion No. 20513,
21 the Planning Commission adopted findings, including a rejection of alternatives and a
22 statement of overriding considerations ("3333 California Street CEQA Findings") and a
23 Mitigation Monitoring and Reporting Program ("3333 California Street MMRP"); these Motions
24 are on file with the Clerk of the Board of Supervisors in File No. 190947; in Ordinance
25 No. 276-19, adopted by the Board of Supervisors on November 19, 2019, and signed by the

1 Mayor on November 27, 2019, the Board of Supervisors declared that it had reviewed the
2 3333 California Street FEIR and related documents, and adopted as its own and incorporated
3 by reference as though fully set forth therein the 3333 California Street CEQA Findings,
4 including the statement of overriding considerations, and the 3333 California Street MMRP,
5 and adopted the supplemental 3333 California Street CEQA findings on file with the Clerk of
6 the Board of Supervisors in File No. 190845; and

7 WHEREAS, CALIFORNIA 3700, LLC, a Delaware limited liability company ("3700
8 California Street Developer") owns 14 parcels on a 4.84-acre site located in the City on
9 California Street between Maple Street and Cherry Street ("3700 California Street Project
10 Site"); and

11 WHEREAS, 3700 California Street Developer proposes a modification to existing
12 entitlements which, if approved, will be a mixed-use development ("3700 California Street
13 Project") on the 3700 California Street Project Site that will include demolition of five of the six
14 existing hospital buildings on the 3700 California Street Project Site, including a five-story
15 accessory parking garage; demolition of a two-level, below-grade parking structure;
16 renovation and adaptive re-use of a portion of the Marshal Hale hospital building at 3698
17 California Street to residential and institutional use; retention and renovation of the existing
18 nine-unit residential building at 401 Cherry Street; construction of 19 new buildings that would
19 contain 492 dwelling units, including 15 single-family homes and four multi-family residential
20 buildings, not including the nine units in the existing 401 Cherry building that are being
21 retained, and 75 assisted living and memory care units; and construction of approximately
22 48,800 square feet of residential and 8,400 square feet of institutional shared onsite amenity
23 space and approximately 70,000 square feet of private and common open space areas for
24 residents; and
25

1 WHEREAS, The City and 3700 California Street Developer have not executed a
2 development agreement related to the 3700 California Street Project; and

3 WHEREAS, On February 27, 2020, by Motion No. 20671, the Planning Commission
4 certified as adequate, accurate, and complete for the existing entitlements of the 3700
5 California Street Project the Final Environmental Impact Report ("3700 California Street
6 FEIR") for the 3700 California Street Project pursuant to CEQA; a copy of Planning
7 Commission Motion No. 20671 is on file with the Clerk of the Board of Supervisors in File
8 No. 240816; also, on February 27, 2020, by Motion No. 20677, the Planning Commission
9 adopted findings ("3700 California Street CEQA Findings") and a Mitigation Monitoring and
10 Reporting Program ("3700 California Street MMRP") for the 3700 California Street Project;
11 these Motions are on file with the Clerk of the Board of Supervisors in File No. 240816; the
12 Planning Commission also declared in its Motion No. 20672, on February 27, 2020, that it had
13 reviewed and considered the 3700 California Street FEIR and related documents, and
14 adopted and incorporated by reference as though fully set forth therein, the 3700 California
15 Street MMRP and the 3700 California Street CEQA Findings; and

16 WHEREAS, 3333 California Street Project and 3700 California Street Project are both
17 being developed by Prado Group, Inc.; and

18 WHEREAS, The 3333 California Street Project and the 3700 California Street Project
19 are collectively referred to in this Resolution as the "3333/3700 California Street Projects"; and

20 WHEREAS, Pursuant to Resolution No. 66-11, which was adopted by the Board of
21 Supervisors on February 8, 2011, and signed by the Mayor on February 18, 2011, and a copy
22 of which is in File No. 110036, the Board of Supervisors adopted Final Board of Supervisors
23 Guidelines for the Establishment and Use of Infrastructure Financing Districts in San
24 Francisco ("Guidelines") that describe minimum threshold criteria and strategic criteria for the
25

