File No. 120736

Committee Item No. 8
Board Item No. 14

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget and Finance Committee Date 09/05/2012

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Completed by: Victor Young Date August 31, 2012
Completed by: Victor Young Date 9-6-12

[Master Lease Amendment - United States Navy - Treasure Island Land and Structures]

Resolution approving the Thirty Seventh Amendment to the Treasure Island Land and Structures Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term to November 30, 2013.

WHEREAS, The Treasure Island Development Authority ("Authority") and the United States of America, acting by and through the Department of the Navy (the "Navy"), entered into master lease agreement no. N6247499RP42P12, dated November 19, 1998, for the Authority to use and sublease certain land and structures on former Naval Station Treasure Island (as amended from time to time, the "Land and Structures Master Lease") at no rent; and

WHEREAS, The Land and Structures Master Lease enables the Authority to sublease portions of the master leased area for interim uses and generate revenues to support the interim uses and the future redevelopment of the former Naval Station Treasure Island; and

WHEREAS, The term of the Land and Structures Master Lease expires on November 30, 2012; and

WHEREAS, The Authority wishes to extend the term of such lease for a period of one (1) year beginning on December 1, 2012 and ending on November 30, 2013, unless sooner terminated in accordance with the terms and conditions of the Master Lease; and

WHEREAS, The Navy concurs with such amendment and the amendment has been approved by the Authority Board of Directors at its June 13, 2012 meeting; and

WHEREAS, The Board of Supervisors Resolution establishing the Authority, AB 699 and TIDA's Bylaws require that the Authority obtain Board of Supervisors approval of any

agreements having a term in excess of ten (10) years or anticipated revenues of $1,000,000 or more; and

WHEREAS, Because the cumulative term of the Land and Structures Master Lease exceeds ten (10) years, the Authority is requesting that the Board of Supervisors approve the Thirty Seventh Amendment to extend the term of such lease for a period of one (1) year beginning on December 1, 2012 and ending on November 30, 2013, unless sooner terminated in accordance with the terms and conditions of the Master Lease; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby approves and authorizes the Director of Island Operations of the Authority or her designee to execute and enter into the ~~Thirty Seventh Amendment to the Land and Structures Master Lease in substantially the form~~ filed with the Clerk of the Board of Supervisors in File No. 120736, and any additions, amendments or other modifications to such Thirty Seventh Amendment (including, without limitation, its exhibits) that the Director of Island Operations of the Authority or her designee determines, in consultation with the City Attorney, are in the best interests of the Authority and do not otherwise materially increase the obligations or liabilities of the Authority, and are necessary or advisable to effectuate the purpose and intent of this resolution.

Treasure Island Development Authority
City and County of San Francisco

Resolution Authorizing the Thirty Seventh Amendment to the Treasure Island Land and Structures Master Lease between the Treasure Island Development Authority and the United States Navy to Extend the Term.

SUMMARY OF PROPOSED ACTION:
This item seeks approval and authorization to amend the Master Lease between the Treasure Island Development Authority (the "Authority") and the U.S. Navy (the "Navy") for the Land and Structures on former Naval Station Treasure Island to extend the Term of the Lease to November 30, 2013.

BACKGROUND:
On November 19, 1998, the Treasure Island Development Authority (the "Authority") entered into Lease Agreement N6247499RP42P12 with the United States Navy (as amended from time to time, the "Land and Structures Master Lease"). The lease premises include certain buildings and grounds on former Naval Station Treasure Island, including land leased for sports fields and several facilities in the Authority's commercial leasing portfolio. The Authority does not pay any base rent under the Land and Structures Master Lease.

The term of the Land and Structures Master Lease will expire November 30, 2012. The proposed Thirty-Seventh Amendment extends the term through November 30, 2013 on the same terms and conditions as the existing Land and Structures Master Lease.

The Authority's Board of Directors approved the Thirty Seventh Amendment to the Land and Structures Master Lease at its June 13, 2012 meeting. Pursuant to the Board of Supervisors Resolution establishing the Authority, AB 699 and TIDA's Bylaws, Board of Supervisors approval is required of any contract or agreement entered into by the Authority with a term longer than ten years. Because the term of the Land and Structures Master Lease exceeds ten years, the Director of Island Operations requests approval of the Thirty Seventh Amendment from the Board of Supervisors to extend the term to November 30, 2013 on the same terms and conditions as the existing Master Lease.

RECOMMENDATION:
Approve the Thirty Seventh Amendment to the Land and Structures Master Lease between the Treasure Island Development Authority and the United States Navy to extend the term to November 30, 2013.

Mirian Saez, Director of Island Operations

120736

Items 7, 8, 9, 10, 11 & 12 Files 12-0735, 12-0736, 12-0737,12 -0738, 12-0739 & 12-0740	Department: Treasure Island Development Authority

EXECUTIVE SUMMARY

Legislative Objectives

- File 12-0735: The proposed resolution would approve the 28th Amendment to the Treasure Island South Waterfront Master Lease between the Treasure Island Development Authority (TIDA) and the U.S. Navy (the Navy) to extend the term of the Lease by one year, from December 1, 2012 through November 30, 2013, unless terminated sooner in accordance with the terms and conditions of the Master Lease.
- File 12-0736: The proposed resolution would approve the 37th Amendment to the Treasure Island Land and Structures Master Lease between TIDA and the Navy to extend the term of the Lease by one year, from December 1, 2012 through November 30, 2013, unless terminated sooner in accordance with the terms and conditions of the Master Lease.
- File 12-0737: The proposed resolution would approve the 16th Amendment to the Treasure Island Marina Master Lease between TIDA and the Navy to extend the term of the Lease by one year, from December 1, 2012 through November 30, 2013, unless terminated sooner in accordance with the terms and conditions of the Master Lease.
- File 12-0738: The proposed resolution would approve the 8th Amendment to the Treasure Island Childcare Master Lease between TIDA and the Navy to extend the term of the Lease by one year, from December 1, 2012 through November 30, 2013, unless terminated sooner in accordance with the terms and conditions of the Master Lease.
- File 12-0739: The proposed resolution would approve the 24th Amendment to the Treasure Island Event Venues Master Lease between TIDA and the Navy to extend the term of the Lease by one year, from December 1, 2012 through November 30, 2013, unless terminated sooner in accordance with the terms and conditions of the Master Lease.
- File 12-0740: The proposed resolution would approve the 27th modification to the Cooperative Agreement between TIDA and the Navy to extend the term of the Agreement by one year, from October 1, 2012 through September 30, 2013.

Key Points

- The only change being proposed to the existing five leases and one Cooperative Agreement, between TIDA and the Navy, is to extend the leases and agreement by one year. The five leases would be extended from December 1, 2012 through November 30, 2013 and the Cooperative Agreement would be extended from October 1, 2012 through September 30, 2013.

Fiscal Analysis

- TIDA anticipates generating $8,326,365 in FY 2012-2013 revenues from leasing existing residential and commercial facilities and special events. Such revenues would offset the $8,326,365 expected to be incurred by TIDA under the Cooperative Agreement between TIDA and the Navy.

Recommendations

- Approve the proposed resolutions.

MANDATE STATEMENT/ BACKGROUND

Mandate Statement

In accordance with Charter Sections 9.118(b) and 9.118(c), any agreements or leases with a term of ten years or more and/or over $10,000,000 of expenditures is subject to Board of Supervisors approval.

Background

File 12-0735: The Treasure Island Development Authority (TIDA)a nd the Navy entered into a two-year South Waterfront Master Lease on September 4, 1998, for TIDA to use and sublease certain land and facilities at Treasure Island, including the Administration Building, Building 180, Hangar 2, and Hangar 3. The Lease is at no cost to TIDA. Since that time, the South Waterfront Master Lease has been amended 27 times, mainly to add or delete property and to extend the term. The 27th amendment was approved by the Board of Supervisors on September 13, 2011 (Resolution No. 370-11).

File 12-0736: TIDA and the Navy entered into a one-year Land and Structures Master Lease on November 19, 1998, for TIDA to use and sublease certain land and structures at Treasure Island that are subleased to non-profit agencies and commercial interests. The Lease is at no cost to TIDA. Since that time, the Land and Structures Master Lease has been amended 36 times, mainly to add or delete property and to extend the term. The 36th amendment, which added Building 449[1] located at Avenue C and 4th Street to the Land and Structure Master Lease at no cost to TIDA, was approved by the Board of Supervisors on January 24, 2012 (Resolution No. 12-12).

File 12-0737: TIDA and the Navy entered into a two-year Marina Master Lease on September 4, 1998, for TIDA to use and sublease certain facilities at Treasure Island, including the Treasure Isle Marina, the Treasure Isle Marina parking lot and the Treasure Island Yacht Club. The Lease is at no cost to TIDA. Since that time, the Lease has been amended 15 times, mainly to extend the term. The 15th amendment was approved by the Board of Supervisors on September 13, 2011 (Resolution No. 0375-11).

File 12-0738: TIDA and the Navy entered into a five-year Childcare Master Lease on October 1, 2001, for TIDA to sublease land and structures, including Building 502, at Treasure Island for the purpose of operating a childcare center. The Lease is at no cost to TIDA. Since that time, the Lease has been amended seven times, mainly to extend the term. The 7th amendment was approved by the Board of Supervisors on September 13, 2011 (Resolution No. 0371-11).

File 12-0739: TIDA and the Navy entered into a two-year Event Venues Master Lease on September 4, 1998, for TIDA to use and sublease certain land and structures at Treasure Island, at no cost to TIDA. Since that time, the Lease has been amended 23 times, mainly to add or delete property and to extend the term. The 23rd amendment was approved by the Board of Supervisors on September 13, 2011 (Resolution No. 0373-11).

[1] Building 449 is a 13,000 square foot vacant concrete structure which TIDA uses for commercial leasing opportunities such as storage, light industrial, or warehouse space.

File 12-0740: The City and the Navy entered into a one-year Cooperative Agreement, for the City to assume responsibility for various services on Treasure Island, which was initially approved by the Board of Supervisors on October 1, 1997 (File 244-97-4). Such services include: (i) operation and maintenance of the water, waste water, storm water, electric and gas utility systems, (ii) security, public health and safety services, (iii) grounds and street maintenance and repair, and (iv) property management and caretaker services. The Cooperative Agreement was modified in 1998 to make TIDA party to the Cooperative Agreement with the Navy, which was approved by the Board of Supervisors on November 19, 1998 (File 98-1751). Under the original Cooperative Agreement, reimbursements paid by the Navy to TIDA for the TIDA services provided to the Navy were negotiated on an annual basis as the Cooperative Agreement was renewed each year. In all, the Navy paid TIDA a total of $12,848,213 from FY 1997-1998 through FY 2001-2002, when such payments by the Navy ended[2]. According to Ms. Mirian Saez, TIDA Director of Island Operations, revenues generated from leasing of existing residential and commercial facilities, special events and film and photo productions have offset the costs associated with the Cooperative Agreement since FY 2002-2003.

The Cooperative Agreement has been modified 26 times. The 26th amendment was approved by the Board of Supervisors on September 13, 2011 (Resolution No. 0372-11).

Status of the Conveyance of Treasure Island Property

The Board of Supervisors approved the Economic Development Conveyance Memorandum of Agreement (EDC MOA) between the Treasure Island Development Authority (TIDA) and the Navy on June 7, 2011 (Resolution No. 242-11). Under the terms of the EDC MOA, the Navy will convey Treasure Island property to TIDA in phases, commencing upon the Navy's completion of ongoing environmental remediation. According to Mr. Michael Tymoff, TIDA Development Project Director, the first phase conveyance of Treasure Island property from the Navy to TIDA is anticipated to occur before December, 2012. The second phase conveyance is expected to occur in April, 2013. Mr. Tymoff advises that the full conveyance of Treasure Island to TIDA is currently estimated to occur sometime in 2019.

The properties that are not conveyed will continue to be managed by TIDA, in accordance with the Cooperative Agreement (File 12-0740), until the conveyance is complete. The individual Master Leases between TIDA and the Navy will terminate for specified properties as such properties are conveyed to TIDA, in accordance with the EDC MOA. According to Mr. Tymoff, in exchange for the conveyance of the Treasure Island property, the EDC MOA commits TIDA to paying the Navy (a) $55,000,000 in ten annual $5,500,000 payments, plus interest[3], projected to total $12,375,000, (b) an additional $50,000,000 if the project achieves certain financial performance benchmarks (i.e., an internal rate of return on private capital above 18%), and (c)

[2] TIDA was advised by the U.S. Navy that the U.S. Navy reimbursements would be eliminated based on the U.S. Navy's determination that the Treasure Island Development Authority was earning sufficient revenues to pay for all of the costs of providing services at Treasure Island.

[3] The EDC MOA sets the interest rate as "the interest rate payable on ten year Treasury Notes in effect as of the month that this Agreement is entered into plus one hundred fifty basis points, which Interest Rate will be locked for the duration of this Agreement."

35% of all profits above a 22.5% internal rate of return. The first payment due to the Navy is projected to occur in April 2013, with the second phase conveyance.

Based on the EDC MOA and the approved Disposition and Development Agreement (Resolution No. 241-11) between TIDA and Treasure Island Community Development, LLC, the master developer for the Treasure Island project, is required to make all the payments to the Navy, on behalf of TIDA. According to Mr. Tymoff, TIDA plans to introduce a resolution at a future Board of Supervisors meeting that would amend the EDC MOA in order to: (a) provide more protections to TIDA regarding the Navy's environmental remediation obligations, (b) define the terms of the transfer for 27-acres on Yerba Buena Island (YBI) for the YBI Ramps Improvement Project, and (c) address utility access easements, operations and maintenance.

DETAILS OF PROPOSED LEGISLATION

The six proposed resolutions would extend the term of the following five Leases and the one Cooperative Agreement between the Treasure Island Development Authority (TIDA) and the U.S. Navy (Navy) by one year, as detailed in Table 1 below.

Table 1: Proposed Term Period Extensions of TIDA's Leases and Cooperative Agreement

File No.	Lease/Agreement	Amendment Number	Term Period Extensions
12-0735	Treasure Island South Waterfront Master Lease	28	December 1, 2012 - November 30, 2013
12-0736	Treasure Island Land and Structures Master Lease	37	December 1, 2012 - November 30, 2013
12-0737	Treasure Island Marina Master Lease	16	December 1, 2012 - November 30, 2013
12-0738	Treasure Island Childcare Master Lease	8	December 1, 2012 - November 30, 2013
12-0739	Treasure Island Event Venues Master Lease	24	December 1, 2012 - November 30, 2013
12-0740	Cooperative Agreement	27	October 1, 2012 - September 30, 2013

The only change being proposed to the existing five leases and one Cooperative Agreement, between TIDA and the Navy, is to extend the leases and agreement by one year. As detailed in Table 1 above, the five leases would be extended from December 1, 2012 through November 30, 2013 and the Cooperative Agreement would be extended from October 1, 2012 through September 30, 2013. These proposed extensions have been approved by the Navy and were approved by TIDA's Board of Directors on June 13, 2012.

