



CITY & COUNTY OF SAN FRANCISCO

EIFD Public Financing Authority No. 1 (PFA No. 1)

Presentation of the Updated Draft Infrastructure Financing Plan (IFP)
San Francisco EIFD No. 1 (Power Station)

February 21, 2024

Power Station EIFD Formation - Timeline

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- April 21, 2020 – Development Agreement for Potrero Power Station Mixed-Use Project approved by BoS
- March 21, 2023 – Resolution of Intention to Establish EIFD No. 1 (Power Station) (“Power Station EIFD”) approved by the BoS
- June 6, 2023 – PFA No. 1 formed
- July 17, 2023 – 1st meeting of PFA No. 1 held and Resolution Directing Preparation of Infrastructure Financing Plan (IFP) approved
- October 20, 2023 – Draft IFP finalized and distributed
- November 1, 2023 – Meeting of PFA No. 1 for the presentation of the Draft IFP
- December 6, 2023 – First public hearing of the Draft IFP
- February 9, 2024 – Updated Draft IFP finalized and distributed
- February 21, 2024 – Second public hearing of the Updated Draft IFP

Goal of the Power Station EIFD

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- The City's goal in proposing establishment of the Power Station EIFD is to help address a shortfall in financing for the provision of public capital facilities or other projects (whether publicly- or privately-owned) related to the Power Station Project of communitywide significance that provide significant benefits and promote economic development and the construction of housing (including affordable housing) within the boundaries of the Power Station EIFD or the surrounding community.

Key Elements of the IFP include:

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

Updates Made to the October 20, 2023 Draft IFP

- The base year assessed value for the EIFD was updated to include unsecured assessed value and assessed value associated with PG&E parcels (*IFP Table 1*)
 - Total FY23-24 base year assessed value increased from \$100.4 million to \$138.9 million
- The base year assessed values from parent Project Areas A and B to successor Project Areas (Project Area A: 7, 8, 12 and Project Area B: 9, 10, 11) were identified and allocated based on land area (*IFP Table 2*)
- Clarification was added to describe that incremental assessed value will be measured on a Project Area by Project Area basis
- Clarification/modification was made to:
 - Describe the location of affordable housing to be financed by EIFD
 - Describe the facilities to be financed by EIFD
 - Clarify the EIFD's obligation to repay the City for EIFD administrative expenses

FY23/24 Base Year Assessed Value by Project Area

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Project Area at Formation	Project Area Upon Subdivision	APN at Formation	Original IFP FY 2023-24 Assessed Value	Updated IFP FY 2023-24 Assessed Value	Difference
Project Area 1	Project Area 1	4175-024, 4175-026	\$17,327,367	\$17,327,367	\$0
Project Area 2	Project Area 2	4232-011, 4232-019, 4232-020	\$12,051,184	\$12,051,184	\$0
Project Area 3	Project Area 3	4232-012, 4232-021	\$8,230,499	\$8,230,498	(\$1)
Project Area 4	Project Area 4	4232-013, 4232-022	\$9,854,940	\$9,854,940	\$0
Project Area 5	Project Area 5	4232-023	\$6,497,763	\$6,497,763	\$0
Project Area 6	Project Area 6	4175-023, 4175-027, 4175-021	\$15,161,446	\$15,161,446	\$0
Project Area A	Project Area 7	4175-019 (66%), 4175-020, 4175-025	\$3,519,621	\$40,490,619	\$36,970,998
	Project Area 8	4175-0182 (12%), 4175-019 (32%)			
	Project Area 12	4175-0182 (88%), 4175-019 (2%)			
Project Area B	Project Area 9	4175-022, 4175-028 (28%)	\$23,012,909	\$23,048,237	\$35,328
	Project Area 10	4175-028 (18%)			
	Project Area 11	4175-028 (54%), 4232-014, 4232-015, 4232-016, 4232-017, 4232-018			
Project Area 13	Project Area 13	4232-010	\$4,754,636	\$6,248,879	\$1,494,243
Total			\$100,410,365	\$138,910,933	\$38,500,568

- As a result of the updates, the maximum aggregate Allocated Tax Revenue declined from \$3.34 billion to \$3.29 billion, and the maximum aggregate Conditional Tax Revenue declined from \$2.39 billion to \$2.36 billion