1 City to consider when evaluating the proposed formation of an infrastructure financing district;
2 and

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

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

15 WHEREAS, Under the Guidelines, the "incremental property tax revenue" that can be
16 allocated by the City to an infrastructure financing district includes:

17 (1) "general property tax increment," i.e., property tax revenue annually allocated
18 to the City and generated by the levy of the 1% ad valorem tax rate upon the increased
19 assessed values of taxable property in the infrastructure financing district above the
20 values shown upon the assessment roll that was last equalized before the formation of
21 the IFD and

22 (2) "MVILF tax increment," i.e., that portion of any ad valorem property tax
23 revenue annually allocated to the City pursuant to Section 97.70 of the Revenue and
24 Taxation Code and that corresponds to the increase in the assessed valuation of
25 taxable property; and

1 WHEREAS, The 3333/3700 California Street Projects will provide significant public
2 benefits to the City including the conversion of two vacant buildings into significant new
3 housing units to contribute to the City's housing supply, including affordable housing, as well
4 as the construction and maintenance of new privately-owned publicly accessible open space
5 and pedestrian pathways, transportation demand management measures, street and
6 infrastructure improvements, and on-site childcare facilities, but the 3333/3700 California
7 Street Projects have significant public infrastructure obligations that must be completed before
8 the 3333/3700 California Street Projects' residential units and community benefits can be
9 constructed; and

10 WHEREAS, The 3333/3700 California Street Projects are eligible for financial
11 assistance from an infrastructure financing district under the Guidelines; and

12 WHEREAS, The Board of Supervisors is authorized to initiate the process to establish
13 an enhanced infrastructure financing district pursuant to Chapter 2.99 of Part 1 of Division 2 of
14 Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law");
15 and

16 WHEREAS, In accordance with Government Code, Section 53398.54, the City has
17 complied with the prerequisites to initiate the creation of, or participate in the governance or
18 financing of, an enhanced infrastructure financing district for the 3333/3700 California Street
19 Projects and has provided the required certification to the Department of Finance and the
20 EIFD Public Financing Authority No. 1 (as defined below) in accordance with the EIFD Law;
21 and

22 WHEREAS, Pursuant to Government Code, Section 53398.59, an enhanced
23 infrastructure financing district may be divided into project areas; and

24 WHEREAS, The Board of Supervisors intends to establish the San Francisco
25 Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) ("3333/3700

1 California Street EIFD”) and project areas within the 3333/3700 California Street EIFD to
2 finance (i) the purchase, construction, expansion, improvement, seismic retrofit or
3 rehabilitation of certain real or other tangible property with an estimated useful life of 15 years
4 or longer that are public capital facilities or projects of communitywide significance that
5 provide significant benefits to the 3333/3700 California Street EIFD or the surrounding
6 community, including any directly-related planning and design work and (ii) the costs
7 described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable),
8 all as more fully described in Exhibit A attached hereto; and

9 WHEREAS, The 3333/3700 California Street EIFD shall be a legally constituted
10 governmental entity separate and distinct from the City and its sole purpose shall be to
11 finance public capital facilities and projects of communitywide significance; and

12 WHEREAS, Government Code, Section 53398.63(d)(5)(B), provides that the
13 infrastructure financing plan for the 3333/3700 California Street EIFD may establish a
14 separate and unique time limit for each project area after which all tax allocations to the
15 3333/3700 California Street EIFD from the project area will end and the 3333/3700 California
16 Street EIFD’s authority to repay indebtedness from tax allocations to the 3333/3700 California
17 Street EIFD from the project area will end, not to exceed 45 years from the date that the
18 3333/3700 California Street EIFD has actually received \$100,000 in annual incremental tax
19 revenue from the project area, and the Board of Supervisors intends that the infrastructure
20 financing plan for the 3333/3700 California Street EIFD will specify the date on which the
21 allocation of tax increment will end on a project area-by-project area basis; and

22 WHEREAS, The Board of Supervisors established the Enhanced Infrastructure
23 Financing District No. 1 (“EIFD Public Financing Authority No. 1”) pursuant to Ordinance
24 No. 044-23, which was passed by the Board of Supervisors on April 4, 2023, and signed by
25