According to Ms. Saez, TIDA seeks to extend all master agreements with the Navy in order to continue operations in accordance with the Cooperative Agreement with the Navy, which assigns TIDA the responsibility for municipal services of land leased by TIDA from the Navy under the Master Leases and allows TIDA to sublease property to generate revenue pending conveyance of the Treasure Island property from the Navy to TIDA. A year-to-year term of the Cooperative Agreement allows TIDA and the Navy the flexibility to discontinue all or portions of the agreements as the conveyance of Treasure Island property from the Navy to TIDA occurs.

FISCAL ANALYSIS

Revenues Generated from Leases and Costs Associated with the Cooperative Agreement

Continuation of the subject (a) Treasure Island South Waterfront Master Lease, (b) Treasure Island Land and Structures Master Lease, (c) Treasure Island Marina Master Lease, (d) Treasure Island Childcare Master Lease, and (e) Treasure Island Event Venues Master Lease would allow TIDA to continue to generate revenues to support TIDA's interim operations of Treasure Island until the Navy fully transfers Treasure Island to TIDA.

As shown in Table 2 below, TIDA received a total of $7,845,818 from various revenue sources in FY 2011-2012. TIDA has budgeted for $8,326,365 in revenue for FY 2012-2013, an increase of $480,547 or 6.1 percent more than FY 2011-2012.

Table 2: Actual and Projected Revenues Under Leases

TIDA Revenue Sources as of 8/28/2012	Actual 2011-12 Revenue	Budgeted 2012-13 Revenue
Joint Venture Special Events	$0	$286,000
TIDA Special Events Revenues	628,221	316,200
TI Commercial Revenues	2,336,412	2,505,000
Film Revenues	13,986	25,000
YBI Filming/Cellsites/ Banner Revenues	182,039	282,550
Maritime Revenues	93,300	90,000
John Stewart Company Housing Revenues	4,164,511	4,342,143
Other Housing Common Area Maintenance (CAM)	427,349	479,472
Total	**$7,845,818**	**$8,326,365**

TIDA's projected revenues would offset the $8,326,365 of expenditures expected to be incurred by TIDA in FY 2012-13.

RECOMMENDATIONS

Approve the proposed resolutions.

THIRTY SEVENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____ day of _____ 2012, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2012 and ending on 30 November 2013, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

_____

Title_____

TREASURE ISLAND DEVELOPMENT AUTHORITY

_____

Title_____

APPROVED AS TO FORM:

_____
CITY ATTORNEY

120736

ORIGINAL

THIRTY FIFTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2011, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth, the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2011 and ending on 30 November 2012, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Title WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title Director, Island Operations

APPROVED AS TO FORM:

Deputy Eileen M. Malley
CITY ATTORNEY

THIRTY FOUR AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 2nd day of August 2010, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2010 and ending on 30 November 2011, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

ELIZABETH A. LARSON
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

Deputy
CITY ATTORNEY

ORIGINAL

THIRTY THIRD AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of December 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee":

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth, the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes:

1. Paragraph 2 TERM, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2009 and ending on 30 November 2010, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title D10

APPROVED AS TO FORM:

Deputy CITY ATTORNEY

ORIGINAL

THIRTY-SECOND AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of January 2009, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 34 SPECIAL PROVISIONS:

INSERT to EXHIBIT C:
"Final Finding of Suitability to Lease Reuse Zone 1B, Parcels T052, T053, T054, T056, T059, T060, and T063 at Naval Station Treasure Island, San Francisco, California, July 1997. As shown in Exhibit "C-3" attached hereto and made part hereof."

"Final Finding of Suitability to Lease Reuse Zone 2B, Parcels T011, T012, T013, T014, T016, T017, T018, T019, T020, T023, T024, T024, and a Portion of T027 at Naval Station Treasure Island, San Francisco, California, August 1997. As shown in Exhibit "C-4" attached hereto and made part hereof."

"Final Finding of Suitability to Lease Reuse Zone 3B, Parcel T093, a Portion of Parcel T096, a Portion of Parcel T097, a Portion of Parcel T103, Parcel T104, a Portion of Parcel T105, and Parcel T106 at Naval Station Treasure Island, San Francisco, California, September 1997. As shown in Exhibit "C-5" attached hereto and made part hereof."

"Final Finding of Suitability to Lease Reuse Zone 4, a Portion of Parcel T096 and T097, Parcel T100, T101, T102, T103, and T107 at Naval Station Treasure Island, San Francisco, California, December 1997. As shown in Exhibit "C-6" attached hereto and made part hereof."

"Final Finding of Suitability to Lease Reuse Zone 5C, Parcels T070, T071, T072, T074, T076, T108, T112, T113, T114, and T115 at Naval Station Treasure Island, San Francisco, California, June 1999. As shown in Exhibit "C-7" attached hereto and made part hereof."

2. Paragraph 1 LEASED PREMISES, add the following:

"Use of Buildings 29, 157, 215, 225, 261A, 264, 292 and 401 and associated lands as shown in Exhibit A-14, attached hereto and made a part hereof. Use of the lot surrounding Building 450, as shown in Exhibit A-14, attached hereto and made a part hereof. Building 450 is excluded from the Leased Premises."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

Title

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

Deputy CITY ATTORNEY

ORIGINAL

THIRYFIRST AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 3rd day of Nov 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 34 SPECIAL PROVISIONS:

INSERT to EXHIBIT C:
"Final Finding of Suitability to Lease Reuse Zone 5B, Parcels T051, T061, T062, T084, T085, T086, T087, T088, T089, T090, T091, and T092, at Naval Station Treasure Island, San Francisco, California, June 1999. As shown in Exhibit "C-2" attached hereto and made part hereof."

2. Paragraph 1 LEASED PREMISES, add the following:

"Use of Building 202 and associated lot as shown in Exhibit A-13, attached hereto and made a part hereof."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARGILLO
REAL ESTATE CONTRACTING OFFICER
Title DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title DIO

APPROVED AS TO FORM:

Deputy CITY ATTORNEY

ORIGINAL

THIRTIETH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1 day of December 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore;

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2008 and ending on 30 November 2009, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title DTO

APPROVED AS TO FORM:

Dennis J. Herrera
CITY ATTORNEY

Deputy

ORIGINAL

TWENTY NINTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 3rd day of November 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 34 SPECIAL PROVISIONS:

INSERT to EXHIBIT C;

"Final Finding of Suitability to Lease Reuse Zone 5A, Parcels T048, T049, T050, T055, T057, T058, T065, T066, T067, T069, T117, and portions of Parcels T041, T042, and T056, at Naval Station Treasure Island, San Francisco, California. June 1999. As shown in Exhibit "C-1" attached hereto and made part hereof."

2. Paragraph 1 LEASED PREMISES add the following:

"Use of Buildings 92, 258 and associated lots as shown in Exhibit A-12, attached hereto and made a part hereof."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title D.I.O

APPROVED AS TO FORM:

Deputy CITY ATTORNEY

Land & Structures -29th Amendment

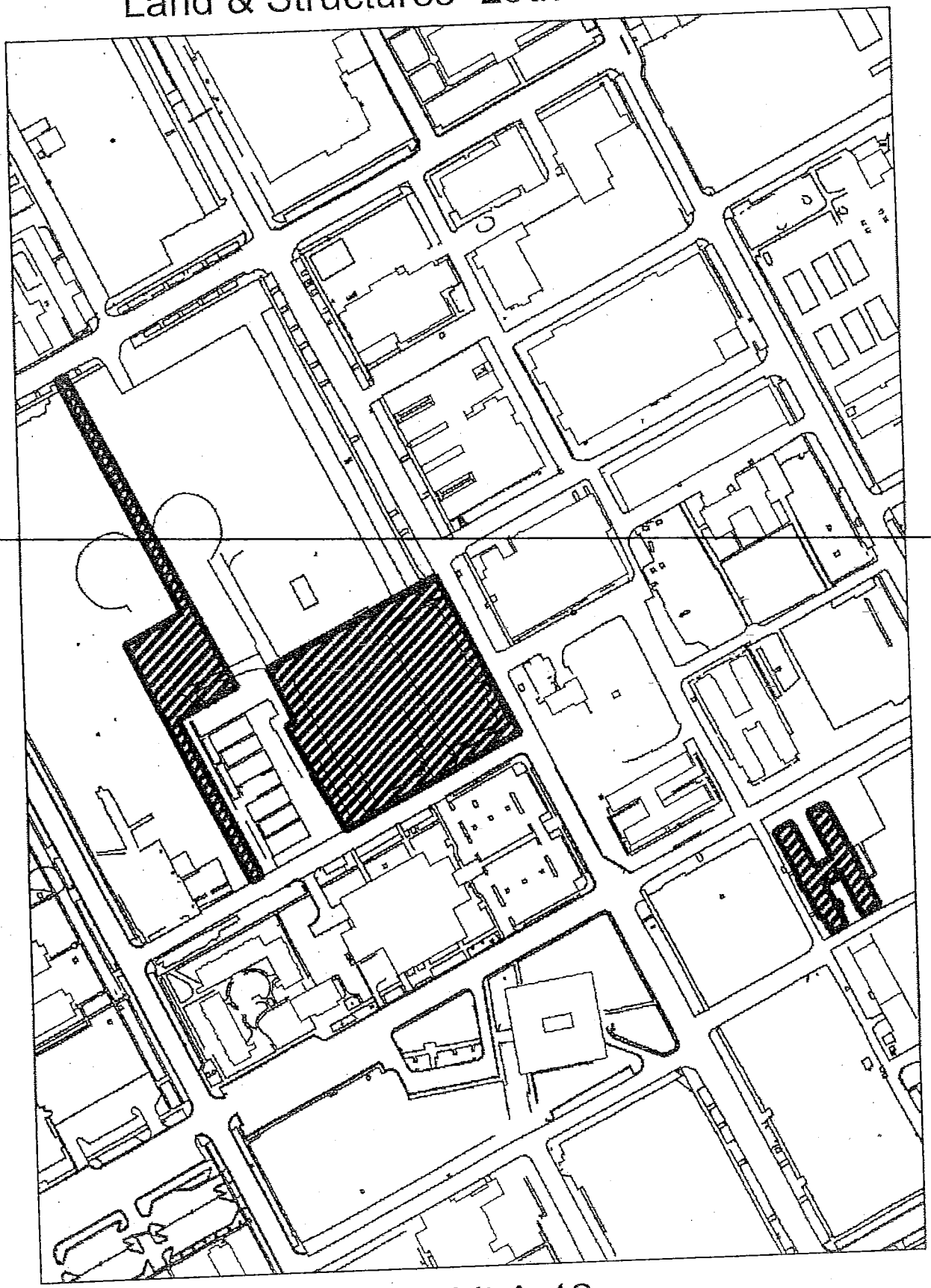

Exhibit A-12

COMPREHENSIVE LONG-TERM ENVIRONMENTAL ACTION NAVY (CLEAN II)
Northern and Central California, Nevada, and Utah
Contract Number N62474-94-D-7609
Contract Task Order No. 0204

Prepared For

DEPARTMENT OF THE NAVY
Amelia Duque, Engineer-In-Charge
Engineering Field Activity West
Naval Facilities Engineering Command
San Bruno, California
Naval Facilities Engineering Command
San Bruno, California

FINAL
FINDING OF SUITABILITY TO LEASE
REUSE ZONE 5A
PARCELS T048, T049, T050, T055, T057, T058, T065, T066, T067, T069, T117, AND PORTIONS OF PARCELS T041, T042, AND T056
NAVAL STATION TREASURE ISLAND, SAN FRANCISCO, CALIFORNIA

June 1999

Prepared By
TETRA TECH EM INC. (TtEMI)
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and

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Ms. Lynne T. Srinivasan, U&A Project Manager

1.0 PURPOSE

a. The purpose of this finding of suitability to lease (FOSL) is to document environmental findings that may affect the proposed lease of Reuse Zone 5A at Naval Station Treasure Island (NAVSTA TI) in San Francisco, California. Reuse Zone 5A consists of a portion of Parcels T041 and T042, Parcels T048, T049, T050, T055, a portion of Parcel T056, and Parcels T057, T058, T065, T066, T067, T069, and T117. The subject property is described in Section 2.0 and shown on Figure 1 at the end of this FOSL. The subject property will be leased to the City of San Francisco for commercial and industrial or recreational use. The U.S. Department of the Navy (Navy) owns the land and buildings at the subject property.

b. This FOSL is a result of a thorough analysis of the information contained in the following documents:

- "Asbestos Building Survey Report for Miscellaneous Facility Buildings and Underground Steam Utility Lines at Treasure Island & Yerba Buena Island," SSPORTS Environmental Detachment, Vallejo, CA, November 1998
- "Base Realignment and Closure (BRAC) Cleanup Plan, Naval Station Treasure Island," Department of the Navy, PRC Environmental Management, Inc. (PRC), March 1997
- "Closure Report, Asbestos Abatement/Repair, Buildings: 1, 92, 99, 107, 114, 130, 131, 140, 157, 201, 202, 215, 216, 217, 229, 230, 233, 257, 258, 260, 261, 264, 271, 290, 293, 330, 335, 342, 343, 346, 355, 401, 402, 445, 449, 450, 453, 461, 469, & Quarter 62 at Treasure Island, CA," Allied Technology Group, Inc., January 1999
- "Draft Corrective Action Plan, Sites 04/19, 06, 14/22, 15, 16, 20, and 25, Naval Station Treasure Island, San Francisco, California," Tetra Tech EM Inc. (TtEMI), September 1997
- "Draft Final Onshore Remedial Investigation Report, Naval Station Treasure Island," PRC, September 1997
- "Draft Fuel Line Removal and Closed-in Place Fuel Line Summary Assessment Report," TtEMI and Jonas & Associates (J&A) February 1999
- "Environmental Baseline Survey Sampling and Analysis Summary Report, Naval Station Treasure Island, California," TtEMI and Uribe & Associates (U&A), January 1999

- "Final Asbestos Survey Report, Naval Station Treasure Island," Mare Island Naval Shipyard, December 1995
- "Final Closure Report, Asbestos Abatement/Repair, Buildings: 1, 7, 29, 34, 41, 62, 91, 96,& 227, Quarters: 2, 5, 6, 7 & Townhouses 327 A&B at Treasure Island, CA, Allied Technology Group, Inc., March 1998
- "Final Asbestos Survey Summary of 71 Buildings for Naval Station Treasure Island," Radian International LLC, June 1997
- "Final Basewide Environmental Baseline Survey Report for Naval Station Treasure Island," ERM-West, Inc., May 1995 (basewide EBS)
- "Final Closure Report, Asbestos Abatement Repair Buildings: 1,7, 29, 34, 41, 62, 91, 96 & 227, Quarters: 2, 5, 6, 7, & Townhouses 327 A&B at Treasure Island, CA," Allied Technology Group, Inc., March 1998
- "Final Environmental Baseline Survey Sampling Workplan for Naval Station Treasure Island," ERM-West, Inc., April 1996
- "Final Site-Specific Environmental Baseline Survey (SSEBS) for Reuse Zone 5 at Naval Station Treasure Island, San Francisco, California," TtEMI and U&A, March 1999

2.0 PROPERTY DESCRIPTION

Reuse Zone 5A, which is located in the eastern portion of NAVSTA TI, encompasses 32.44 acres and consists of a portion of Parcels T041 and T042, Parcels T048, T049, T050, T055, a portion of Parcel T056, and Parcels T057, T058, T065, T066, T067, T069, and T117. There are 32 buildings and structures on Reuse Zone 5A. Open space in the reuse zone consists of asphalt roadways and parking areas, concrete walkways, landscaped areas, and unmaintained vegetation. The building information for each parcel in Reuse Zone 5A is summarized in Table 1 at the end of this FOSL. Historical information regarding Reuse Zone 5A can be found in the SSEBS for Reuse Zone 5.