Allocation of Parent Project Area Base Year Value

- The base year value of parent Project Areas A and B is allocated among successor Project Areas based on the land area of the subdivided parcels within the successor Project Areas

Project Area at Formation	FY 2023-24 Assessed Value	Project Area After Subdivision	FY 2023-24 Assessed Value ¹
Project Area 1	\$17,327,367	Project Area 1	\$17,327,367
Project Area 2	\$12,051,184	Project Area 2	\$12,051,184
Project Area 3	\$8,230,498	Project Area 3	\$8,230,498
Project Area 4	\$9,854,940	Project Area 4	\$9,854,940
Project Area 5	\$6,497,763	Project Area 5	\$6,497,763
Project Area 6	\$15,161,446	Project Area 6	\$15,161,446
Project Area A	\$40,490,619	Project Area 7	\$2,306,347
		Project Area 8	\$5,680,561
		Project Area 12	\$32,503,710
Project Area B	\$23,048,237	Project Area 9	\$6,345,497
		Project Area 10	\$4,216,136
		Project Area 11	\$12,486,604
Project Area 13	\$6,248,879	Project Area 13	\$6,248,879
Total	\$138,910,933		\$138,910,933

1. Amounts are rounded to the nearest dollar. Totals may not add up due to rounding.

Fiscal Impact Analysis (FIA)

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The FIA was prepared by Economic & Planning Systems, Inc. (EPS) and peer reviewed by Keyser Marston Associates (KMA)

An updated FIA was prepared in tandem with the Updated Draft IFP

- The updated FIA still projects an annual net fiscal benefit to the City's General Fund
- Assuming the project achieves the sponsor's performance projections, the estimated annual net fiscal benefit to the City's General Fund at project buildout changed from \$15.4 million to \$15.1 million

Revenue/Expense Category	Original IFP (10/17/23)	Updated IFP (2/8/24)
General Fund		
Annual GF Revenues After Baseline Funding	\$30,663,000	\$30,406,000
<u>(Less) General Fund Expenditures</u>	<u>\$15,263,000</u>	<u>\$15,263,000</u>
Annual GF Revenues After Baseline Funding	\$15,400,000	\$15,142,000
MTA Fund		
MTA General Fund Baseline Funding	\$3,868,000	\$3,904,000
<u>(Less) MTA General Fund Expenses</u>	<u>\$2,371,000</u>	<u>\$2,371,000</u>
Net Impact on the MTA Fund	\$1,497,000	\$1,534,000
Total Fiscal Benefit Estimate	\$16,897,000	\$16,676,000

PFA & BOARD OF SUPERVISORS (BOS) ACTIONS

DATES

- | | | |
|-------|---|-------------|
| • BOS | Supervisor Walton Introduced Resolution Approving the IFP and Related Documents and Actions | February 13 |
| • PFA | Second Public Hearing and Consideration of Resolution Modifying the Draft IFP | February 21 |
| • BOS | Budget and Finance Committee Consideration of Resolution Approving the IFP and Related Documents and Actions | March 6* |
| • BOS | Land Use Committee Consideration of Ordinance Amending the Development Agreement Financing Plan | March 11* |
| • BOS | Public Hearing and Board of Supervisors Consideration of Resolution Approving the IFP and Related Documents and Actions | March 12* |
| • BOS | Board of Supervisors Consideration of Ordinance Amending the Development Agreement Financing Plan (<i>1st Reading</i>) | March 19* |
| • BOS | Board of Supervisors Consideration of Ordinance Amending the Development Agreement Financing Plan (<i>2nd Reading</i>) | March 26* |
| • PFA | Third Public Hearing and Consideration of Resolution Forming the EIFD and Approving the IFP & Resolution Authorizing Bond Issuance | March 28* |

