

1 [Accept and Expend Loan - Bay Area Housing Finance Authority - Priority Sites Pilot Program
2 Fund Infrastructure Improvements Serving the Treasure Island Affordable Senior Housing
3 Project - \$3,000,000]

4 **Resolution authorizing the Treasure Island Director of Treasure Island Development**
5 **Authority ("Authority") to execute an Affordable Housing Loan Agreement with the Bay**
6 **Area Housing Finance Authority ("BAHFA") under the Regional Early Action Planning**
7 **Grant 2.0 ("REAP 2.0") Priority Sites Pilot Program for a total award of up to \$3,000,000**
8 **to be disbursed as an unsecured low-interest loan from BAHFA to the Authority to fund**
9 **design, permitting, or construction of infrastructure improvements serving the**
10 **affordable housing parcel E1.2 Senior Housing project on Treasure Island with a loan**
11 **term of three years from the execution date of the Affordable Housing Loan Agreement,**
12 **with the option for two one-year extensions; authorizing the Authority to accept and**
13 **expend the funds of up to \$3,000,000 for eligible costs approved by BAHFA; and**
14 **authorizing the Treasure Island Director to execute and deliver any documents,**
15 **including a Memorandum of Agreement with Treasure Island Community Development**
16 **LLC, in the name of the Authority that are necessary, appropriate or advisable to**
17 **accept and expend the Priority Sites funds from the BAHFA.**

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19 WHEREAS, Former Naval Station Treasure Island is a military base located on
20 Treasure Island and Yerba Buena Island (together, the "Base"); and

21 WHEREAS, The Base was selected for closure and disposition by the Base
22 Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its
23 subsequent amendments; and
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1 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
2 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
3 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
4 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
5 conversion of the Base for the public interest, convenience, welfare and common benefit of
6 the inhabitants of the City and County of San Francisco, which is on file with the Clerk of the
7 Board of Supervisors in File No. 244-97-3, and is incorporated herein by reference; and

8 WHEREAS, The Authority, acting by and through its Board of Directors (the "Authority
9 Board"), has the power, subject to applicable laws, to sell, lease, exchange, transfer, convey
10 or otherwise grant interests in or rights to use or occupy all or any portion of the Base; and

11 WHEREAS, In 2003, Treasure Island Community Development, LLC (the "Developer")
12 was selected as principal developer for the Base following a competitive process; and

13 WHEREAS, The Authority, the Authority Board, the Treasure Island Citizens Advisory
14 Board, the City, and the Developer worked for more than a decade to plan for the reuse and
15 development of Treasure Island, and as a result of this community-based planning process,
16 the Authority and Developer negotiated the Disposition and Development Agreement ("DDA")
17 to govern the disposition and subsequent development of the proposed development project
18 (the "Project"); and

19 WHEREAS, The Financing Plan, an exhibit to the DDA, calls for the Authority and
20 Developer to work together to seek appropriate grants for the Project; and

21 WHEREAS, On April 21, 2011, in a joint session with the Planning Commission, the
22 Authority Board unanimously approved a series of entitlement and transaction documents
23 relating to the Project, including certain environmental findings under the California
24 Environmental Quality Act ("CEQA"), Mitigation Monitoring and Reporting Program, and DOA
25 and other transaction documents; and

1 WHEREAS, On June 7, 2011, the Board of Supervisors unanimously confirmed
2 certification of the final environmental impact report and made certain environmental findings
3 under CEQA (collectively, the "FEIR") by Resolution No. 246-11, which is on file with the Clerk
4 of the Board of Supervisors in File No. 110328, and is incorporated herein by reference, and
5 approved the ODA and other transaction documents; and

6 WHEREAS, The Developer is preparing to begin construction of the next phase of
7 street improvements and infrastructure on Treasure Island ("Stage 2"); and

8 WHEREAS, The Authority Board of Directors has reviewed and considered the FEIR
9 and confirms that the proposed Treasure Island Stage 2 work resulting in the completion of
10 infrastructure (the "Improvements") serving the Treasure Island Parcel E1.2 Senior Housing
11 development is consistent with the planned Project, the FEIR, and the environmental findings
12 it made under the California Environmental Quality Act when it approved the Project, on
13 April 21, 2011 and thereafter; further, the Authority Board of Directors finds that none of the
14 circumstances that would require preparation of a supplemental or subsequent environmental
15 study under Public Resources Code, Section 21166, or CEQA Guidelines Section 15162 are
16 present, in the sense that no changes to the Project or the Project circumstances have
17 occurred that would result in additional environmental impacts, or in substantially increased
18 severity of already identified environmental impacts, and there are no mitigation measures or
19 alternatives that were previously identified to be infeasible but would in fact be feasible; and
20 no new mitigation measures or alternatives that would substantially reduce the identified
21 environmental impacts; and

22 WHEREAS, The Authority parcels within the Stage 2 area include an affordable
23 housing building for seniors totaling 100 units ("Parcel E1.2 Senior Project"), an affordable
24 housing building for families of 150 units, and a 240-bed behavioral health building project to
25 be delivered by the Department of Public Health; and

1 WHEREAS, The design, permitting and construction of Stage 2 improvements serving
2 the Parcel E1.2 Senior Project are necessary for site access and completion of the Parcel
3 E1.2 Senior Project and the project must adhere to its funding sources timelines; and

4 WHEREAS, The Bay Area Housing Finance Authority ("BAHFA") issued a Funding
5 Application Notice dated November 17, 2023, under the Regional Early Action Planning Grant
6 2.0 ("REAP 2.0") Priority Sites Pilot Program, originating from a \$28M grant from the
7 California Department of Housing and Community Development ("HCD"); and