Reuse Zone 5A is bounded by Parcels T012, T014, T019, and T023 to the south; Parcel T042 to the southwest; Parcel T040 and Parcel T041 to the west; Parcels T051, T053, T064, and T068 to the north; and the San Francisco Bay to the east. Parcel T059 and a portion of Parcel T056 (part of Reuse Zone 1B) are surrounded by, but not included in, Reuse Zone 5A. Installation Restoration (IR) Sites 04/19, the Hydraulic Training School and Refuse Transfer Area, are located within Reuse Zone 5A on Parcels T066, T067, and T117. IR Site 05, the Old Boiler Plant, is located within Reuse Zone 5A on a portion of Parcel T057 within the boundary of Parcel T056. IR Site 17, Tanks 103 and 104, is located on Parcel

T058 within the boundary of Parcel T056 in Reuse Zone 5A. IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is located on Parcels T057 and T058 and portions of Parcels T050, T055, T056, T065, T066, T067, T069, and T117 in Reuse Zone 5A.

Each parcel in Reuse Zone 5A is discussed below.

Parcel T041. Parcel T041 comprises 0.18 acres in Reuse Zone 5A, all of which is occupied by three buildings (Buildings 128, 129, and 130). There is a possibility that petroleum products have migrated from the former fuel lines located on adjacent Parcel T042 to Parcel T041.

Parcel T042. Parcel T042 comprises 0.06 acres in Reuse Zone 5A, all of which is occupied by Building 131. IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, borders Parcel T048 to the east, but has not affected the parcel. Petroleum products associated with former fuel lines on the parcel have affected Parcel T042.

Parcel T048. Parcel T048 comprises 2.25 acres in Reuse Zone 5A. Parcel T048 is entirely open space, including asphalt- and concrete-paved parking areas, and grass- and gravel-covered areas. IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, borders Parcel T048 to the east, but has not affected the parcel.

Parcel T049. Parcel T049 comprises 0.61 acres in Reuse Zone 5A, all of which is occupied by Building 258. Building 258, currently a post office and a thrift shop, has been used for a variety of nonindustrial activities since 1943. IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, borders Parcel T049 to the east, but has not affected the parcel.

Parcel T050. Parcel T050 comprises 2.72 acres in Reuse Zone 5A and is occupied by one unnumbered structure covering 5 percent of the total parcel area. The unnumbered structure is an open-air wood awning over a concrete picnic area. The remaining 95 percent of the parcel is open space consisting of grassy open areas, asphalt parking areas, sand, and concrete. These areas are used for recreational purposes and parking. A portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is located on part of Parcel T050; contamination associated with this site has not affected the parcel.

Parcel T055. Parcel T055 comprises 2.25 acres in Reuse Zone 5A. Currently, three buildings (Buildings 29, 378, and 379) occupy about 40 percent of the parcel. Building 29, a single-story wooden

building, formerly housed offices, classrooms, and storage space. Building 378 is a sewage lift station. Building 379 is a prefabricated steel building that was used as a paint locker; this building is currently empty. The remaining 60 percent of Parcel T055 is paved with asphalt and concrete sidewalks, and is primarily used for parking. A portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is located on part of Parcel T055; contamination associated with this site has affected the parcel.

Parcel T056. Parcel T056 comprises 20.21 acres, 14.80 acres of which are included in Reuse Zone 5A. The portion of Parcel T056 included in Reuse Zone 5A includes 11 buildings and structures. Uses of these buildings and structures include barracks, offices, a hospital, electronics maintenance, paint lockers, sump houses, public toilets, and a baseball field. The remainder of the parcel is open space including asphalt parking lots and roadways, landscaped areas, and unmaintained vegetation. A fuel transfer area and an emergency diesel-powered generator are located near the western edge of the parcel, within Reuse Zone 5A adjacent to Parcel T058. Underground storage tank (UST) 230, which reportedly held diesel fuel, was removed from Parcel T056 in 1990 and closed in 1997. UST 234 reportedly held fuel oil and was removed from the parcel in 1997. A portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is located on part of the portion of Parcel T056 included in Reuse Zone 5A. IR Site 05 is located on Parcel T057, which is within the boundary of Parcel T056. IR Site 17 is located almost entirely on Parcel T058, which is also within the boundary of Parcel T056; a portion of IR Site 17 overlaps with Parcel T056. Contamination associated with IR Sites 05, 17, and 24 has affected the parcel. IR Sites 04/19 are located adjacent to Parcel T056 to the north and may have affected the parcel.

Parcel T057. Parcel T057 comprises 0.64 acres in Reuse Zone 5A and was used as a vehicle parking and storage area. Currently, Building 455 (the auxiliary boiler plant) and two other structures (a pump house and a storage shed) cover 10 percent of the parcel. The remaining 90 percent of the parcel is open space. Three aboveground storage tanks (AST), located in Building 455, store boiler additives. IR Site 05, the Old Boiler Plant, is located on Parcel T057; no action was recommended under the CERCLA program for this site. A portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is also located on Parcel T057; contamination associated with this site has not affected the parcel. IR Site 17, ASTs 103 and 104, is adjacent to Parcel T057 to the east but has not affected Parcel T057.

Parcel T058. Parcel T058 comprises 0.81 acres in Reuse Zone 5A and is used as a fuel storage and containment area for two aboveground fuel storage tanks associated with IR Site 17 (ASTs 103 and 104). Building 105 (a fuel valve house) and the two ASTs occupy 10 percent of Parcel T058. The remaining 90 percent of the parcel is open space. In addition to IR Site 17, ASTs 103 and 104, a portion of IR Site

24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is located on Parcel T058; contamination associated with these two sites has affected the parcel.

Parcel T065. Parcel T065 comprises 2.74 acres in Reuse Zone 5A and is currently used as a recreation area. One building (an unnumbered bathroom facility) and a block of tennis courts (Structure 397) cover 40 percent of Parcel T065. The remaining 60 percent of the parcel is open space. A portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, is located on part of Parcel T065; contamination associated with this site has affected the parcel. IR Sites 04/19, the Hydraulic Training School and Refuse Transfer Area, are adjacent to Parcel T065 on Parcels T066, T067, and T117 to the east, but have not affected the parcel.

Parcel T066. Parcel T066 comprises 1.05 acres in Reuse Zone 5A and has been used as a refuse storage and handling area, a hydraulic training school, and an investigation-derived waste (IDW) yard. Building 342, the Hydraulic Training School, and Structure 344, used for radioactive materials storage, occupy 20 percent of the parcel. The remaining 80 percent of Parcel T066 is open space. IR Sites 04/19, the Hydraulic Training School and Refuse Transfer Area, and a portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, are located on the parcel; contamination associated with these two sites has affected the parcel.

Parcel T067. Parcel T067 comprises 2.09 acres in Reuse Zone 5A and has been used as a refuse transfer area, roadway, and pedestrian walkway. Three buildings (Buildings 343, 443, and 458) occupy approximately 10 percent of the parcel. The remaining 90 percent of Parcel T067 is open space. Building 343 has been used as a laboratory, a classroom, and an office. Building 443 is a sewage lift station. Building 458 was used as a pyrotechnics magazine (storage facility). IR Sites 04/19, the Hydraulic Training School and Refuse Transfer Area, and a portion of IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, are located on Parcel T067; contamination associated with these two sites has affected the parcel. According to the basewide EBS, unknown quantities of hazardous materials, including batteries, paints, and cleaning solvents, may have been stored at the refuse transfer area.

Parcel T069. Parcel T069 comprises 0.07 acres in Reuse Zone 5A and is occupied entirely by Building 69, which was constructed in 1942. Building 69 has been used as an engineers and shipfitters shop, hobby shop, garage, and for general and public storage. IR Site 24, the Fifth Street Fuel Releases and

Dry Cleaning Facility, is adjacent to Parcel T069 to the south; contaminant migration from this site has affected Parcel T069.

Parcel T117. Parcel T117 comprises 2.17 acres in Reuse Zone 5A and is entirely open space. The parcel consists of roadways and parking areas, and was used for hazardous waste staging. The stormwater outfall at Parcel T117 was designated as part of IR Site 13 (Stormwater Outfalls); contamination associated with this site has not affected the parcel. Portions of IR Sites 04/19, the Hydraulic Training School and Refuse Transfer Area, and IR Site 24, the Fifth Street Fuel Releases and Dry Cleaning Facility, are located on Parcel T117; contamination associated with these two sites has affected the parcel.

3.0 REGULATORY COORDINATION

The California Department of Toxic Substances Control (DTSC), the California Regional Water Quality Control Board (RWQCB) for the San Francisco Bay Region, and the U.S. Environmental Protection Agency (EPA) were notified at the initiation of the SSEBS and this FOSL and have been provided with draft versions of the documents to facilitate their consultative role in developing the documents. Regulatory comments received during SSEBS and FOSL development have been reviewed and addressed or incorporated into the document as appropriate. Before the SSEBS was conducted and before the FOSL was prepared, a scoping meeting was conducted between the Navy and the regulatory agencies on January 13, 1998.

4.0 NATIONAL ENVIRONMENTAL POLICY ACT COMPLIANCE

In accordance with the requirements of the National Environmental Policy Act (NEPA) and the Navy's Environmental and Natural Resources Program Manual (OPNAVINST 5090.1B), a NEPA document shall accompany this FOSL and/or the leasing real estate instrument.

5.0 ENVIRONMENTAL CONDITION OF THE PROPERTY

The SSEBS for Reuse Zone 5 proposes environmental condition of property (ECP) area types for each parcel in Reuse Zone 5A. The parcels in Reuse Zone 5A are classified as ECP area types 1, 2-5, 2-7, or 6. ECP area type 1 parcels, where no release or disposal (including migration) has occurred, are suitable for transfer without restrictions. ECP area type 2-5 parcels are areas where only petroleum

contamination exists, and remedial activities have been initiated. ECP area type 2-7 parcels are areas where only petroleum contamination is suspected to exist, and further evaluation is required. ECP area type 6 identifies areas where contamination has been identified but no response action has been implemented.

As outlined in the SSEBS for Reuse Zone 5 at NAVSTA TI, Parcel T050 wasreclassificatied as ECP area type 1; Parcels T042 and T057 were reclassificatied as ECP area type 2-5; Parcels T041, T048, and T049 were reclassificatied as ECP area type 2-7; Parcels T056 and T058 are currently classified as ECP area type 6; and Parcels T055, T065, T066, T067, T069, and T117 were reclassificatied as ECP area type 6.

Parcels in ECP area types 1 through 6 are eligible for transfer in accordance with Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Section 120(h)(3)(C); parcels categorized as ECP area types 5 and 6 require CERCLA covenant deferral, approved by the governor, prior to transfer. All parcels in Reuse Zone 5A are eligible for lease or transfer at this time.

6.0 LEASE NOTIFICATIONS AND RESTRICTIONS

The environmental documents listed in Section 1.b of this FOSL were evaluated to identify environmental factors that require specific restrictions under the lease to preclude threats to human health or the environment, or that require notification to the lessee. The factors that were considered are listed in Table 2, at the end of this FOSL. The factors that require either restrictions or notification are identified in Table 2 and are discussed in Sections 6.1 through 6.7. The Navy has determined that the remaining factors listed in Table 2 pose no significant threat to human health or the environment and, therefore, require neither restrictions in the lease nor notifications to the lessee. The lessee will be required to make all lease restrictions in this FOSL part of all subleases within Reuse Zone 5A, and all references to lessees and leases in this document also apply to all authorized sublessees and subleases.

6.1 HAZARDOUS SUBSTANCES NOTIFICATION

Based on a site inspection conducted in 1995, hazardous substances that require notification have been stored or used at Parcels T067 and T117 as indicated in the SSEBS for Reuse Zone 5A. No hazardous substances that require notification have been stored and/or used at any other parcel in Reuse Zone 5A. Information on hazardous substance use and storage is also summarized in the basewide EBS. The Community Environmental Response Facilitation Act requires the notification of hazardous substances

stored on the subject parcels. This notification requirement applies to CERCLA hazardous substances stored for greater than 1 year and in amounts greater than or equal to 1,000 kilograms (kg) or the substance's CERCLA reportable quantity, whichever is greater. Notification is also required when there has been any release or disposal of hazardous substances greater than or equal to the substance's reportable quantity. The notice of hazardous substances for Reuse Zone 5A is provided in Table 3. Quantities of hazardous substances stored at Parcel T067 are not known. Storage dates for hazardous substances in Parcel T117 are not known. The hazardous substances listed under Parcel T117 in Table 3 may not have been stored on the parcel for greater than 1 year, but were observed during the 1995 basewide EBS site inspection. No hazardous substances were present on Parcels T067 or T117 at the time of the visual site inspection in January 1998. For the purposes of this FOSL, all stored substances identified were assumed to be hazardous and, therefore, meet the reporting criteria.

Notification. Hazardous substances that require notification have been stored or used at Parcels T067 and T117 as indicated in the SSEBS for Reuse Zone 5.

6.2 INSTALLATION RESTORATION PROGRAM AND AREAS OF CONCERN

IR Sites 04/19, located on Parcels T066, T067, and T117, are under investigation through the Navy's petroleum program. A corrective action plan (CAP) has been prepared for IR Sites 04/19. The results of the risk evaluation conducted as part of the CAP indicate that contaminants at IR Sites 04/19 are not expected to be of concern for the proposed reuse of Reuse Zone 5A as long as the lease restrictions proposed in this FOSL (administrative controls) are appropriately implemented. Recommended remedial actions at IR Sites 04/19 include excavation and recycling for surface soil, and bioventing for subsurface soil (TtEMI 1997). Remedial activities at IR Sites 04/19 are scheduled to begin in 2000 and may affect reuse activities at Reuse Zone 5A.