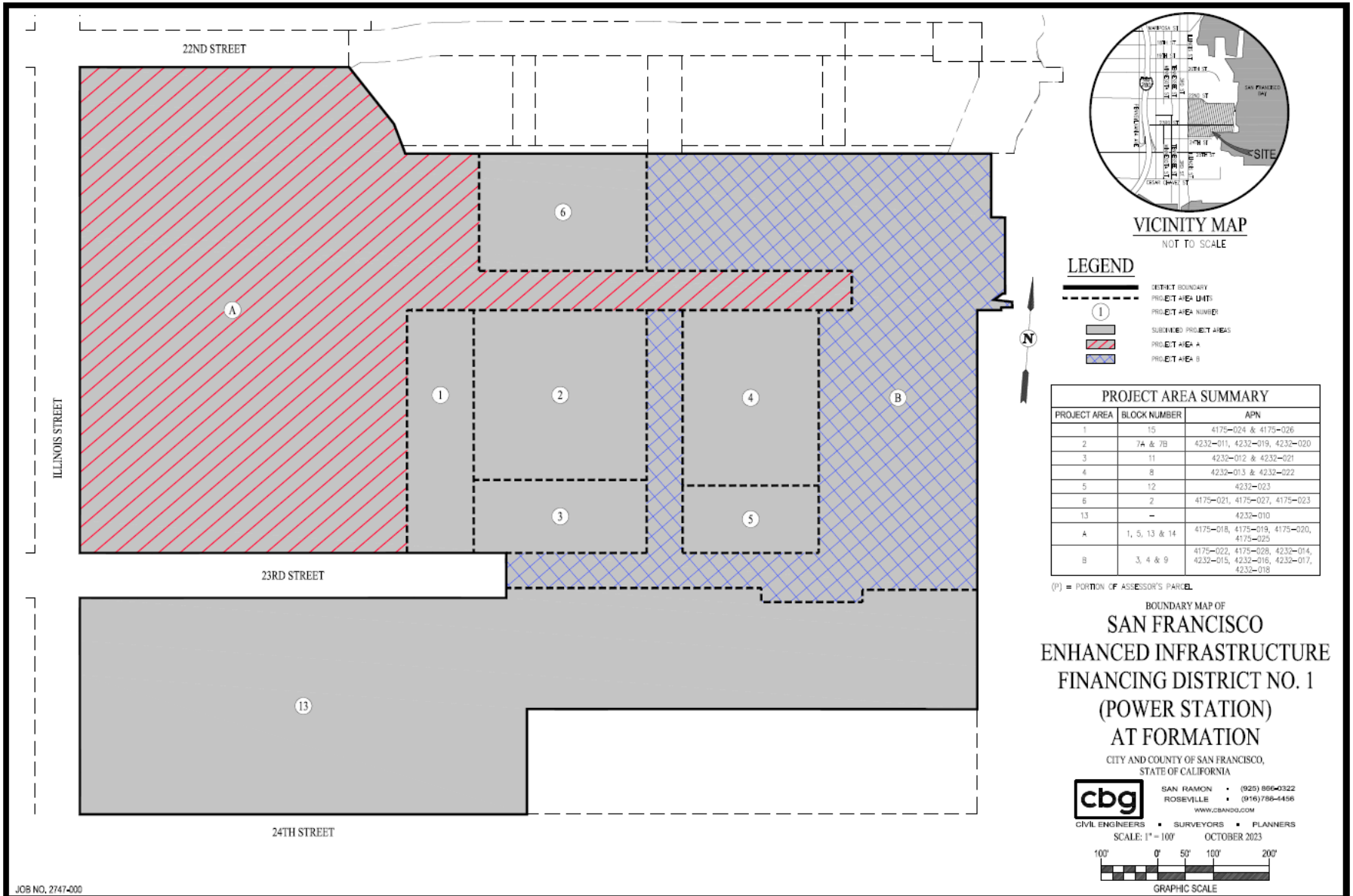
*Estimated based on current schedule.

