

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT (this "MOA"), dated as of , 2025 (the "Effective Date"), is between City and County of San Francisco, acting by and through the Treasure Island Development Authority ("TIDA" or the "Authority") and Treasure Island Community Development LLC, a California limited liability company ("TICD" or the "Developer").

RECITALS

A. The former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"). The Base was selected for closure and disposition by the Base Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its subsequent amendments. On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco, which is on file with the Clerk of the Board of Supervisors and is incorporated herein by reference.

B. The Authority, acting by and through its Board of Directors (the "Authority Board"), has the power, subject to applicable laws, to sell, lease, exchange, transfer, convey or otherwise grant interests in or rights to use or occupy all or any portion of the Base. In 2003, TICD was selected as master developer for the Base following a competitive process. The Authority, the Authority Board, the Treasure Island Citizens Advisory Board, the City, and the Developer worked for more than a decade to plan for the reuse and development of Treasure Island.

C. As a result of this community-based planning process, the Authority and Developer are parties to that certain Amended and Restated Disposition and Development Agreement recorded in the Official Records of the City and County of San Francisco (the "Official Records") as Document No. 2024070297 on September 11, 2024 (as amended from time to time, the "DDA") that governs, among other things, the disposition and subsequent development of the proposed development project as described in the DDA (the "Project").

D. Concurrently with the original DDA, the City and Developer entered into that certain Development Agreement, dated as of June 28, 2011 (as amended by that certain First Amendment to Development Agreement dated as of August 1, 2024, as may be amended from time to time, the "Development Agreement"). The Financing Plan, which is an exhibit to the DDA and the Development Agreement, calls for the Authority and Developer to work together to seek appropriate grants for the Project.

E. Among other things, the Development Agreement obligates the City to

process all Project approvals required to implement the Project, including the processing of all Subsequent Project Approvals (as defined in the Development Agreement) necessary to implement the Project, which include applicable planning and zoning approvals, site permits and building permits and approvals required by the Treasure Island and Yerba Buena Island Subdivision Code. Under the DDA, Developer is obligated to reimburse the City for its “City Costs” (as defined in the DDA) incurred in implementing such Subsequent Project Approvals.

F. The Developer is preparing to begin construction of the next phase of street improvements and infrastructure (“Stage 2” or the “Improvements”). In addition to future projected market rate units, Stage 2 includes an affordable housing building for seniors totaling approximately 100 units (“Parcel E1.2 Senior Project”), an affordable housing building for families totaling approximately 150 units (“Parcel IC4.3”), and a 120-bedroom behavioral health building project to be delivered by the City’s Department of Public Health (“BHB”). The Improvements will require the City to incur City Costs for which the City is entitled to reimbursement by Developer as “City Costs” in accordance with the terms and conditions of Section 19.2 of the DDA (such costs, collectively, the “Stage 2 City Costs”).

G. The Bay Area Housing Finance Authority (“BAHFA”) issued a Funding Application Notice dated November 17, 2023, under the Regional Early Action Planning Grant 2.0 Priority Sites Pilot Program (the “Priority Sites Program”), originating from a \$28M grant from the California Department of Housing and Community Development. The Priority Sites Program is a pilot program that provides unsecured low-interest loans to developers and public agencies for predevelopment activities necessary to advance development projects that provide deed-restricted affordable homes on sites adopted by the Metropolitan Transportation Commission and Association of Bay Area Governments. The Authority applied for a BAHFA grant and was awarded \$3.0M in Priority Sites Program loan funds (the “Loan”). The term of the Loan through maturity is three (3) years from the effective date of the BAHFA Loan Agreement, with an option to extend for up to two (2) years for a total maximum potential term of five (5) years.

H. The Authority and Developer now wish to enter into a Memorandum of Agreement (“MOA”) that sets forth terms and conditions pursuant to which the Authority may accept and expend the Loan proceeds to pay for Stage 2 City Costs up to a maximum amount of \$3,000,000, and Developer’s obligation to pay for Stage 2 City Costs will be tolled (with interest accruing at a rate of 3% per annum from the date invoiced until paid) until the date that is thirty (30) days after the date of Loan maturity or full repayment of the Loan, whichever occurs first.

NOW, THEREFORE, in consideration of the foregoing Recitals, the parties agree as follows:

AGREEMENT

1.1 Amount. The “Maximum Disbursement Amount” of the Loan for the work related to the Improvements under this MOA will be no more than \$3,000,000.