IR Site 05, on a portion of Parcel T057, and IR Site 17, on Parcel T058, have been investigated under CERCLA. The results of the baseline human health risk evaluations conducted as part of the remedial investigation (RI) indicate that contaminants at IR Sites 05 and 17 are not expected to be of concern for the proposed reuse of Reuse Zone 5A as long as the lease restrictions proposed in this FOSL (administrative controls) are appropriately implemented. No further action has been recommended under CERCLA for IR Sites 05 and 17; petroleum contamination at IR Site 17 will continue to be investigated under the Navy's petroleum program. Further investigation or remediation at IR Site 17 may affect reuse activities at Reuse Zone 5A.

IR Site 24, located on Parcels T057 and T058 and portions of Parcels T050, T055, T056 T065, T066, T067, T069, and T117, has also been investigated under CERCLA. Petroleum hydrocarbon and chlorinated solvent contamination are present at IR Site 24. Petroleum hydrocarbon contamination at this site will be further investigated under the Navy's petroleum program. The results of the baseline human health risk evaluation conducted as part of the RI indicate that contaminants at IR Site 24 are not expected to be of concern for the proposed reuse of Reuse Zone 5A as long as the lease restrictions proposed in this FOSL (administrative controls) are appropriately implemented. Based on the results of the RI, it has been recommended that groundwater monitoring continue at IR Site 24, and that a feasibility study be conducted to evaluate remedial alternatives for chlorinated solvents in groundwater.

Notification. The Navy and recognized regulatory agencies will be allowed reasonable access to enter the leased property to conduct investigations and surveys, collect samples, perform remediation, access monitoring wells, or engage in other activities associated with the IR and other environmental programs.

It is possible that the lease area may remain accessible to, and be occupied by, the lessee during any remedial activities; access restrictions may be necessary, including requiring the lessee to enter the leased premises via a specific route. Noise, traffic, and other nuisances associated with construction may be expected.

Restrictions. The lessee may not interfere with the ongoing IR and other environmental program activities. The lessee will be restricted from conducting excavation, drilling, or other ground-disturbing activities other than routine landscaping activities or minor repairs of the pavement at Reuse Zone 5A without prior written Navy approval and Navy coordination with applicable federal and state regulatory agencies, as necessary. In addition, use of groundwater at NAVSTA TI is prohibited. The lessee will be prohibited from installing any groundwater wells at the subject property or otherwise using groundwater. The lessee may not damage existing or future groundwater monitoring wells, and the lessee will be financially responsible for any damage it causes to the wells.

6.3 PETROLEUM PRODUCTS AND DERIVATIVES

Abandoned underground fuel lines were present beneath Parcels T055, T056, T057, T058, T066, T067, and T117 within Reuse Zone 5A and beneath Parcel T042 which is adjacent to Parcel T048 of Reuse Zone 5A. Contaminant migration from former underground fuel lines on Parcel T056 may have affected

adjacent Parcel T049. These underground fuel lines were removed as part of the 1997 - 1998 fuel line removal effort. Results of the fuel line removal and investigation are currently under review by the regulatory agencies, but preliminary results are summarized in the SSEBS for Reuse Zone 5. Additional investigation or remediation may be required to address potential petroleum contamination associated with former underground fuel lines.

Notification. The notification outlined in Section 6.2 shall apply at parcels within Reuse Zone 5A at which underground fuel lines have been removed.

Restriction. The restriction on ground-disturbing activities outlined in Section 6.2 shall apply at parcels within Reuse Zone 5A at which underground fuel lines have been removed.

6.4 STORAGE TANKS

Three USTs were reported in Reuse Zone 5A: one in Parcel T055, and two in Parcel T056.

Parcel T055. UST 29 was reported to be on Parcel T055. No tank was found to exist, and no further action is required.

Parcel T056. UST 230 was removed from Parcel T056 in 1990. This site received RWQCB closure approval in 1997. UST 234 was removed from the parcel in 1997.

Two ASTs were reported in Reuse Zone 5A, both on Parcel T058.

Parcel T058. ASTs 103 and 104 were abandoned in place on Parcel T058. The tanks will be removed and addressed under the Navy's petroleum program at IR Site 17.

Notification. The notification outlined in Section 6.2 shall apply at parcels within Reuse Zone 5A at which storage tanks are currently or were formerly located.

Restriction. The restriction on ground-disturbing activities outlined in Section 6.2 shall apply at parcels within Reuse Zone 5A at which storage tanks are currently or were formerly located.

6.5 ASBESTOS-CONTAINING MATERIALS

This section summarizes the most recent surveys and abatement work completed at Reuse Zone 5A. Asbestos is still present in Buildings 128 and 129 on Parcel T041, Building 378 on Parcel T055, Building 341 on Parcel T056, Building 455 on Parcel T057, Building 105 on Parcel T058, Building 344 on Parcel T066, Building 458 on Parcel T067, and Building 69 on Parcel T069 (MINS 1995, SSPORTS 1998). The asbestos in these buildings is not damaged or friable and, as result, these buildings can be considered available for occupancy. Asbestos was not present in Building 379 on Parcel T055, Building 381 on Parcel T056, or in an unnumbered building (picnic structure) on Parcel T050 (SSPORTS 1998). All of the accessible, damaged, and friable asbestos has been abated in Buildings 29, 92, 107, 130, 131, 230, 258, 293, 342, 343, 382, 390, 397, 443, 444 480, 483, 485 (on Parcels T041, T042, T055, T056, T065, T066, and T067) (Radian 1997, Allied 1998, Allied 1999). Historical asbestos background is unknown for three unnumbered buildings on Parcel T057 and T065, but they are currently available for reuse. As a result of the surveys and abatement work, all of the buildings are available for occupancy.

Notification. Thirty one of the 33 buildings within Reuse Zone 5A contain ACM in good condition. Buildings 29, 69, 92, 105, 107, 128, 129, 130, 131, 230, 258, 293, 341, 342, 343, 344, 378, 382, 390, 397, 443, 444, 455, 458, 480, 483, 485, and three unnumbered buildings contain asbestos containing material (ACM) in good condition. This ACM currently poses no health or environmental concerns. However, if the ACM is not managed in compliance with applicable local, state, and federal laws and regulations, it may become a hazard. The lease documents will include a notice about the presence of ACM and the steps taken to reduce or eliminate ACM hazards and will include the Asbestos Survey Report (SSPORTS 1998) and the abatement summary report.

Restriction. The lease will require the lessee to conduct routine evaluations of the condition of existing ACM and comply with all applicable federal, state, and local laws relating to asbestos. Before reconstruction or remodeling, the lessee must submit plans to the Navy to prevent an inadvertent disturbance of potential ACM. For the purposes of this lease, the lessee will agree that during its use and occupancy of the property, it will bear all costs for managing the ACM properly. The Navy will require the lessee to (1) obtain written Navy approval before any construction or modification to any building or structure, and (2) submit an ACM management plan to the Navy within 30 days of leasing the property.

6.6 LEAD-BASED PAINT (LOW-PRIORITY FACILITIES)

Lead-based paint hazards are defined in the Federal Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X of Public Law [PL] 102-550), as codified in 42 U.S. Code (USC) Sections 4822, 4851 - 4856 and 15 USC Section 2688 (Act), as "any condition that causes exposure to lead . . . that would result in adverse health effects." Lead exposure is especially harmful to young children and pregnant women. The Act provides for regulation of the abatement of lead hazards from lead-based paint, lead-contaminated dust, and lead-contaminated soil for target housing only. The Act defines "target housing" as any housing constructed prior to 1978, except housing for the elderly or persons with disabilities, and any 0-bedroom dwelling. In addition, 35 Code of Federal Regulations (CFR) Part 745, requires that any seller or lessor must disclose known lead-based paint or lead-based paint hazards on residential housing built before 1978.

The Navy is required by the Act and subsequent U.S. Department of Defense (DOD) BRAC guidelines to survey and abate lead-based paint hazards on target housing constructed before 1960. The DOD guidelines also stipulate that lead-based paint surveys be conducted at target housing constructed between 1960 and 1978. No survey or abatement is required to be conducted at housing constructed after 1978. If a nonhousing structure is identified by the reuse plan for future use as housing, the Navy would consider the structure to be target housing and would take the appropriate measures depending on the age of the structure. One exception to the DOD policy is that inspection and/or abatement of target housing is not required if the building is scheduled for demolition.

The Navy disagreed with the EPA's and DTSC's position that structures constructed prior to 1978 should be evaluated to determine if lead levels exist in soils that may cause a risk to future users.

If any work is conducted on structures coated with lead-based paint, regulations for air exposure to workers under the Occupational Safety and Health Act (OSHA) would apply. Also, lead-contaminated residues generated during paint removal are regulated under the Resource Conservation and Recovery Act if found to be a characteristic hazardous waste, or under the California Hazardous Waste Management Regulations if they failed the waste extraction test or exceeded the total threshold limit concentration for lead (1,000 parts per million [ppm] lead) as described in the California Code of Regulations, Title 22, Chapter 11, Section 66261.24(a).

Although EPA has no objections to the Department of Defense working out an arrangement with the lessee and sublessee to remediate any contamination, it is EPA's opinion that the ultimate responsibility for potential contamination from lead-based paint and other CERCLA hazardous substances lies with the Department of Defense.

Residential Facilities

The term "residential" includes any house, apartment, or structure intended for human habitation. In addition, Navy practice is to treat structures that would typically accommodate children under 6 years of age for extended periods of time, such as a child care facility, elementary school, or playground, in the same manner as target housing although the law does not specifically address them as such.

For Reuse Zone 5A, there is no target housing. As a result, no survey or abatement of lead-based paint hazards is required in accordance with the Act.

Nonresidential Facilities

Under the Act, federal agencies are subject to all federal, state, and local requirements with respect to lead-based paint and lead-based paint hazards (15 USC Section 2688). Currently, there are no federal, state, or local requirements for surveying and abating lead-based paint in nonresidential facilities. However, the EPA and DTSC consider a release to soil of lead-based paint from any DOD building or structure to be a CERCLA hazardous substance release. The Navy's policy for lead-based paint cleanup in nonresidential areas is to respond to the presence of lead-based paint under CERCLA "in the same manner and to the same extent, both procedurally and substantively, as any non-government entity." If a regulatory agency requires DOD to engage in lead-based paint response actions not required of the public sector, there is a violation of CERCLA 120(a)(1). In addition, DTSC insists that lead-based paint contamination be addressed at DOD installations, but not at other sites within California. For the Navy to comply with this request would be a violation of CERCLA Section 120 (a)(4), which requires the Navy to comply with state removal and remedial action laws only to the extent the state law is uniformly applied within that state. In the event that EPA or states develop and issue regulations for lead-based paint in nonresidential areas, the Navy will honor its CERCLA 120(h) responsibilities to "take any additional remedial action necessary after the date of transfer."

A lead hazard information pamphlet will be distributed to the lessee in accordance with the Residential Lead-Based Paint Hazard Reduction Act and 24 Code of Federal Regulations (CFR) Part 35, and a notice, in accordance with 24 CFR Section 35.88, about the presence of lead-based paint hazards.

No lead-based paint survey has been conducted at the buildings in Reuse Zone 5A. However, in August 1998, the DTSC collected soil samples surrounding seven non-residential buildings (two of which were within Reuse Zone 5A) and the Elementary School at TI. Average lead concentrations at each building were less than the EPA recommended action level for lead in soil.

Notification. The lessee will be notified that buildings built before 1978 may contain lead-based paint. A lead hazard information pamphlet will be distributed to the lessee in accordance with the Residential Lead-Based Paint Hazard Reduction Act and 24 CFR Part 35.

The lessee will be notified that lead-based paint may exist in nonresidential buildings at NAVSTA TI that are covered by the FOSL. Lead exposure is especially harmful to young children and pregnant women.

Restrictions. Construction, alteration, or modification (including paint stripping or sanding) is prohibited without prior testing of the paint and notification of and approval by the Navy prior to the initiation of the activity.

The lessee is responsible for managing all lead-based paint and potential lead-based paint in compliance with all applicable laws and regulations.

The lessee shall not permit the use of these premises for residential habitation unless the lessee, at its own expense, has eliminated any hazards of lead-based paint in accordance with all applicable laws, rules, and regulations, and in accordance with the "Guidelines for Evaluation and Control of Lead Based Paint Hazards in Housing," promulgated by the Department of Housing and Urban Development pursuant to Title X of U.S. Public Law 102-550, and unless the lessee, at its own expense, has received certification from a state-certified lead-based paint assessor or inspector that no lead-based paint hazards are identified at the premises. The lessee shall provide DTSC and EPA the opportunity to review and comment on any lead-based paint investigation and remediation workplans that result from sampling, testing, and assessment performed by the lessee. Throughout the term of the lease, the lessee shall be responsible for monitoring the condition of the lead-based paint and eliminating any hazard that may develop during the term of the lease. Residential structures are defined as any house, apartment, or structure intended for human habitation, including, but not limited to, a nondwelling facility commonly used by children under 6 years of age, such as a child care center, elementary school, or playground. The

lead-based paint assessment certification and, if applicable, any comments from DTSC and EPA shall be submitted to the Navy for information prior to residential occupancy. The lessee shall immediately notify the Navy of any proposed change in the type of occupancy.

6.7 HAZARDOUS WASTE MANAGEMENT (BY LESSEE)

The lessee is not anticipated to use any regulated quantities of hazardous materials on the property.

Restriction. Throughout the term of the lease, the lessee will be required to comply with all applicable laws and regulations pertaining to the use, treatment, storage, disposal, and transport of hazardous materials and hazardous waste.

6.8 GENERAL RESTRICTIONS

The following general restrictions apply to Reuse Zone 5A.

Restrictions. The lessee will be responsible for obtaining all necessary permits and licenses for its own operation. Any violation of permit conditions will be grounds to require the lessee to cease operations or to terminate the lease. Uses by the lessee are limited to the type and nature described in the lease document.