For any inquiries, please contact EIFD@sfgov.org

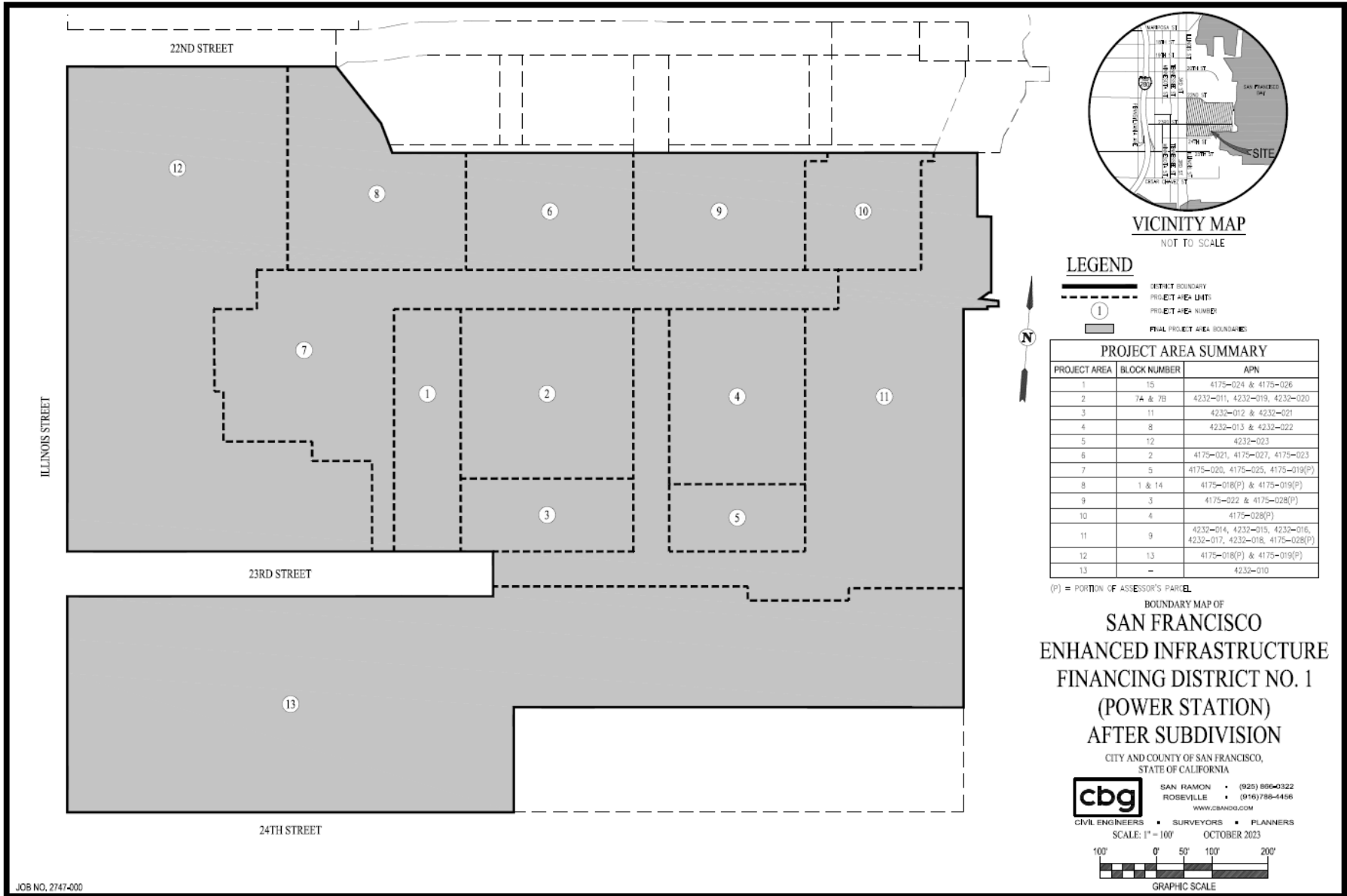
*Additional information about the EIFD and PFA can be found online:
<https://sf.gov/departments/eifd-public-financing-authority-no-1>*

Appendix

Map at Formation



Anticipated Map After Subdivision



VICINITY MAP
NOT TO SCALE

LEGEND

- DISTRICT BOUNDARY
- PROJECT AREA UNITS
- PROJECT AREA NUMBER
- FINAL PROJECT AREA BOUNDARIES

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

(P) = PORTION OF ASSESSOR'S PARCEL

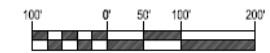
BOUNDARY MAP OF
SAN FRANCISCO
 ENHANCED INFRASTRUCTURE
 FINANCING DISTRICT NO. 1
 (POWER STATION)
 AFTER SUBDIVISION