1.2 Scope. Authority shall use the Loan funds only to pay applicable City Agencies for Stage 2 City Costs.

1.3 Project Collaboration. For the Priority Sites Program funding to be fully utilized for the Improvements, it is important that TIDA and TICD collaborate effectively. In furtherance of such goals, TIDA and the TICD will each designate a Project Manager for the Improvements, who will serve as the points of contact for communications relating to the Priority Sites Program and will be primarily responsible for coordinating the review, comments and approvals processes of their respective parties relating to the matters described in this MOA.

1.4 Costs Reimbursement.

1.4.1 Joint Review of Stage 2 City Costs. Under the Development Agreement, City Agencies must submit invoices for City Costs to the Authority, and the Authority must gather and submit one combined bill of City Costs to the Developer each quarter for payment. During the Term of this MOA, Authority and Developer shall jointly review the Stage 2 City Costs for accuracy every quarter.

1.4.2 Advances of Stage 2 City Costs by Authority from Loan. From and after the effective funding date of the Loan and continuing through the maturity date of the Loan or the date of full payment thereof, whichever occurs first (the “Loan Payment Date”), Authority will pay Stage 2 City Costs from the Loan funds, capped at Three Million Dollars (\$3,000,000) (the “Maximum Disbursement Amount”). During such time, Developer’s obligation under Section 19.2 of the DDA will be tolled, up to the Maximum Disbursement Amount (such tolled amounts, at any given time, the “Deferred City Costs”). Except as otherwise provided in Section 1.4.3 hereof, on the date that is thirty (30) days after the maturity date of the Loan or thirty (30) days after the City’s earlier repayment of the Loan, whichever occurs first (the “Developer Payment Date”), Developer shall pay the Authority the full amount of Stage 2 City Costs paid by Authority during the Term hereof, up to the Maximum Disbursement Amount, plus simple interest accruing thereon at a rate of 3% per annum from the date of each Stage 2 City Cost invoice until paid.

1.4.3 Developer Payments upon Request. Notwithstanding anything to the contrary in Section 19.2 of the DDA, the Authority may invoice the Developer for the Deferred City Costs at any time through the Loan Payment Date, in which case, Developer shall pay such amounts within thirty (30) days of invoice consistent with Section 19.2 of the DDA. The Developer will continue to be responsible for timely payment of all other City Costs in accordance with the invoicing and payment procedures set forth in the DDA, including the requirement that City Costs not invoiced within twelve (12) months of being incurred are not reimbursable, except as provided above for deferred City Costs funded by the loan.

1.4.4 Loan Draws. The Parties acknowledge that the Loan provides for

a first draw request to be submitted to BAHFA by June 30, 2025, the final draw request by April 1, 2026, and for all Loan disbursements to be expended by May 1, 2026. TIDA hereby agrees that it shall submit to BAHFA all draw requests for the Loan funds up to the maximum eligible amount under the Loan and shall use such funds for the Stage 2 City Costs up to the Maximum Disbursement Amount. For avoidance of doubt, Developer's only obligation under this MOA is for the repayment to the Authority for the applicable Stage 2 City Costs paid by Authority, plus interest, and Developer shall have no obligation or liability to BAHFA under the applicable Loan agreements.

1.5 Term. The term of this MOA shall commence on the Effective Date and terminate upon the Developer Payment Date.

1.6 Notices. All notices, demands, consents or approvals that are or may be required to be given by either party to the other under this MOA shall be in writing and shall be deemed to have been fully given when delivered in person, and addressed as follows:

If to the Developer:	Treasure Island Community Development, LLC 2000 FivePoint, 3 rd Floor Irvine, California 92618 Attn: Sandy Goldberg; Laura Mask
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If to TIDA:	Treasure Island Development Authority 39 Treasure Island Road, Suite 241 Treasure Island San Francisco, CA 94130 Attn: Robert Beck, Director Bob.Beck@sfgov.org
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or such other address that a party may from time to time designate by notice to the other parties given pursuant to the provisions of this Section.

1.7 Authority. All matters requiring TIDA's approval shall be approved by the Director of TIDA or his or her designee. All matters requiring the Developer's approval shall be approved by an authorized representative of the Developer.