7.0 SUMMARY OF LEASE NOTIFICATIONS AND RESTRICTIONS

The portions of Parcels T041 and T042, Parcels T048, T049, T050, T055, the portion of Parcel T056, and Parcels T057, T058, T065, T066, T067, T069, and T117 that are within Reuse Zone 5A may be used pursuant to the proposed lease, with the following notifications and use restrictions specified in the lease:

7.1 NOTIFICATIONS

The following notifications apply to the portions of Parcels T041 and T042, Parcels T048, T049, T050, T055, the portion of Parcel T056, and Parcels T057, T058, T065, T066, T067, T069, and T117 that are within Reuse Zone 5A:

a) Hazardous substances that require notification have been stored or used at Parcels T067 and T117 as indicated in Table 3 of this FOSL.

b) The Navy and recognized regulatory agencies will be allowed reasonable access to enter the leased property to conduct investigations and surveys, collect samples, perform remediation, access monitoring wells, or engage in other activities associated with the IR and other environmental programs.

c) It is possible that the lease area may remain accessible to, and be occupied by, the lessee during any remedial activities; access restrictions may be necessary, including requiring the lessee to enter the leased premises via a specific route. Noise, traffic, and other nuisances associated with construction may be expected.

d) Thirty one of the 33 buildings within Reuse Zone 5A contain ACM in good condition. Buildings 29, 69, 92, 105, 107, 128, 129, 130, 131, 230, 258, 293, 341, 342, 343, 344, 378, 382, 390, 397, 443, 444, 455, 458, 480, 483, 485, and three unnumbered buildings contain asbestos containing material (ACM) in good condition. This ACM currently poses no health or environmental concerns. This ACM currently poses no health or environmental concerns. However, if the ACM is not managed in compliance with applicable local, state, and federal laws and regulations, it may become a hazard. The lease documents will include a notice about the presence of ACM and the steps taken to reduce or eliminate ACM hazards and will include the Asbestos Survey Report (SSPORTS 1998) and the abatement summary report.

e) The lessee will be notified that buildings built before 1978 may contain lead-based paint. A lead hazard information pamphlet will be distributed to the lessee in accordance with the Residential Lead-Based Paint Hazard Reduction Act and 24 CFR Part 35. The lessee will be notified that lead-based paint may exist in nonresidential buildings at NAVSTA TI that are covered by the FOSL. Lead exposure is especially harmful to young children and pregnant women.

7.2 RESTRICTIONS

The following restrictions apply to the portions of Parcels T041 and T042, Parcels T048, T049, T050, T055, the portion of Parcel T056, and Parcels T057, T058, T065, T066, T067, T069, and T117 that are within Reuse Zone 5A:

a) The lessee may not interfere with the ongoing IR and other environmental program activities.

b) The lessee will be restricted from conducting excavation, drilling, or other ground-disturbing activities other than routine landscaping activities or minor repairs of the pavement at Reuse Zone 5A without prior written Navy approval and Navy coordination with applicable federal and state regulatory agencies, as necessary.

c) Use of groundwater at NAVSTA TI is prohibited. The lessee will be prohibited from installing any groundwater wells at the subject property or otherwise using groundwater.

The lessee may not damage existing or future groundwater monitoring wells and will be financially responsible for any damage done to the wells.

d) The lessee will be required to conduct routine evaluations of the condition of existing ACM and comply with all applicable federal, state, and local laws relating to asbestos. Before reconstruction or remodeling, the lessee must submit plans to the Navy to prevent an inadvertent disturbance of potential ACM. For the purposes of this lease, the lessee will agree that during its use and occupancy of the property, it will bear all costs for managing the ACM properly. The Navy will also require the lessee to (1) obtain written Navy approval before any construction or modification to any building or structure and (2) submit an ACM management plan to the Navy within 30 days of leasing the property.

e) Construction, alteration, or modification (including paint stripping or sanding) is prohibited without prior testing of the paint and notification of and approval by the Navy prior to the initiation of the activity.

f) The lessee is responsible for managing all lead-based paint and potential lead-based paint in compliance with all applicable laws and regulations.

g) ~~The lessee shall not permit the use of these premises for residential habitation unless the~~ lessee, at its own expense, has eliminated any hazards of lead-based paint in accordance with all applicable laws, rules, and regulations, and the lessee, at its own expense, has received certification from a state-certified lead-based paint assessor or inspector that no lead-based paint hazards are identified at the premises. Throughout the term of the lease, the lessee shall be responsible for monitoring the condition of the lead-based paint and eliminating any hazard that may develop during the term of the lease. Residential structures are defined as any house, apartment, or structure intended for human habitation, including, but not limited to, a nondwelling facility commonly used by children under 6 years of age, such as a child care center, elementary school, or playground. The lead-based paint assessment certification and, if applicable, any comments from DTSC and EPA shall be submitted to the Navy for information prior to residential occupancy. The lessee shall immediately notify the Navy of any proposed change in the type of occupancy.

h) Throughout the term of the lease, the lessee will be required to comply with all applicable laws and regulations pertaining to the use, treatment, storage, disposal, and transport of hazardous materials and hazardous waste.

i) The lessee will be responsible for obtaining all necessary permits and licenses for its own operation. Any violation of permit conditions will be grounds to require the lessee to cease operations or to terminate the lease.

j) Uses by the lessee are limited to the type and nature described in the lease document.

8.0 FINDING OF SUITABILITY TO LEASE

Based on the foregoing information and analysis, I find that the subject property (as identified in Section 2.0) is suitable to lease and may be used pursuant to the proposed lease, with the specified use restrictions in the lease, with acceptable risk to human health or the environment, and without interference with the environmental restoration process.

G. J. Buchanan 7/27/99
Date

GREGORY J. BUCHANAN
CAPTAIN, CEC, USN
Commanding Officer
Engineering Field Activity, West
Naval Facilities Engineering Command

FIGURE

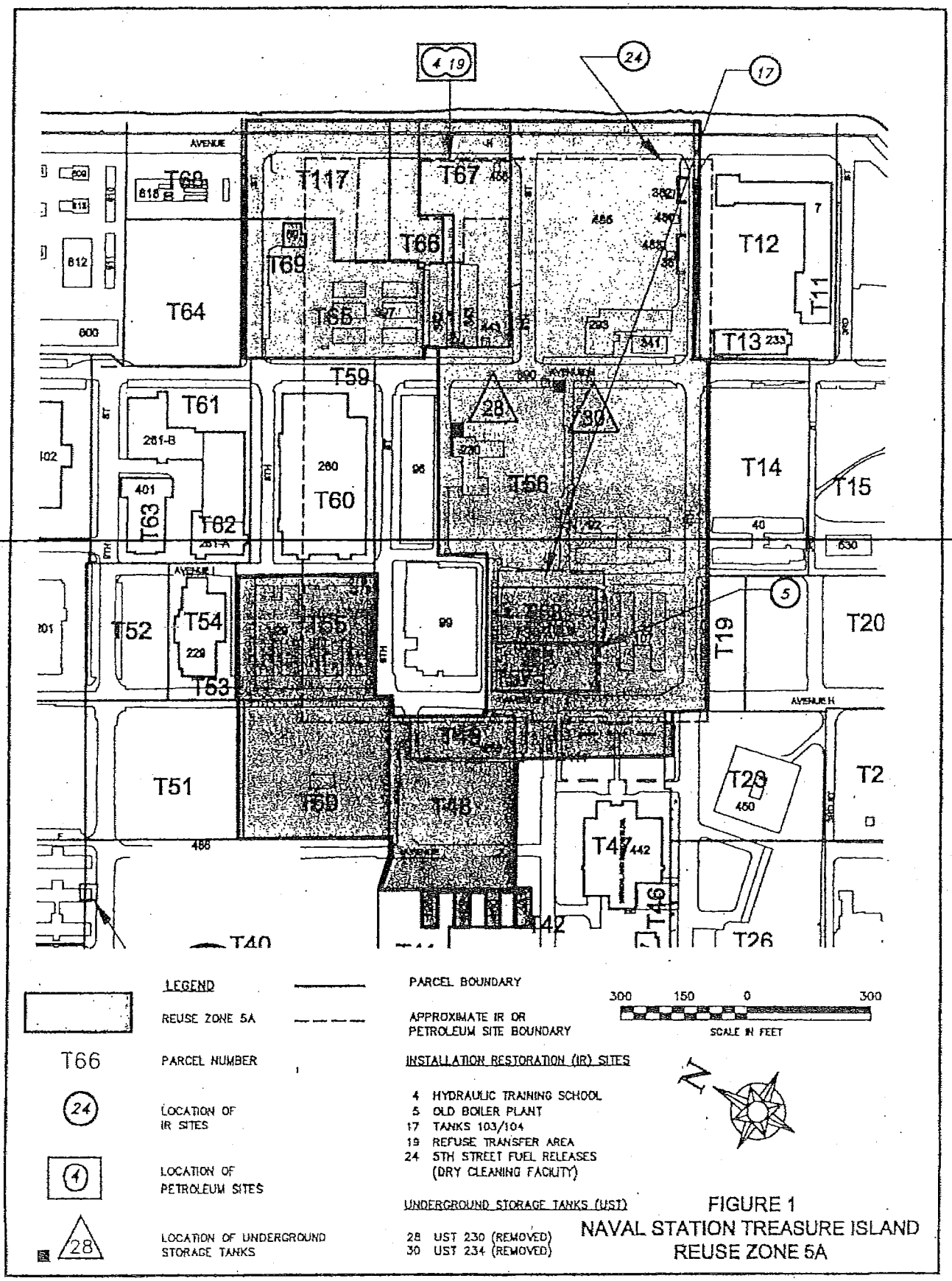


FIGURE 1
NAVAL STATION TREASURE ISLAND
REUSE ZONE 5A

G:\200-61\FIG1.DWG 03/01/99 PLD

TABLES

TABLE 1

PROPERTY DESCRIPTION

NAVAL STATION TREASURE ISLAND, REUSE ZONE 5A

[illegible]	Acres	ECP Area Type	Building/Structure (Numbers)	[illegible]	Building/Parcel [illegible]
Portion of T041	0.18	2-7	128	1942	Self-serve storage
			129	1942	Jeep storage
			130	1942	Scrub house
Portion of T042	0.06	2-5	131	1943	Storage, scrub house
T048	2.25	2-7	Open space	Not applicable	Asphalt and concrete parking areas and grass- and gravel-covered areas
T049	0.61	2-7	258	1944	Post office
T050	2.72	1	Unnumbered	Unknown	Picnic area structure
T055	2.25	6	29	1942	Classrooms, office, and storage
			378	1944	Sewage lift station
			379	1956	Paint locker
Portion of T056	14.8	6	92	1943	Instruction building
			107	1943	Barracks
			230	1944	Electronics/communication shop
			293	1944	Shed
			341	1951	Damage control training instruction
			381	1957	Community storage
			382	1959	Sump house
			390	1944	Sump house
			444	1943	Sump house
			480	1971	Public toilets
			483	1977	Refreshment stand
			485	1971	Little League field

TABLE 1 (CONTINUED)

PROPERTY DESCRIPTION

NAVAL STATION TREASURE ISLAND, REUSE ZONE 5A

T057	0.64	2-5	455	1970	Auxiliary boiler plant
			Unnumbered	Unknown	Pump house
			Unnumbered	Unknown	Storage shed
T058	0.81	6	105	1943	Fuel valve house
T065	2.74	6	397	1950	Tennis court
			Unnumbered	Unknown	Public toilets
T066	1.05	6	342	1951	Laboratories
			~~344~~	~~1951~~	~~Storage vault~~
T067	2.09	6	343	1951	Laboratory, classroom, office
			443	1943	Sewage lift station
			458	1939	Pyrotechnic magazine
T069	0.07	6	69	1942	Storage
T117	2.17	6	Open space	Not applicable	Asphalt roadways and parking areas

TABLE 2

ENVIRONMENTAL FACTORS AND RESOURCES CONSIDERED

FOR REUSE ZONE 5A

Environmental Factors Considered	Considered
Hazardous Substances (Notification)	Yes
Installation Restoration (IR) Program and Areas of Concern	Yes
Medical/Biohazardous Wastes	No
Oil/Water Separators	No
Unexploded Ordnance	No
Petroleum Products and Derivatives	Yes
Radioactive and Mixed Wastes	No
Storage Tanks	Yes
Other Environmental Factors	No
Asbestos	Yes
Drinking Water Quality	No
Indoor Air Quality	No
Lead-Based Paint (High-Priority Facilities)	No
Lead-Based Paint (Low-Priority Facilities)	Yes
Polychlorinated Biphenyls	No
Radon	No
Air Conformity/Air Permits	No
Energy (Utilities such as Natural Gas, Electric, and Coal)	No
Flood Plains	No
Hazardous Waste Management (Lessee)	Yes
Historic Property (Archeological/Native American, Paleontological)	No
Occupational Safety and Health Administration	No
Outdoor Air Quality	No
Prime/Unique Farmlands	No
Sanitary Sewer Systems (Wastewater)	No
Sensitive Habitat	No
Septic Tanks (Wastewater)	No
Solid Wastes	No
Threatened/Endangered Species	No
Transportation	No
Wetlands	No

TABLE 3

NOTICE OF HAZARDOUS SUBSTANCES STORED AT REUSE ZONE 5A

Notice is hereby provided that the following hazardous substances are known to have been stored on Parcels T067 and T117.

T067	None	Refuse transfer area	Batteries	Unknown	1953 to 1995
T067	None	Refuse transfer area	Paint	Unknown	1953 to 1995
T067	None	Refuse transfer area	Cleaning solvents	Unknown	1953 to 1995
T117	None	Hazardous waste accumulation area	Battery acid	5,000 pounds	Observed in 1995
T117	None	Hazardous waste accumulation area	Paint	14,000 pounds	Observed in 1995
T117	None	Hazardous waste accumulation area	Asbestos debris	3,500 pounds	Observed in 1995

Source: Modified from "Final Basewide Environmental Baseline Survey Report for Naval Station Treasure Island," ERM-West, Inc., 1995

ORIGINAL

TWENTY EIGHTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 3rd day of November 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 LEASED PREMISES delete the following:

"Use of a portion of land at the corner of Avenue E and Avenue 11th, as shown in Exhibit A-11, attached hereto and made a part hereof."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

Title

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

12/3/08

APPROVED AS TO FORM:

Deputy CITY ATTORNEY

28th Amendments to Land and Structures Master Lease

Exhibit A-1

ORIGINAL

TWENTY SEVENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 3rd day of November 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 LEASED PREMISES add the following:

"Use of Buildings 33 A-H which were previously added in the 23rd amendment, as well as the surrounding land, as shown in Exhibit A-8, attached hereto and made a part hereof."

"Use of Buildings 216, 229, 330, 402, 497, 670, 671 which were previously added in the 21st amendment, as well as surrounding land, as shown in Exhibit A-9, attached hereto and made a part hereof."