CITY AND COUNTY OF SAN FRANCISCO,
 STATE OF CALIFORNIA



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 SCALE: 1" = 100' OCTOBER 2023



GRAPHIC SCALE

Description of Proposed Public Facilities

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

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

Projected Aggregate Annual Incremental Tax Revenue to be Allocated to Power Station EIFD

Aggregate for All Project Areas, Post Subdivision

(Table 8 of IFP)

IFD Year	Fiscal Year	Estimated Incremental Assessed Value (\$000)	Gross Tax Increment (1% Incremental Assessed Value) (\$000)	City Share of Increment (64.588206%) (\$000)	Allocated Tax Revenue to EIFD (\$8.252419% of City Share of Increment), conditioned on Project Area allocation exceeding \$100,000 (\$000)	Admin Fee Estimate = \$150,000 per year, inflated (\$000)	Allocated Tax Revenue Minus Admin Fee(s) (\$000)	Conditional Tax Revenue Available for Bond Debt Service if Necessary (41.747581% of City Share of Increment)
	2024/25	\$2,000	\$20	\$13	\$0	\$0	\$0	\$0
	2025/26	\$5,327	\$53	\$34	\$0	\$0	\$0	\$0
1	2026/27	\$62,426	\$624	\$403	\$197	\$164	\$33	\$141
2	2027/28	\$300,698	\$3,007	\$1,942	\$1,082	\$169	\$913	\$776
3	2028/29	\$448,838	\$4,488	\$2,899	\$1,633	\$174	\$1,460	\$1,171
4	2029/30	\$1,302,541	\$13,025	\$8,413	\$4,771	\$179	\$4,591	\$3,419
5	2030/31	\$2,379,715	\$23,797	\$15,370	\$8,894	\$184	\$8,710	\$6,374
6	2031/32	\$2,477,910	\$24,779	\$16,004	\$9,257	\$190	\$9,067	\$6,634
7	2032/33	\$2,997,044	\$29,970	\$19,357	\$11,235	\$196	\$11,040	\$8,052
8	2033/34	\$4,307,571	\$43,076	\$27,822	\$16,161	\$202	\$15,960	\$11,582
9	2034/35	\$4,459,656	\$44,597	\$28,804	\$16,732	\$208	\$16,524	\$11,991
10	2035/36	\$4,960,569	\$49,606	\$32,039	\$18,618	\$214	\$18,404	\$13,343
11	2036/37	\$5,728,488	\$57,285	\$36,999	\$21,503	\$220	\$21,283	\$15,411
12	2037/38	\$5,917,611	\$59,176	\$38,221	\$22,225	\$227	\$21,999	\$15,928
13	2038/39	\$6,429,316	\$64,293	\$41,526	\$24,190	\$234	\$23,956	\$17,336
14	2039/40	\$7,012,149	\$70,121	\$45,290	\$26,383	\$241	\$26,142	\$18,908
15	2040/41	\$7,166,458	\$71,665	\$46,287	\$26,963	\$248	\$26,715	\$19,324
16	2041/42	\$7,324,098	\$73,241	\$47,305	\$27,556	\$255	\$27,301	\$19,749
17	2042/43	\$7,485,143	\$74,851	\$48,345	\$28,162	\$263	\$27,899	\$20,183
18	2043/44	\$7,649,665	\$76,497	\$49,408	\$28,781	\$271	\$28,510	\$20,627
19	2044/45	\$7,817,740	\$78,177	\$50,493	\$29,414	\$279	\$29,135	\$21,080
20	2045/46	\$7,989,445	\$79,894	\$51,602	\$30,060	\$287	\$29,772	\$21,543
21	2046/47	\$8,164,857	\$81,649	\$52,735	\$30,720	\$296	\$30,424	\$22,016
22	2047/48	\$8,344,057	\$83,441	\$53,893	\$31,394	\$305	\$31,089	\$22,499
23	2048/49	\$8,527,127	\$85,271	\$55,075	\$32,083	\$314	\$31,769	\$22,993
24	2049/50	\$8,714,151	\$87,142	\$56,283	\$32,786	\$323	\$32,463	\$23,497