1.8 Cooperation. Notwithstanding anything to the contrary in this MOA, no party is in any way limiting its discretion or the discretion of any department, board or commission with jurisdiction over the actions described in this MOA, including, without limitation, the discretion to eliminate or substitute all or any portion of the Developer responsibilities under the DDA.

1.9 Miscellaneous. This MOA may be amended or modified only by a document signed by an authorized signatory of Developer and the Authority. No waiver by any party of any of the provisions of this MOA shall be effective unless in writing and signed by the party's authorized representative, and only to the extent expressly provided in such written waiver. This MOA (including all exhibits) contains the entire agreement between the parties as of the date of this MOA, and all prior written or oral negotiations, discussions, understandings and agreements are merged herein.

IN WITNESS WHEREOF, the parties have caused this MOA to be executed as of the date first written above.

TREASURE ISLAND COMMUNITY
DEVELOPMENT, LLC

The City and County of San Francisco, acting
by and through the TREASURE ISLAND
DEVELOPMENT AUTHORITY

Approved by:

Recommended by:

Chris Meany
Authorized Signatory
Treasure Island Community Development, LLC

Robert Beck
Treasure Island Director

APPROVED AS TO FORM:
David Chiu, City Attorney

Heidi J. Gewertz
Deputy City Attorney

Project Area

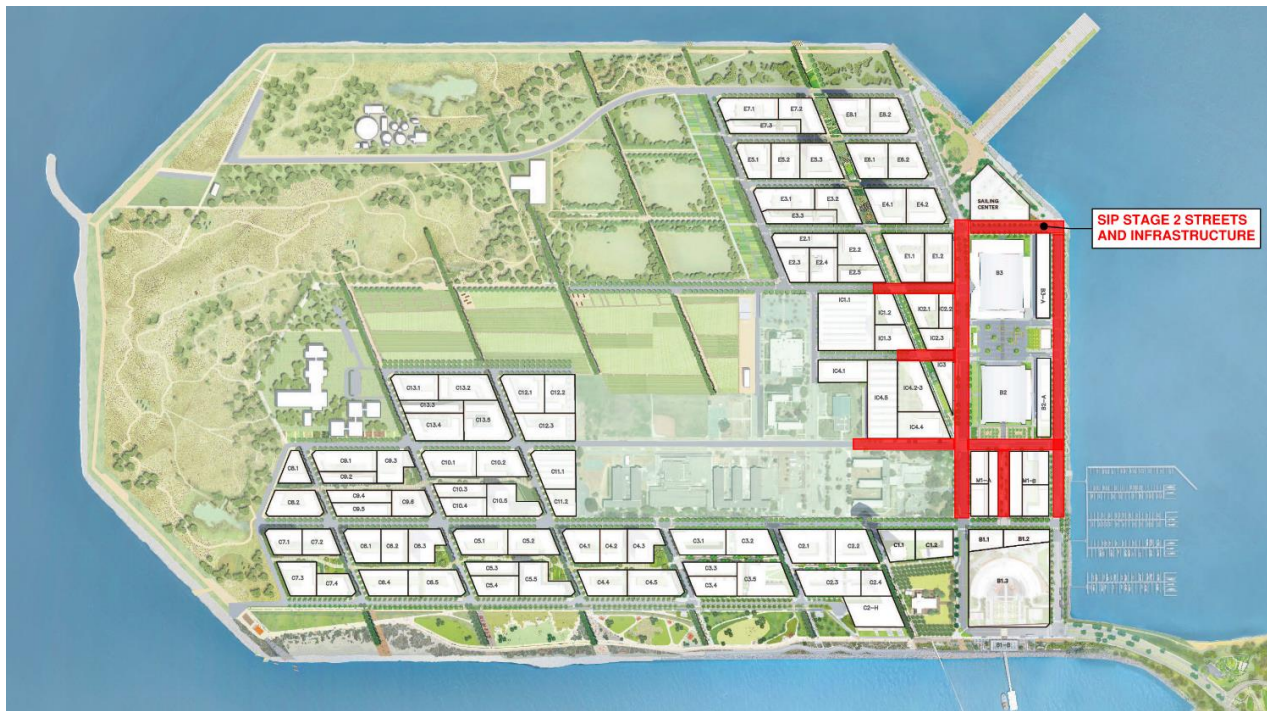


EXHIBIT B

BAHFA Priority Site Loan Agreement between TIDA and BAHFA

Shared for Reference Only – TICD not a Party