1 the Mayor on April 7, 2023, which Ordinance established Article XLVIII of Chapter 5 of the
2 Administrative Code to govern the EIFD Public Financing Authority No. 1; and

3 WHEREAS, The Board of Supervisors established EIFD Public Financing Authority
4 No. 1 to act as the legislative body of the San Francisco Enhanced Infrastructure Financing
5 District No. 1 (Power Station); and

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

12 WHEREAS, The Board of Supervisors hereby designates EIFD Public Financing
13 Authority No. 1 to act as the governing board of the 3333/3700 California Street EIFD; and

14 WHEREAS, The EIFD Public Financing Authority No. 1 will be responsible for causing
15 preparation of the infrastructure financing plan for the 3333/3700 California Street EIFD
16 ("3333/3700 California Street IFP"), which will describe, among other things, the allocation by
17 the City to the 3333/3700 California Street EIFD of certain incremental property tax revenue
18 for the purpose of funding public capital facilities and other specified projects of
19 communitywide significance that provide significant benefits to the 3333/3700 California Street
20 EIFD or the surrounding community and the issuance by the 3333/3700 California Street EIFD
21 of bonds and other debt; and

22 WHEREAS, The 3333/3700 California Street IFP will be subject to the review and
23 approval by resolution of the Board of Supervisors following a public hearing, and adoption
24 and implementation by the EIFD Public Financing Authority No. 1 following three public
25 hearings; now, therefore, be it

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

3 FURTHER RESOLVED, That the Board of Supervisors hereby proposes and intends to
4 cause the establishment of the 3333/3700 California Street EIFD, to be known as the "San
5 Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street)",
6 under the provisions of the EIFD Law, and further proposes and intends that the 3333/3700
7 California Street EIFD shall include project areas (each, "Project Area"; collectively, "Project
8 Areas"), which shall be referred to as "Project Area ___ of the San Francisco Enhanced
9 Infrastructure Financing District No. 3 (3333/3700 California Street)"; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby determines that the
11 proposed boundaries of the 3333/3700 California Street EIFD and the Project Areas are as
12 shown on the map of the 3333/3700 California Street EIFD and the Project Areas on file with
13 the Clerk of the Board of Supervisors in File No. 240816, which boundaries are hereby
14 preliminarily approved and to which map reference is hereby made for further particulars; and,
15 be it

16 FURTHER RESOLVED, That because the Board of Supervisors anticipates the need
17 to make future changes to the boundaries of the 3333/3700 California Street EIFD and the
18 Project Areas in order to conform to final development parcels approved by the Board of
19 Supervisors and so that the California State Board of Equalization can assign tax rate areas to
20 the Project Areas, the Board of Supervisors hereby declares its intention that the 3333/3700
21 California Street IFP shall establish a procedure by which certain future amendments of the
22 boundaries of the 3333/3700 California Street EIFD and the Project Areas and corresponding
23 amendments to the 3333/3700 California Street IFP may be approved by the EIFD Public
24 Financing Authority No. 1 without further hearings or approvals, as long as the EIFD Public
25 Financing Authority No. 1 finds that the amendments will not impair the 3333/3700 California

1 Street EIFD's ability to pay debt service on its bonds or other debt or, in and of themselves,
2 reduce the debt service coverage on any bonds or other debt below the amount required to
3 issue parity debt; and

4 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
5 that the boundaries of the proposed 3333/3700 California Street EIFD do not include any
6 portion of a former redevelopment project area that was created pursuant to Part 1
7 (commencing with Section 33000) of Division 24 of the California Health and Safety Code;
8 and, be it