25	2050/51	\$8,905,213	\$89,052	\$57,517	\$33,505	\$333	\$33,172	\$24,012
26	2051/52	\$9,100,402	\$91,004	\$58,778	\$34,240	\$343	\$33,896	\$24,538
27	2052/53	\$9,299,806	\$92,998	\$60,066	\$34,990	\$353	\$34,636	\$25,076
28	2053/54	\$9,503,517	\$95,035	\$61,382	\$35,756	\$364	\$35,392	\$25,625
29	2054/55	\$9,711,627	\$97,116	\$62,726	\$36,539	\$375	\$36,164	\$26,186
30	2055/56	\$9,924,232	\$99,242	\$64,099	\$37,339	\$386	\$36,953	\$26,760
31	2056/57	\$10,141,429	\$101,414	\$65,502	\$38,156	\$398	\$37,758	\$27,345
32	2057/58	\$10,363,317	\$103,633	\$66,935	\$38,991	\$410	\$38,581	\$27,944
33	2058/59	\$10,589,997	\$105,900	\$68,399	\$39,844	\$422	\$39,422	\$28,555
34	2059/60	\$10,821,573	\$108,216	\$69,895	\$40,715	\$435	\$40,281	\$29,179
35	2060/61	\$11,058,151	\$110,582	\$71,423	\$41,605	\$448	\$41,158	\$29,817
36	2061/62	\$11,299,839	\$112,998	\$72,984	\$42,515	\$461	\$42,054	\$30,469
37	2062/63	\$11,546,747	\$115,467	\$74,578	\$43,444	\$475	\$42,969	\$31,135
38	2063/64	\$11,798,989	\$117,990	\$76,208	\$44,393	\$489	\$43,903	\$31,815
39	2064/65	\$12,056,679	\$120,567	\$77,872	\$45,362	\$504	\$44,858	\$32,510
40	2065/66	\$12,319,936	\$123,199	\$79,572	\$46,353	\$519	\$45,834	\$33,219
41	2066/67	\$12,588,879	\$125,889	\$81,309	\$47,365	\$535	\$46,830	\$33,945
42	2067/68	\$12,863,632	\$128,636	\$83,084	\$48,398	\$551	\$47,848	\$34,686
43	2068/69	\$13,144,319	\$131,443	\$84,897	\$49,454	\$567	\$48,887	\$35,442
44	2069/70	\$13,431,071	\$134,311	\$86,749	\$50,533	\$584	\$49,949	\$36,216
45	2070/71	\$13,724,016	\$137,240	\$88,641	\$51,636	\$602	\$51,034	\$37,005
46	2071/72	\$11,569,852	\$115,699	\$74,728	\$43,531	\$620	\$42,911	\$31,197
47	2072/73	\$11,820,266	\$118,203	\$76,345	\$44,473	\$638	\$43,834	\$31,872
48	2073/74	\$10,138,549	\$101,385	\$65,483	\$38,145	\$658	\$37,488	\$27,338
49	2074/75	\$7,399,562	\$73,996	\$47,792	\$27,840	\$677	\$27,163	\$19,952
50	2075/76	\$7,213,846	\$72,138	\$46,593	\$27,142	\$698	\$26,444	\$19,451
51	2076/77	\$6,775,983	\$67,760	\$43,765	\$25,494	\$719	\$24,776	\$18,271
52	2077/78	\$4,834,834	\$48,348	\$31,227	\$18,191	\$740	\$17,451	\$13,037
53	2078/79	\$4,940,333	\$49,403	\$31,909	\$18,588	\$762	\$17,825	\$13,321
54	2079/80	\$4,223,329	\$42,233	\$27,278	\$15,890	\$785	\$15,105	\$11,388
55	2080/81	\$2,228,836	\$22,288	\$14,396	\$8,386	\$809	\$7,577	\$6,010
56	2081/82	\$2,277,344	\$22,773	\$14,709	\$8,568	\$833	\$7,735	\$6,141
57	2082/83	\$1,341,131	\$13,411	\$8,662	\$5,046	\$858	\$4,188	\$3,616
	2083/84	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2084/85	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2085/86	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	2086/87	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cumulative Total Over EIFD Term			\$4,369,318	\$2,822,064	\$1,643,228	\$23,994	\$1,619,233	\$1,177,647