"Use of parking lot adjacent to Building 221, as shown in Exhibit A-10, attached hereto and made a part hereof."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

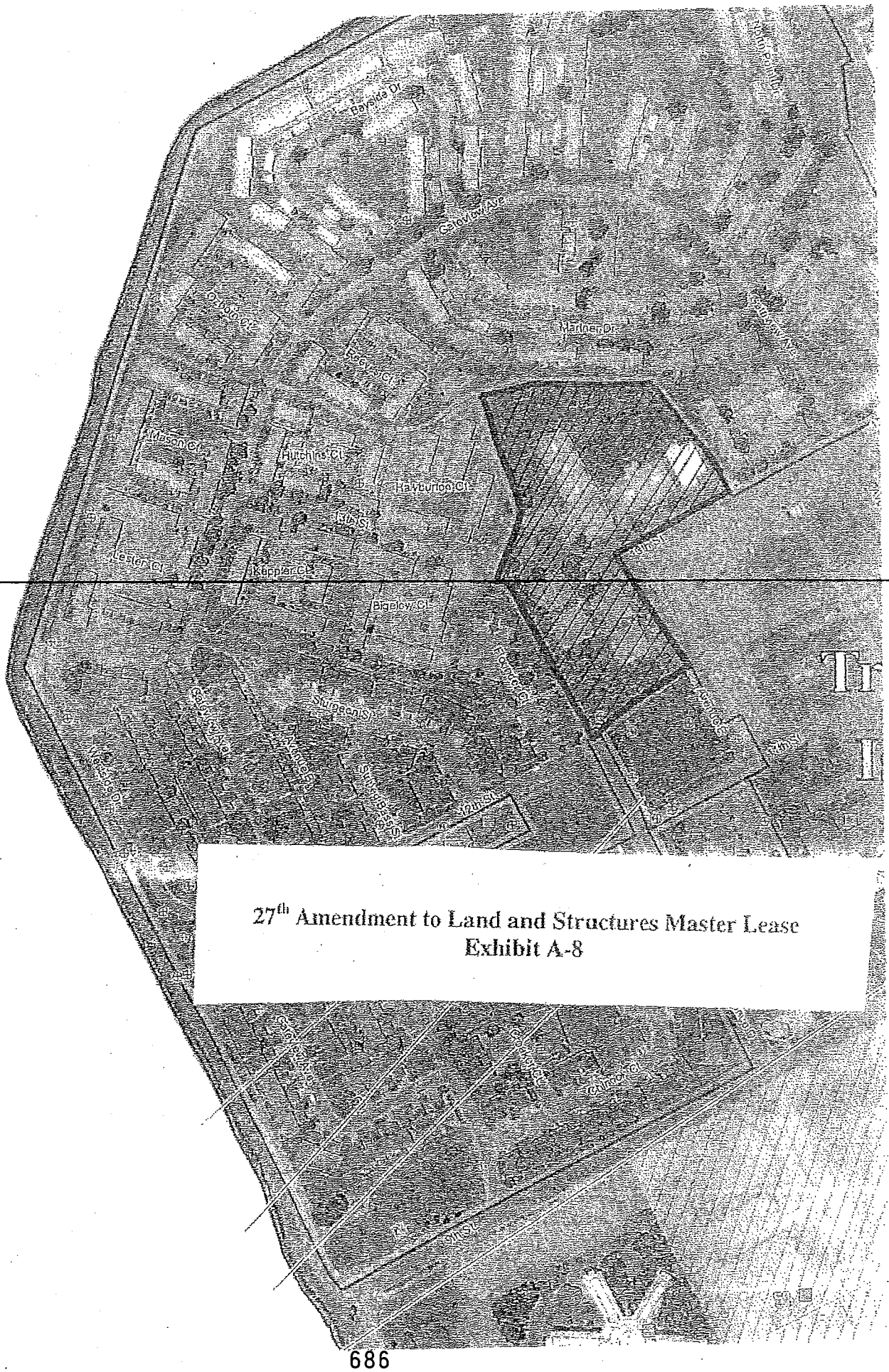
UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

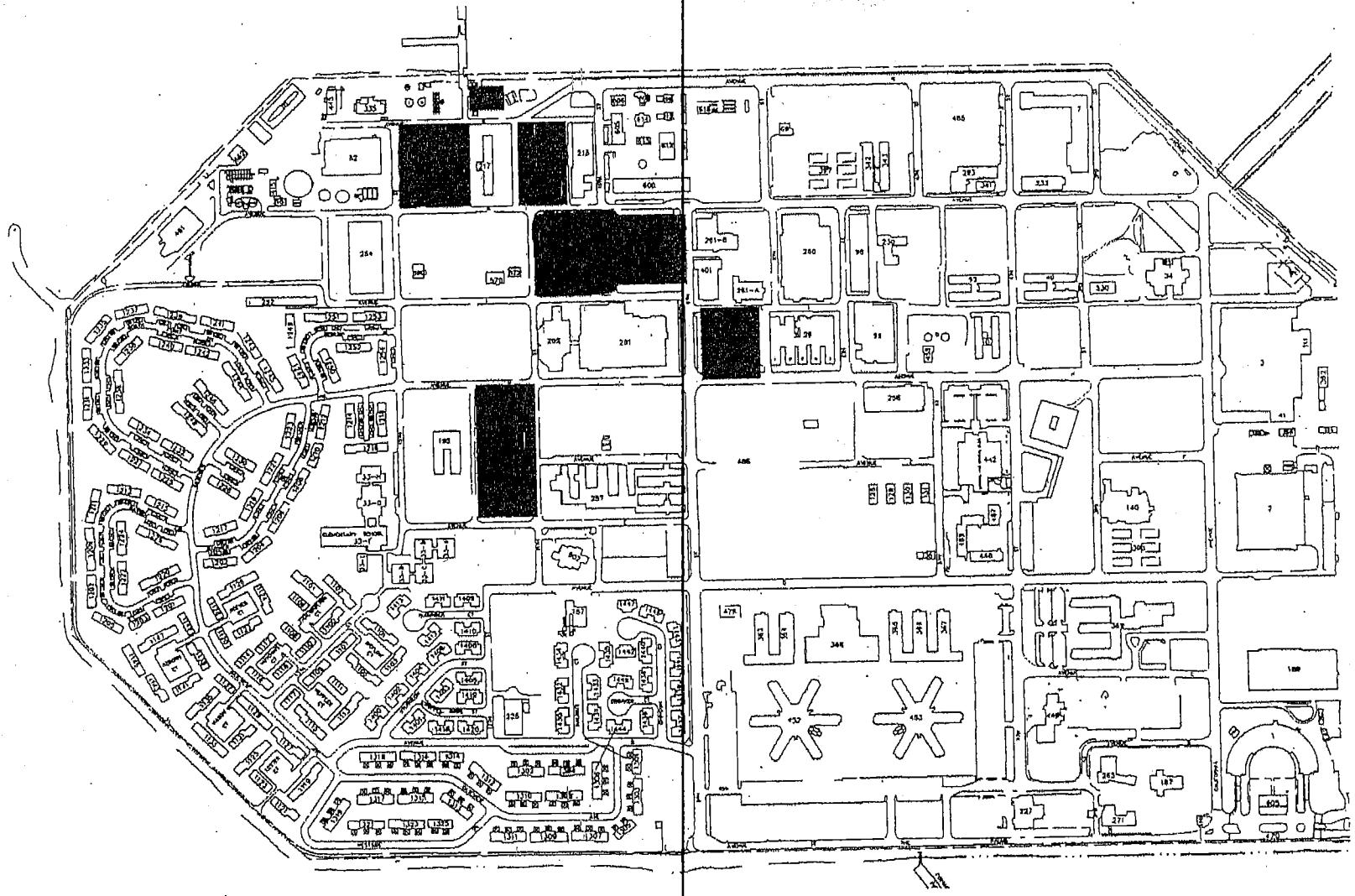
TREASURE ISLAND DEVELOPMENT AUTHORITY

APPROVED AS TO FORM:

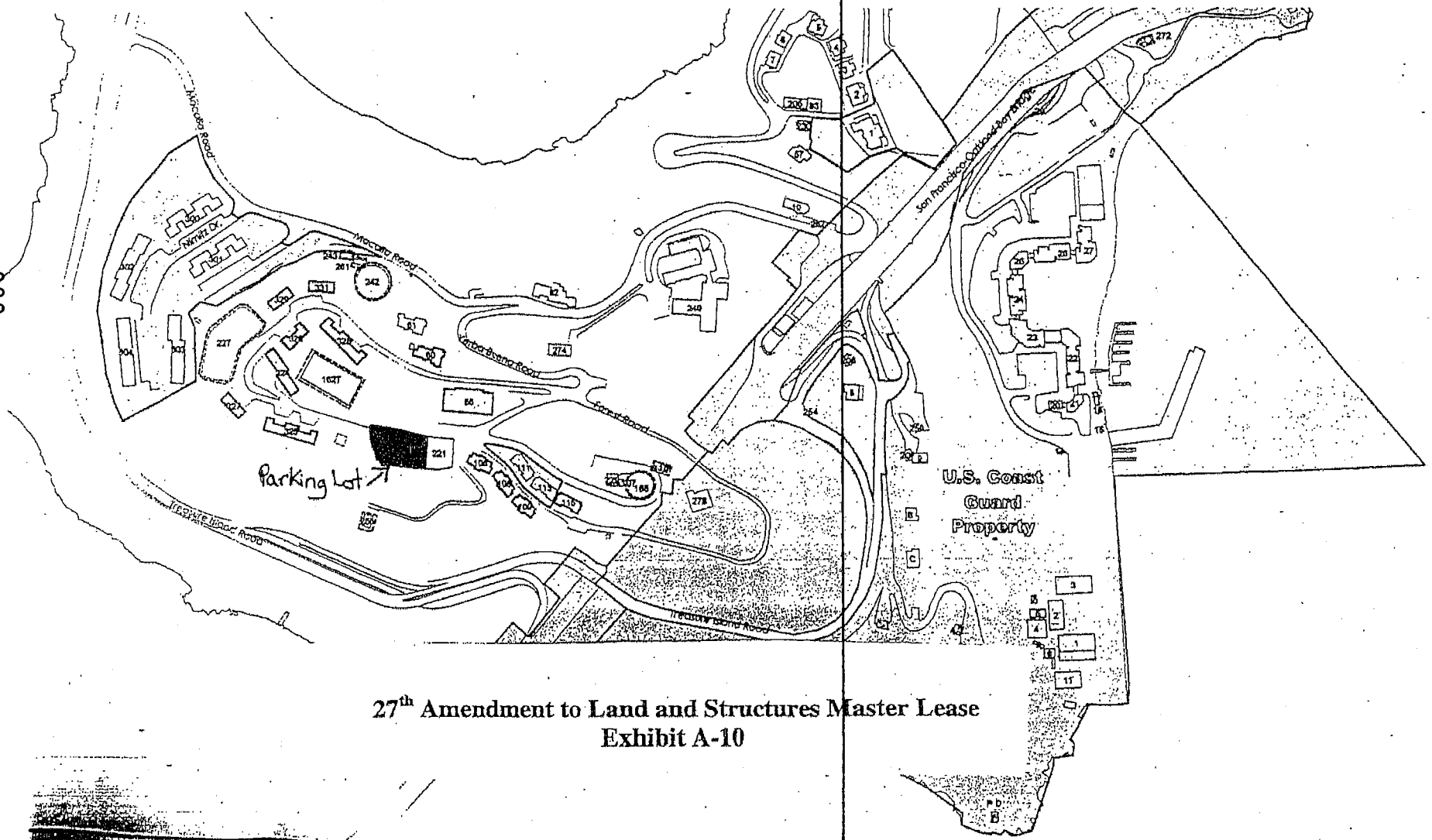
Deputy CITY ATTORNEY



27th Amendment to Land and Structures Master Lease
Exhibit A-8



27th Amendment to Land and Structures Master Lease
Exhibit A-9



27th Amendment to Land and Structures Master Lease
Exhibit A-10

ORIGINAL

TWENTY SIXTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 13th day of February 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES** add the following:

"Use of Building 64"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

Title

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title Director of Island Operations

APPROVED AS TO FORM:

Deputy CITY ATTORNEY

ORIGINAL

TWENTY FIFTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 13 day of March 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES**, add the following:

"Use of Quarters 10, 61 and 62 are authorized for residential use."

2. The following Special Provision is added:

34.19 LEAD BASED PAINT – Special Provision only applicable to Quarters 10, 61 & 62.

a. The Property may include improvements constructed prior to 1978 that may be presumed to contain lead-based paint (LBP). Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women.

b. The LESSEE hereby acknowledges the required disclosure of the presence of any known LBP and/or LBP hazards in target housing constructed prior to 1978 in accordance with Title X. The LESSEE acknowledges the receipt of available records and reports pertaining to LBP and/or LBP hazards and receipt of the Environmental Protection Agency (EPA) approved pamphlet "Protect Your Family from Lead in Your Home" (EPA 747-K-94-001). Furthermore, the LESSEE acknowledges that it has read and understood the EPA pamphlet. "Target housing" means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than six (6) years of age resides, or is expected to reside, in such housing) or any zero-bedroom dwelling.

c. Due to the presence of LBP on structures located within the leased premises, interim use of these structures as residential real property or child occupied facilities prior to abatement of LBP hazards is prohibited. The LESSEE shall conduct interior and exterior visual inspections of LBP

surfaces and abate or put in place LBP hazard reduction measures prior to occupancy of any target housing in a manner consistent with Title X and Department of Housing and Urban Development guidelines. The LESSEE shall conduct soil sampling and soil abatement prior to occupancy of any target housing in a manner consistent with Title X and Department of Housing and Urban Development guidelines.

d. The LESSEE shall conduct visual interior and exterior inspections of LBP surfaces annually and prior to a new tenant occupying a unit. The LESSEE shall be responsible for managing all LBP and potential LBP hazards, including soil lead hazards, in compliance with the Residential Lead Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d ("Title X") and all applicable federal, state, and local laws and regulations. The LESSEE shall conduct a LBP Reevaluation every two years in compliance with the Residential Lead Based Paint Hazard Reduction Act of 1992, 42 U.S.C. Section 4852d ("Title X").

e. The LESSEE agrees that in its use and occupancy of the Property, it will comply with Title X and all applicable Federal, State, and local laws relating to LBP. The LESSEE acknowledges that the LESSOR assumes no liability for damages for personal injury, illness, disability, or death to the LESSEE, or to any other person, including members of the general public, arising from or incident to the purchase, transportation, removal, handling, use, disposition, or other activity, causing or leading to contact of any kind whatsoever with LBP on the Property, whether the LESSEE has properly warned, or failed to properly warn, the persons injured.

f. Recordkeeping: The LESSEE must retain a copy of this disclosure for the duration of the lease.

g. Documentation: The LESSEE must provide the LESSOR with an approved LBP management plan within 30 days of occupancy of the housing. The LESSEE must provide the LESSOR with a copy of the reevaluation reports within 45 days of completion.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
Title DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title 010

APPROVED AS TO FORM:

DEPUTY CITY ATTORNEY

TWENTY FOURTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of Dec 2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2007 and ending on 30 November 2008, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination"

2. Paragraph 17 **INSURANCE**, delete 17.4 in its entirety and the following paragraph is inserted therefore:

"17.4 During the entire period this Lease shall be in effect, Lessee shall require its contractors or sublessees or any contractor performing work at Lessee's or sublessee's request on Leased Premises to carry and maintain the insurance required below:

17.4.1 Comprehensive general liability insurance in an amount to be determined by Lessee and the City of San Francisco Risk Manager based on generally applicable insurance industry standards for the permitted uses; provided, however, that in no case shall the amount of coverage be less than $1 million per occurrence with respect to personal injury or death, and $1 million per occurrence with respect to property damage.