8 WHEREAS, A grantee receiving funds under this program must comply with all
9 Federal, State, and local laws, orders, and regulations applicable to its activities, including
10 those prohibiting housing discrimination as well as those governing construction, land use,
11 and building operations; and

12 WHEREAS, The Priority Sites Program is a pilot program that provides unsecured low-
13 interest loans to developers and public agencies for predevelopment activities necessary to
14 advance development projects that provide deed-restricted affordable homes on sites adopted
15 by the Metropolitan Transportation Commission ("MTC") and Association of Bay Area
16 Governments ("ABAG") as Priority Sites; and

17 WHEREAS, The Authority submitted a Letter of Interest for Priority Sites Program
18 funds and was subsequently invited to submit an application ("Application Package"), and in
19 May 2024 was awarded \$3,000,000 in Priority Sites Pilot Program funds; and

20 WHEREAS, Through an award letter dated August 27, 2024, the BAHFA made an
21 award in the total amount of \$3,000,000 to be disbursed as an unsecured low-interest loan
22 with a three to five year term to the Authority for the Stage 2 improvements approved by the
23 BAHFA, pursuant to the Application Package submitted by the Authority; and

24 WHEREAS, The Authority and Developer will enter into a Memorandum of Agreement
25 ("MOA") to make commitments related to the eligible use of the Priority Sites funds, and the

Developer will be responsible for repayment of Stage 2 City Costs plus interest accrued from the use of Priority Sites funds; and

WHEREAS, The Board of Supervisors must approve the Authority's ability to accept and expend funds under the Priority Sites Pilot Program; and

WHEREAS, The loan terms prohibit including indirect costs in the budget; and,

WHEREAS, The loan does not require an Annual Salary Ordinance amendment; and

WHEREAS, The Authority passed Resolution No. 25-08-0416 on April 16, 2025 authorizing the Authority to execute and deliver any documents, including the MOA, in the name of the Authority that are necessary, appropriate or advisable to accept and expend the Priority Sites Pilot Program funds from the BAHFA, and all amendments thereto, and complete the transactions contemplated herein and to use the funds for eligible costs as approved by the BAHFA and in accordance with the Funding Application Notice and Affordable Housing Loan Agreement; now, therefore, be it

RESOLVED, That the Board of Supervisors authorizes the Authority and the Treasure Island Director to accept and expend the funds for eligible expenses disbursed under an Affordable Housing Loan Agreement, for a total amount not to exceed \$3,000,000; and, be it

FURTHER RESOLVED, The Board of Supervisors approves and authorizes the Authority and the Treasure Island Director, in consultation with the City Attorney, to enter into an Affordable Housing Loan Agreement and other related documents with the BAHFA under terms and conditions approved by the City Attorney for eligible costs identified in the Priority Sites Pilot Program Guidelines, subject to authorization and approval by the Board of Supervisors; and, be it

FURTHER RESOLVED, That the final version of the Standard Agreement with the BAHFA shall be provided to the Clerk of the Board of Supervisors for inclusion in the official

1 file within 30 days (or as soon thereafter as final documents are available) of execution by all
2 parties; and, be it

3 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
4 indirect costs in the budget; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors authorizes the Treasure Island
6 Director to execute and deliver any documents, including the MOA, in the name of the
7 Authority that are necessary, appropriate or advisable to accept and expend the Priority Sites
8 Pilot Program funds from the BAHFA, and all amendments thereto, and complete the
9 transactions contemplated herein and to use the funds for eligible costs as approved by the
10 BAHFA and in accordance with the Funding Application Notice and Affordable Housing Loan
11 Agreement; and, be it

12 FURTHER RESOLVED, That all actions authorized and directed by this Resolution and
13 heretofore taken are ratified, approved and confirmed by this Board of Supervisors.
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1 Recommended:

2 /s/
3 Robert Beck, Treasure Island Director, Treasure Island Development Authority

4 Approved:

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6 /s/
7 Daniel L. Lurie, Mayor

8 /s/
9 Greg Wagner, Controller



City and County of San Francisco
Tails
Resolution

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

File Number: 250637

Date Passed: July 15, 2025

Resolution authorizing the Treasure Island Director of Treasure Island Development Authority ("Authority") to execute an Affordable Housing Loan Agreement with the Bay Area Housing Finance Authority ("BAHFA") under the Regional Early Action Planning Grant 2.0 ("REAP 2.0") Priority Sites Pilot Program for a total award of up to \$3,000,000 to be disbursed as an unsecured low-interest loan from BAHFA to the Authority to fund design, permitting, or construction of infrastructure improvements serving the affordable housing parcel E1.2 Senior Housing project on Treasure Island with a loan term of three years from the execution date of the Affordable Housing Loan Agreement, with the option for two one-year extensions; authorizing the Authority to accept and expend the funds of up to \$3,000,000 for eligible costs approved by BAHFA; and authorizing the Treasure Island Director to execute and deliver any documents, including a Memorandum of Agreement with Treasure Island Community Development LLC, in the name of the Authority that are necessary, appropriate or advisable to accept and expend the Priority Sites funds from the BAHFA.


July 09, 2025 Budget and Finance Committee - RECOMMENDED

July 15, 2025 Board of Supervisors - ADOPTED


Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250637

I hereby certify that the foregoing
Resolution was ADOPTED on 7/15/2025 by
the Board of Supervisors of the City and
County of San Francisco.



Angela Calvillo
Clerk of the Board



Daniel Lurie
Mayor

7/23/25

Date Approved