9 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
10 that there are no existing dwelling units within the boundaries of the proposed 3333/3700
11 California Street EIFD; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors hereby determines and finds
13 that the types of public capital facilities and other projects of communitywide significance to be
14 financed by the 3333/3700 California Street EIFD shall consist of those described on Exhibit A
15 hereto and hereby incorporated herein ("Facilities"), that the Facilities are authorized to be
16 financed by the 3333/3700 California Street EIFD under Government Code,
17 Sections 53398.52 and 53398.55(b), and that each of the Facilities (i) constitutes real or other
18 tangible property with an estimated useful life of 15 years or longer that is a public capital
19 facility or a project of communitywide significance and provides significant benefits to the
20 3333/3700 California Street EIFD or the surrounding community, (ii) is in addition to those
21 facilities provided in the territory of the 3333/3700 California Street EIFD before the 3333/3700
22 California Street EIFD was created, (iii) will not supplant facilities already available within the
23 proposed boundaries of the 3333/3700 California Street EIFD, although the Facilities may
24 supplement, rehabilitate or upgrade such facilities or make such facilities more sustainable
25 and (iv) if it is located outside the boundaries of the proposed 3333/3700 California Street

1 EIFD, it has a tangible connection to the work of the 3333/3700 California Street EIFD; and,
2 be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby finds that the
4 3333/3700 California Street EIFD is necessary to advance the City's goal in proposing the
5 establishment of the 3333/3700 California Street EIFD, which is to help address a shortfall in
6 (i) funding for the provision of public capital facilities and projects of communitywide
7 significance that provide significant benefits and promote economic development and the
8 construction of housing within the boundaries of the 3333/3700 California Street EIFD or the
9 surrounding community and (ii) funding for affordable housing; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors hereby declares that, pursuant
11 to the EIFD Law, if the 3333/3700 California Street IFP is approved by the EIFD Public
12 Financing Authority No. 1 in accordance with the EIFD Law, and if the 3333/3700 California
13 Street IFP is approved by resolution of the Board of Supervisors pursuant to Government
14 Code Section 53398.68, in each case after any public hearings required by the EIFD Law, the
15 incremental property tax revenue that is allocated by the City to the 3333/3700 California
16 Street EIFD (but not by any other affected taxing entity), which may include one or a
17 combination of general property tax increment and MVILF tax increment as described in the
18 Guidelines, may be used to finance Facilities and other authorized costs and to pay debt
19 service on bonds and other debt of the 3333/3700 California Street EIFD; and be it

20 FURTHER RESOLVED, That the 3333/3700 California Street IFP shall provide, in
21 compliance with the Guidelines, that no more than 50% of the incremental property tax
22 revenue generated in the 3333/3700 California Street EIFD (which may include one or a
23 combination of general property tax increment and MVILF tax increment) shall be allocated by
24 the City to the 3333/3700 California Street EIFD, not including any incremental property tax
25

1 revenue allocated on a conditional basis to provide debt service coverage on terms the Board
2 of Supervisors shall approve in the 3333/3700 California Street IFP; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby authorizes the Director
4 of the Office of Public Finance to establish the time and date for a public hearing of the Board
5 of Supervisors on the proposed 3333/3700 California Street IFP and to cause the Clerk of the
6 Board of Supervisors to (i) publish a notice of such public hearing in accordance with the EIFD
7 Law and (ii) mail a copy of such notice to (A) each owner of land (as defined in the EIFD Law)
8 within the proposed EIFD, (B) each affected taxing entity (as defined in the EIFD Law), if any,
9 and (C) the EIFD Public Financing Authority No. 1; and, be it

10 FURTHER RESOLVED, Pursuant to Government Code, Section 53398.60, the Board
11 of Supervisors hereby directs the Clerk of the Board of Supervisors to mail a copy of this
12 Resolution to (i) each owner of land within the proposed EIFD (although the Director of the
13 Office of Public Finance is hereby authorized to instead mail a notice of intention to create the
14 3333/3700 California Street EIFD in accordance with Government Code, Section
15 53398.60(b)), (ii) each affected taxing entity and (iii) the EIFD Public Financing Authority No.
16 1; and, be it

17 FURTHER RESOLVED, The Board of Supervisors hereby authorizes and approves the
18 execution and delivery of a Deposit and Reimbursement Agreement (Deposit Agreement) in
19 substantially the form on file with the Clerk of the Board of Supervisors in File No. 240816, to
20 provide for a deposit by the 3333 California Street Developer to pay the costs of forming the
21 3333/3700 California Street EIFD and managing the 3333/3700 California Street EIFD, and, to
22 the extent applicable, the formation of one or more community facilities districts for the 3333
23 California Street Project, including any costs incurred by the EIFD Public Financing Authority
24 No. 1 and the City, and each of the Mayor, the Controller, the Director of Public Works and the
25 Director of the Office of Public Finance, or such other official of the City as may be designated