17.4.2 Workman's compensation or similar insurance in form and amounts required by law."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

DENNIS J. HERRERA
DEPUTY CITY ATTORNEY

TWENTY THIRD AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 12 day of July 2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement,

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES** add the following:

"Use of Quarters 4, 5, 6, 7, 10, 61, 62, 83, 205, 230, 267 and Buildings 33 A-H for non-residential use only"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

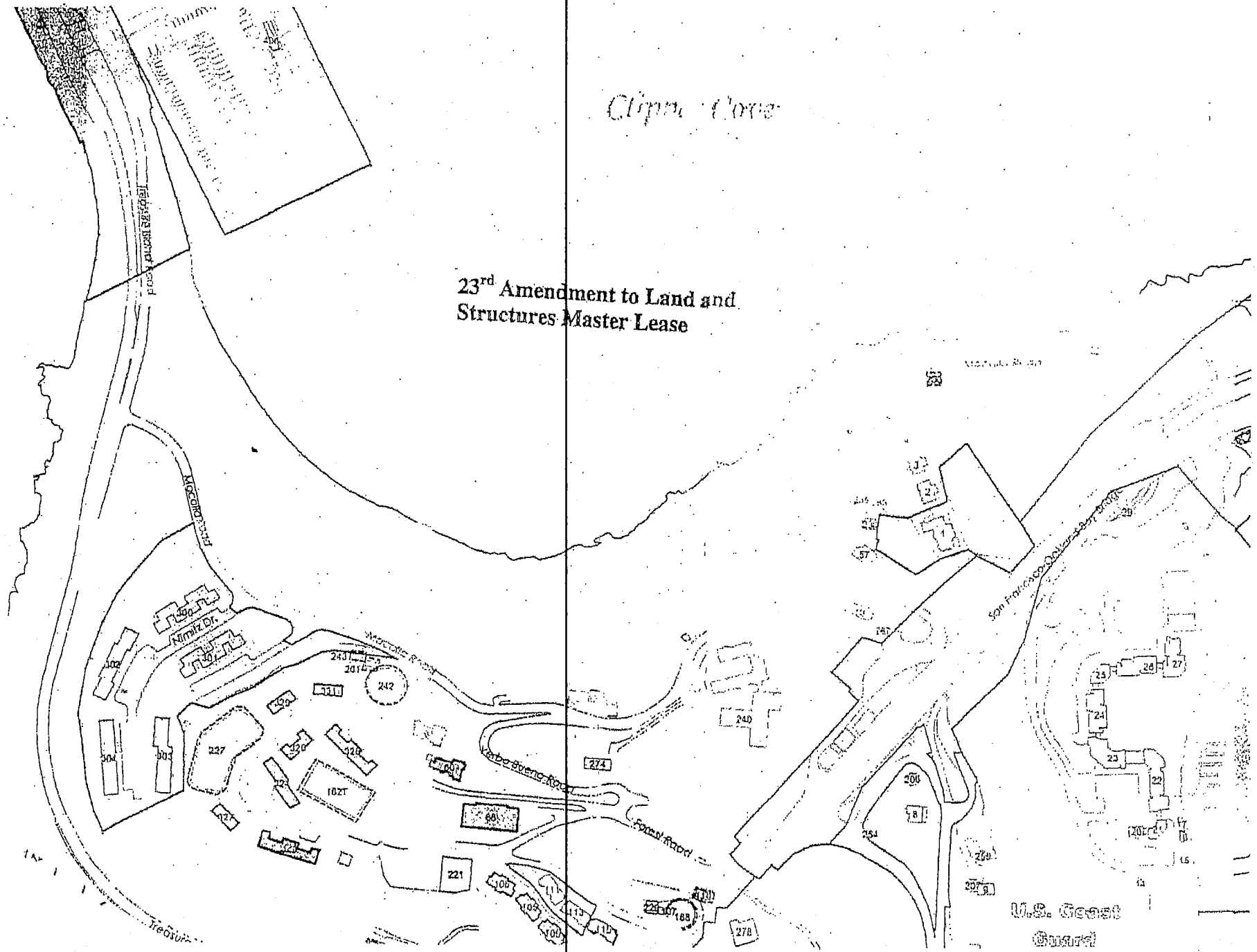
Title Director of Island Operations

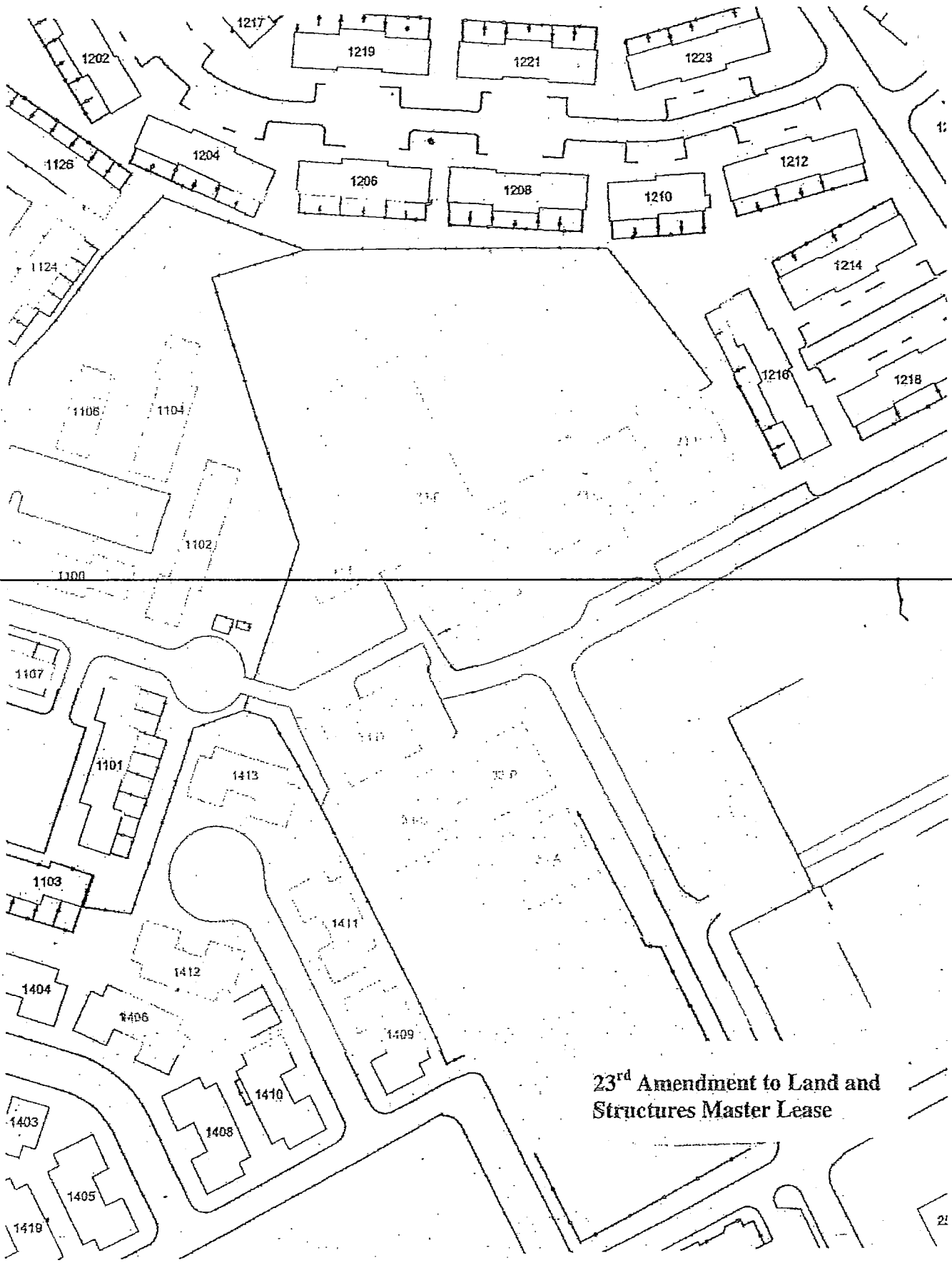
APPROVED AS TO FORM:

Deputy CITY ATTORNEY

Clipper Drive

23rd Amendment to Land and Structures Master Lease





23rd Amendment to Land and Structures Master Lease

ORIGINAL

TWENTY SECOND AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 14th day of March 2008, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes:

1. Paragraph 1 **LEASED PREMISES** add the following:

"Use of Quarters 240 for non-residential use only"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARRILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title 3/14/08

APPROVED AS TO FORM:

CITY ATTORNEY

TWENTY FIRST AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 7 day of May 2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES** add the following:

"Use of Buildings 216, 229, 330, 402, 497, 670, 671 and the vacant lot bordered by Avenue E and Avenue H and 11th and 12th Street"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

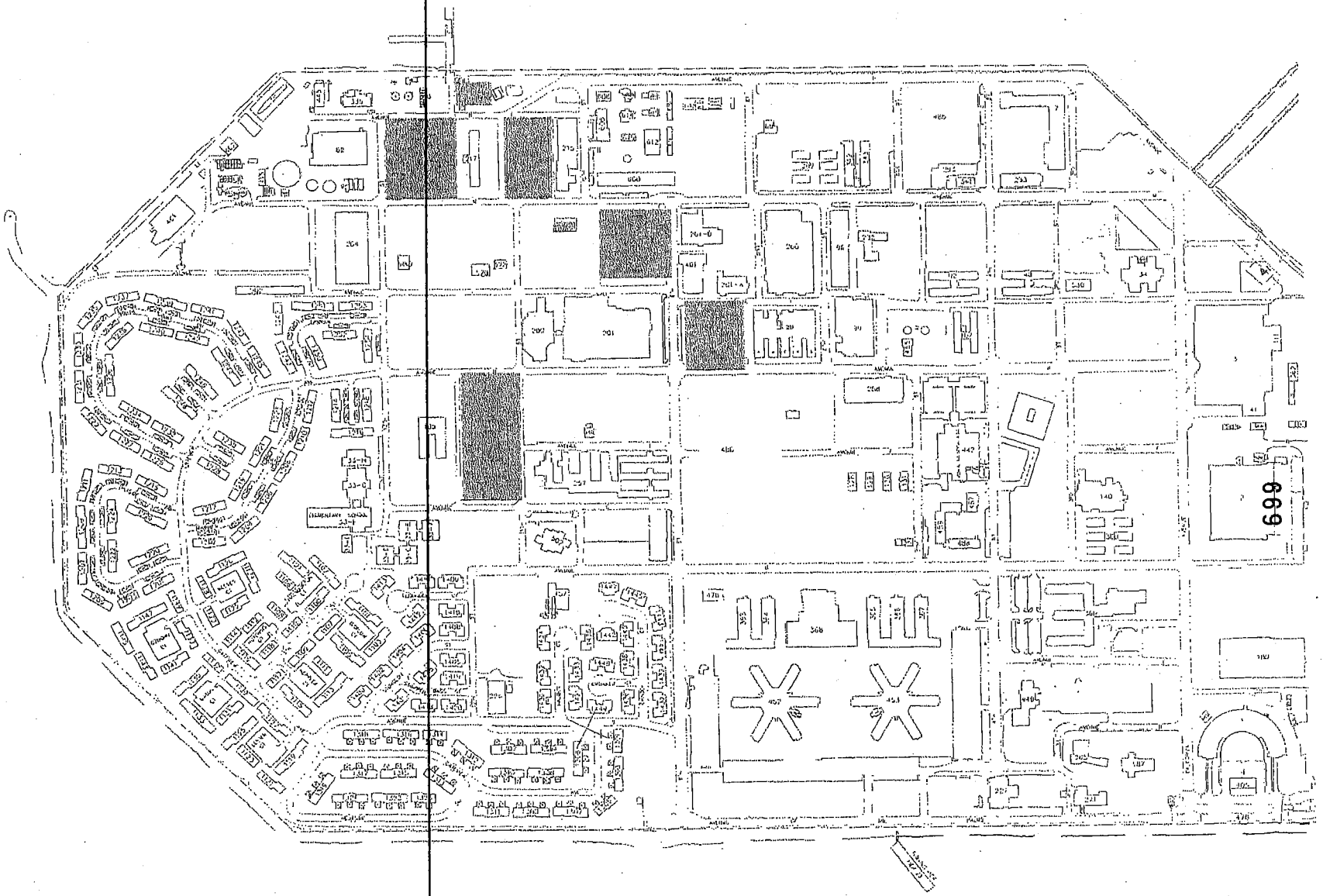
WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title Director of Island Operations

APPROVED AS TO FORM:

Eileen M. Malley
CITY ATTORNEY



669

21st Amendment to Land and Structures Master Lease

TWENTIETH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1999, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES** add the following:

"Use of the banner space above Yerba Buena Island Tunnel"

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title DOE

APPROVED AS TO FORM:

CITY ATTORNEY

NINETEENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 7 day of MAY 2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES**, Add the following:

   Use of the vacant lot on 13th Street bordered by Avenue E and Avenue H, as shown on Lease Exhibit A-7, attached hereto.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

