

**Mayor's Office of Housing and Community Development**  
City and County of San Francisco



**London N. Breed**  
Mayor

**Daniel Adams**  
Acting Director

March 24, 2020

Robert Beck, Executive Director  
Treasure Island Development Authority  
1 Avenue of the Palms, Suite 241  
Treasure Island, San Francisco, CA 94130

**VIA EMAIL: bob.beck@sfgov.org**

Dear Director Beck:

The Treasure Island Development Authority (“**TIDA**”) is the fee owner of Assessor’s Parcel C3.2, San Francisco, also known by its street address as “401 Avenue of the Palms” (the “**Maceo May Property**”). TIDA will ground lease the Maceo May Property to the Maceo May Apartments, L.P. (“**Borrower**”) for the purpose of construction of a 100% affordable, 105-unit multifamily rental housing development (plus 1 staff unit) for low and moderate-income veteran households on Treasure Island (“**Maceo May Project**”). The City and County of San Francisco, acting through the Mayor’s Office of Housing and Community Development (“**MOHCD**”), has provided a loan of \$24,255,000 to support the development, construction, and permanent financing of the Maceo May Project.

TIDA and MOHCD desire for the Maceo May Project to begin construction as soon as possible in order for the Borrower to retain its modular production window and to retain the Maceo May Project’s additional public financing awards, including an allocation of bond proceeds from the California Debt Limit Allocation Committee, an allocation of federal low income housing tax credits through the California Tax Credit Allocation Committee, an allocation of funds from the Veterans Housing and Homelessness Prevention Program through the California Department of Housing and Community Development and an allocation of Section 8 Project-Based VASH rental vouchers

Pursuant to the approval and authorization under Board of Supervisors Resolution \_\_\_\_, MOHCD and TIDA have executed that certain Limited Payment Guaranty for the benefit of Silicon Valley Bank (“**Bank Guaranty**”) and that certain Limited Payment Guaranty for the benefit of Raymond James Tax Credit Investments (“**Investor Guaranty**”). In the event that the Guaranties are triggered, TIDA and MOHCD have agreed that TIDA will use funds from its accrued Master Developer Housing Subsidy funds to pay the obligation under the Bank Guaranty to the fullest

extent possible, and MOHCD will pay any remaining amount due under the Bank Guaranty and Investor Guaranty.

~~TIDA and MOHCD have agreed that TIDA will fund up to \$ \_\_\_\_\_ from accrued Master Developer Housing Subsidy funds under the Bank Guaranty, and MOHCD will pay any remaining amount due under the Bank Guaranty and Investor Guaranty.~~

If the foregoing is acceptable to you, please sign and return one copy of this letter.

Sincerely,

Daniel Adams  
Acting Director  
Mayor's Office of Housing and Community Development

Accepted as of \_\_\_\_\_, 2020

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Robert Beck  
Executive Director  
Treasure Island Development Authority