1 by such officials (each, an "Authorized Officer"), is hereby authorized and directed to execute
2 the Deposit Agreement, together with such additions or changes as are approved by such
3 Authorized Officer upon consultation with the City Attorney, such changes being consistent
4 with the terms of this Resolution and the Development Agreement; and, be it

5 FURTHER RESOLVED, That this Resolution in no way obligates the Board of
6 Supervisors or the EIFD Public Financing Authority No. 1 to form or approve any projects
7 contemplated within the 3333/3700 California Street EIFD; the establishment of the
8 3333/3700 California Street EIFD is subject to all requirements of EIFD Law and other state
9 and local laws, including (a) the Board of Supervisors' approval of a proposed 3333/3700
10 California Street IFP following a public hearing, to the extent required by the EIFD Law; and
11 (b) the EIFD Public Financing Authority No. 1's approval of the 3333/3700 California Street
12 IFP following three public hearings conducted pursuant to EIFD Law; and, be it

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

21 FURTHER RESOLVED, That the Mayor, the Controller, the Director of the Office of
22 Public Finance, the Clerk of the Board of Supervisors and any and all other officers of the City
23 are hereby authorized, for and in the name of and on behalf of the City, to do any and all
24 things and take any and all actions, including execution and delivery of any and all
25 documents, assignments, certificates, requisitions, agreements, notices, consents,

1 instruments of conveyance, warrants and documents, which they, or any of them, may deem
2 necessary or advisable in order to effectuate the purposes of this resolution; provided
3 however that any such actions be solely intended to further the purposes of this resolution,
4 and are subject in all respects to the terms of the Resolution; and, be it

5 FURTHER RESOLVED, That all actions authorized and directed by this resolution,
6 consistent with any documents presented herein, and heretofore taken are hereby ratified,
7 approved and confirmed by this Board of Supervisors; and, be it

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

12
13
14
15 APPROVED AS TO FORM:

16 DAVID CHIU, City Attorney
17
18
19

20 By: /s/Mark D. Blake

21 Mark D. Blake

22 Deputy City Attorney
23

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25

1
2 EXHIBIT A

3
4 SAN FRANCISCO
5 ENHANCED INFRASTRUCTURE FINANCING DISTRICT NO. 3
6 (3333/3700 CALIFORNIA STREET)

7
8 DESCRIPTION OF FACILITIES

9 TO BE FINANCED BY THE

10 EIFD
11
12

13 The 3333/3700 California Street EIFD shall be authorized to finance all or a portion of the costs of the
14 purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of the public capital
15 facilities or other projects of communitywide significance that are (i) authorized by the **EIFD Law**, (ii) for
16 the 3333 California Street Project, required or permitted by the 3333 California Street Development
17 Agreement, the Plan Documents or the Approvals and (iii) for the 3700 California Street Project, required
18 or permitted by the plan documents, including, but not limited to, the actual costs of those facilities and
19 projects of communitywide significance described below (the "**Facilities**") and those costs described
20 below.

21
22 The 3333/3700 EIFD shall also be authorized to finance capitalized maintenance of the Facilities
23 financed in whole or in part by the 3333/3700 California Street EIFD (i.e., maintenance that extends the
24 useful life of such Facilities, not routine maintenance).
25

1 The Facilities may be owned by a public agency (including, but not limited to, the City and County of
2 San Francisco ("**City**")) or privately-owned as permitted by the EIFD law.

3
4 Facilities may be physically located within or outside the boundaries of the 3333/3700 California Street
5 EIFD; any Facilities that are located outside the boundaries of the 3333/3700 California Street EIFD
6 must have a tangible connection to the work of the 3333/3700 California Street EIFD.

7
8 Capitalized terms used herein but not defined herein have the meanings given them in the main body of
9 this Resolution.

10
11 The Facilities for the 3333 California Street Project include, but are not limited to, all hard and soft costs
12 of the following:

- 13
14
- 15 1. Public improvements constructed or caused to be constructed by the 3333 California
16 Street Developer, including, but not limited to, site work, streets, utilities, and Streetscape
17 Improvements (as defined in the 3333 California Street Development Agreement).
18
 - 19 2. Privately-owned community improvements constructed or caused to be constructed by
20 the 3333 California Street Developer, including, but not limited to, utilities and Publicly
21 Accessible Private Improvements (as defined in the 3333 California Street Development
22 Agreement).
23
 - 24 3. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
25 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the

1 California Health and Safety Code, for rent or purchase, including the payment of housing
2 in-lieu fees that are used for such purposes.
3

4 The Facilities for the 3700 California Street Project include, but are not limited to, all hard and soft costs
5 of the following:
6

- 7 1. Block A public improvements constructed or caused to be constructed by the 3700
8 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
9
- 10 2. Block B public improvements constructed or caused to be constructed by the 3700
11 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
12
- 13 3. Block C public improvements constructed or caused to be constructed by the 3700
14 California Street Developer, including, but not limited to, streets, sidewalks, and utilities.
15
- 16 4. Affordable Housing. The acquisition, construction, or rehabilitation of housing for persons
17 of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the
18 California Health and Safety Code, for rent or purchase, including the payment of housing
19 in-lieu fees that are used for such purposes.
20

21 OTHER EXPENSES 22

23 The 3333/3700 EIFD may also finance any of the following:
24
25

1 1. Costs described in Government Code Sections 53398.53, 53398.56, 53398.57 and
2 53398.58, including, but not limited to, the reimbursement for any costs advanced to file and prosecute
3 an action or proceeding pursuant Government Code Sections 53398.57 and 53398.58.

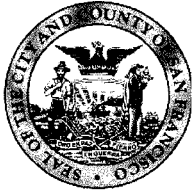
4
5 2. Costs incurred in connection with the division of taxes pursuant to Government Code Section
6 53398.75.

7
8 3. Expenses related to bonds and other debt of the 3333/3700 California Street EIFD, including
9 underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and
10 disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.

11
12 4. Administrative fees of the City, the 3333/3700 California Street EIFD and the bond trustee or
13 fiscal agent related to the bonds and other debt of the 3333/3700 California Street EIFD.

14
15 5. Reimbursement of costs related to the formation of the 3333/3700 California Street EIFD
16 (and any Project Areas) advanced by the City, the landowner(s) in the 3333/3700 California Street EIFD,
17 or any party related to any of the foregoing, as well as reimbursement of any costs advanced by the
18 City, the landowner(s) in the 3333/3700 California Street EIFD or any party related to any of the
19 foregoing, for Facilities, fees or other purposes or costs of the 3333/3700 California Street EIFD.

20
21 6. Costs otherwise incurred in order to carry out the authorized purposes of the 3333/3700
22 California Street EIFD; and any other expenses incidental (including administrative and legal costs) to
23 the 3333/3700 California Street EIFD and to the construction, expansion, improvement, seismic retrofit,
24 rehabilitation, completion, inspection, or acquisition of the Facilities.



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240816

Date Passed: November 05, 2024

Resolution of Intention to establish San Francisco Enhanced Infrastructure Financing District No. 3 (3333/3700 California Street) to finance public capital facilities and projects of communitywide significance related to the 3333/3700 California Street Projects and other authorized costs, and determining other matters in connection therewith, as defined herein.

October 30, 2024 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

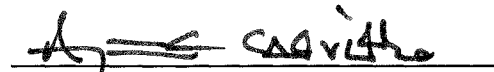
October 30, 2024 Budget and Finance Committee - RECOMMENDED AS AMENDED


November 05, 2024 Board of Supervisors - ADOPTED

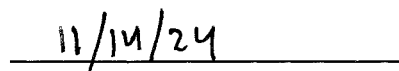
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240816

**I hereby certify that the foregoing
Resolution was ADOPTED on 11/5/2024 by
the Board of Supervisors of the City and
County of San Francisco.**


Angela Calvillo
Clerk of the Board


London N. Breed
Mayor


Date Approved