Title

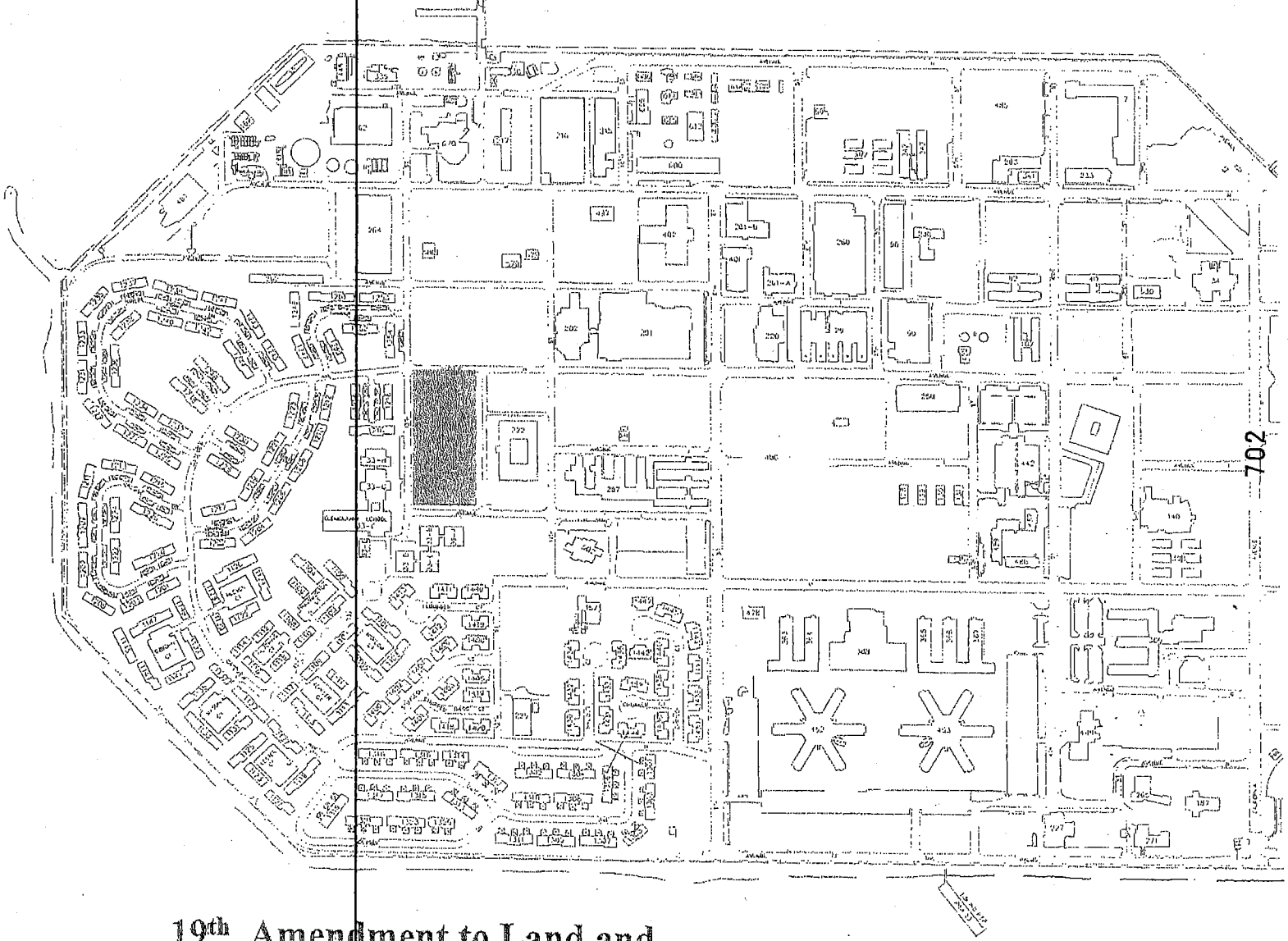
TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

CITY ATTORNEY

Lease Exhibit A-7



19th Amendment to Land and Structures Master Lease

EIGHTEENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2006, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 2 **TERM**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 2 December 2006 and ending on 1 December 2007, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title ~~REAL ESTATE CONTRACTING OFFICER~~
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title DoIO

APPROVED AS TO FORM:

CITY ATTORNEY

SEVENTEENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 7 day of MAY 2006, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. The following Special Provision is added:

34.18 For the sole purpose of the sublease agreement with American Civil Constructors (ACC) for storage of material to support the California Department of Transportation resurfacing of the San Francisco-Oakland Bay Bridge, the Secretary of the Navy has determined that the storage, treatment and disposal of toxic or hazardous materials on the Leased Premises, subject to the terms and conditions of this Lease, meets the criteria of 10 U.S.C. §2692(b) (9) and (10).

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title Director of Island Operations

APPROVED AS TO FORM:

CITY ATTORNEY

SIXTEENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2007, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **LEASED PREMISES**, delete the following:

Use of the Building 463 and adjacent areas, which were used previously by Rubicon, as shown on Exhibit A-7, attached hereto and made a part hereof.

2. Paragraph 2 **Term**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 2 December 2005 and ending on 1 December 2006, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title Dir

APPROVED AS TO FORM:

CITY ATTORNEY

FIFTEENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 30th day of March 2005, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth, the following paragraphs to Lease N6247499RP42P12 are hereby amended to reflect the following changes;

1. Paragraph 1 **Leased Premises** add the following:

Use of the Building 201 and adjacent areas for the purpose of storage of personal property, as shown in Exhibit A-6, attached hereto and made a part hereof.

2. Paragraph 2 **Term**, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 2 December 2004 and ending on 1 December 2005, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

3. The definition of "Common Services" under Paragraph 3.1.3 is hereby amended to read as follows:

"Common Services" for the purpose of the Common Services Charge shall include, but are not limited to: fire fighting; general perimeter security (this does not include security of those portions of Leased Premises which are (1) used or occupied by Lessee, (2) subleased by Lessee to another); causeway operations, maintenance and repair; maintenance and repair of roads, streets, sidewalks, curbs and gutters; operation, maintenance and repair of street lighting, street signals and signage; operation, maintenance and repair of storm sewer; pest control; maintenance and repair of facilities; grounds maintenance; operation, maintenance and repair of sanitary lift station, and permit compliance, and general administration of these services. All Common Services shall be consistent with the Caretaker Services described in the Cooperative Agreement and its appendices as the same have been amended from time to time. Nothing in this Lease commits Government to continue to provide Common Services referenced herein.

4. Paragraph 3 **Consideration**, Delete Paragraph 3.3 in its entirety and add Paragraphs 3.3 and 3.4 as follows:

3.3 Common Service Charges will not apply as of October 1, 2000 unless reinstituted as follows:

On or after December 1, 2004, the Government, at its option, may unilaterally reinstitute the Common Service Charge in accordance with Paragraph 3.1 above in the event that Government provides Common Services (as defined in Paragraph 3.1.3) or incurs Common Services costs. The Common Service Charge may be reinstituted on a continuing basis depending on the circumstances. The Government shall provide Lessee with copies of receipts, invoices, or other materials reasonably evidencing the Government's actual and reasonable cost of Common Services. Except in the case of emergencies, the Government shall give Lessee 30-days prior written notice of Government's intention to perform Common Services and shall provide Lessee a reasonable opportunity to perform such services at its own cost.

3.4 Common Service Charges will be paid in accordance with Sections 3.1.2 and 3.1.3 above until the Government has been fully reimbursed for its actual cost of Common Services. The parties may agree to the payment of such Common Service Charges on a one-time or other periodic basis. In the event that the Lessee disputes the amount of or the basis for any such charge, Lessee shall so notify the Government in writing of such dispute and the basis therefor no later than 60 calendar days from the date of demand. In the event of a dispute, the Lessee and Government shall resolve their dispute in accordance with the provisions of Paragraph 23 of this lease.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM K. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

Title

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

CITY ATTORNEY

Never signed

FOURTEEN AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2004, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; Lease Agreement N6247499RP42P12 is hereby amended to reflect the following:

1. Paragraph 1. **LEASED PREMISES** add the following:

   Use of the Building 69 and adjacent areas as shown on Exhibit A 6, attached hereto and made a part hereof.

2 Delete Paragraph 2. **TERM** in its entirety and insert the following:

   "The term of this Lease shall be for a period of one (1) year beginning on **19 NOVEMBER 2004** and ending on **18 NOVEMBER 2005**, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

3. Paragraph 3. **CONSIDERATION** adds the following:

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA	TREASURE ISLAND DEVELOPMENT AUTHORITY
_____	_____
Title_____	Title_____

APPROVED AS TO FORM:

THIRTEENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this _____day of_____2003, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; Lease Agreement N6247499RP42P12 is hereby amended to reflect the following;

Delete Paragraph 2. TERM in its entirety and insert the following:

"The term of this Lease shall be for a period of five (5) years beginning on 19 **NOVEMBER 1999** and ending on **18 NOVEMBER 2004**, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Title WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

APPROVED AS TO FORM:

CITY ATTORNEY

TREASURE ISLAND
DEVELOPMENT AUTHORITY

Title

ANNEMARIE CONROY
Executive Director
Treasure Island Development
Authority Project

TWELTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 10th day of February 2003, 2002, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Delete Paragraph 2. TERM in its entirety and insert the following:

> The term of this Lease shall be for a period of Four (4) years beginning on 19 **NOVEMBER 1999** and ending **18 NOVEMBER 2003**, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Title Real Estate Contracting Officer

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

CITY ATTORNEY

ANNEMARIE CONROY
Executive Director
Treasure Island Development
Authority Project

No 11th Amendment to Land and Structures

N6247499RP42P12

Accidentally skipped

AMENDMENT
TO MULTIPLE LEASE AGREEMENTS
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of May 2002, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee":

WHEREAS, the parties hereto, on respective dates, entered into Lease Agreements, as shown in Enclosure (1), under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreements.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following language shall be inserted into Paragraph (3) Consideration of all leases listed in Enclosure (1):

Paragraph 3. CONSIDERATION add the following:

3.3 Common Service Charges will not apply as of October 1, 2000.

All other terms and conditions of the Lease Agreements shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Leases as of the day and year first above written.

UNITED STATES OF AMERICA

Cindy Wilcman

Title Real Estate Contracting Officer

APPROVED AS TO FORM:

CITY ATTORNEY

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

Enclosure (1) To Multiple Lease Amendment For Common Service Charges

Lease Number	Description	Amendment Number
N6247499RP00B19	TIHDI	Amendment No. 5
N6247498RP00P22	FIRE FIGHTING	Amendment No. 3
N6247400RP41B03	CEL SITE	Amendment No. 2
N6247499RP00B08	POLICE ACADEMY	Amendment No. 1
N6247499RP00B28	DELANCEY STREET	Amendment No. 1
N6247498RP00Q01	MARINA	Amendment No. 3
N6247498RP00P99	SOUTH WATERFRONT	Amendment No. 7
N6247499RP42P12	LAND & STRUCTURES	Amendment No. 10
N6247498RP00Q03	EVENT VENUES	Amendment No. 7
N6247499RP00B05	JOHN STEWART	Amendment No. 11
N6247400RP00B20	QUARTERS 230	Amendment No. 1

ENTERED
SP
OCT 2002
TREASURE ISLAND DEVELOPMENT AUTHORITY

NINTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of June 2002, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Paragraph 1. LEASED PREMISES add the following:

> Use of the Building 335 and adjacent areas for use by Rubicon; and the Baseball Field and adjacent areas, as shown in Exhibit A-5, attached hereto and made a part hereof.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Amy J. Wilemon

Title Real Estate Contracting Officer

TREASURE ISLAND DEVELOPMENT AUTHORITY

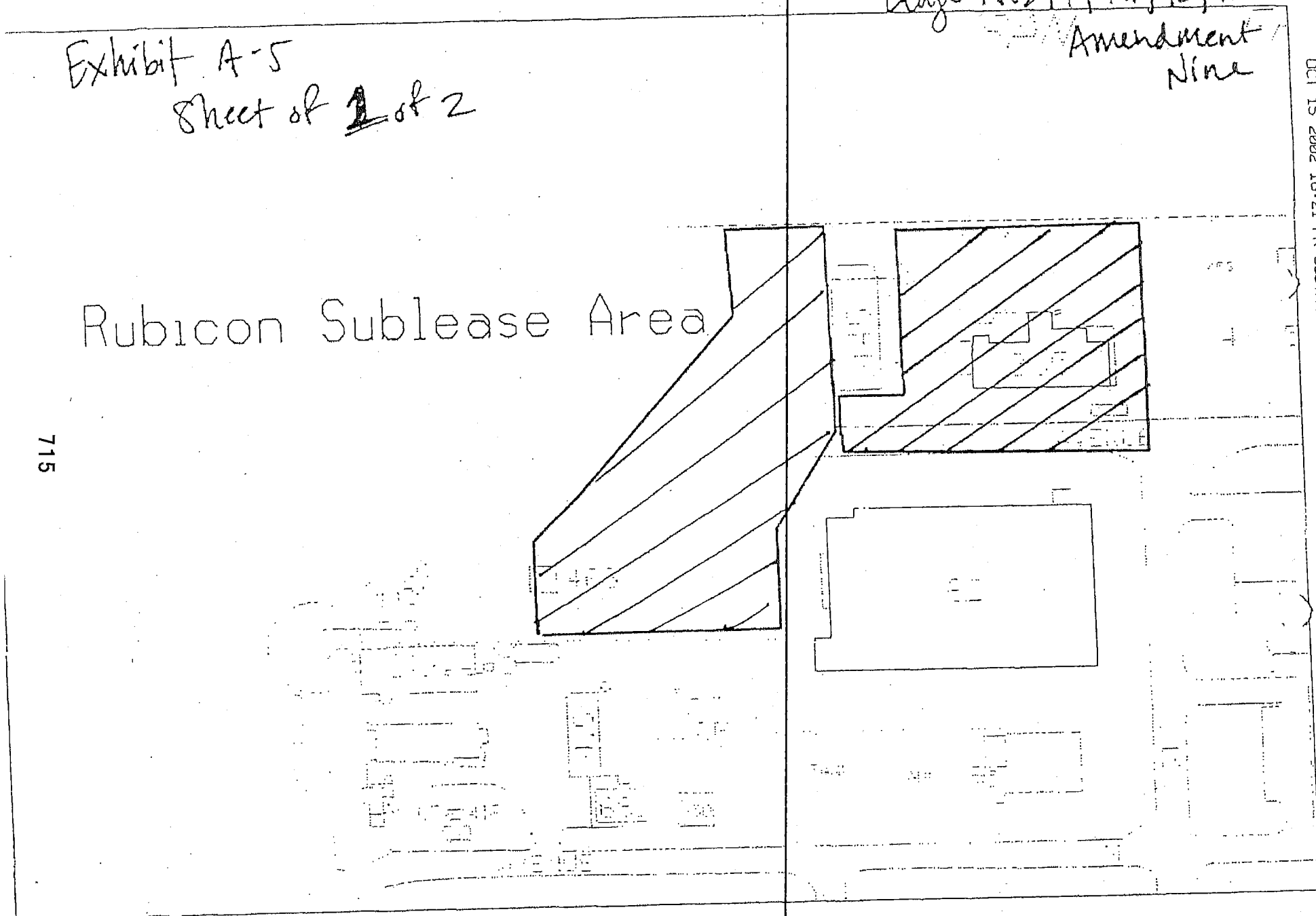
Title

APPROVED AS TO FORM:

CITY ATTORNEY

Exhibit A-5
Sheet of 1 of 2

Leage N6247499RP42P12
Amendment
Nine



Lease N02474-99-R-4212
Amendment Nine

Little League Ball Field

Exhibit A-5
Sheet 2 of 2

EIGHTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 24th day of MAY 2001, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Paragraph 1. LEASED PREMISES add the following:

Use of Buildings 129, 130 and 131, as shown on Exhibit A-4, attached hereto and made a part hereof.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

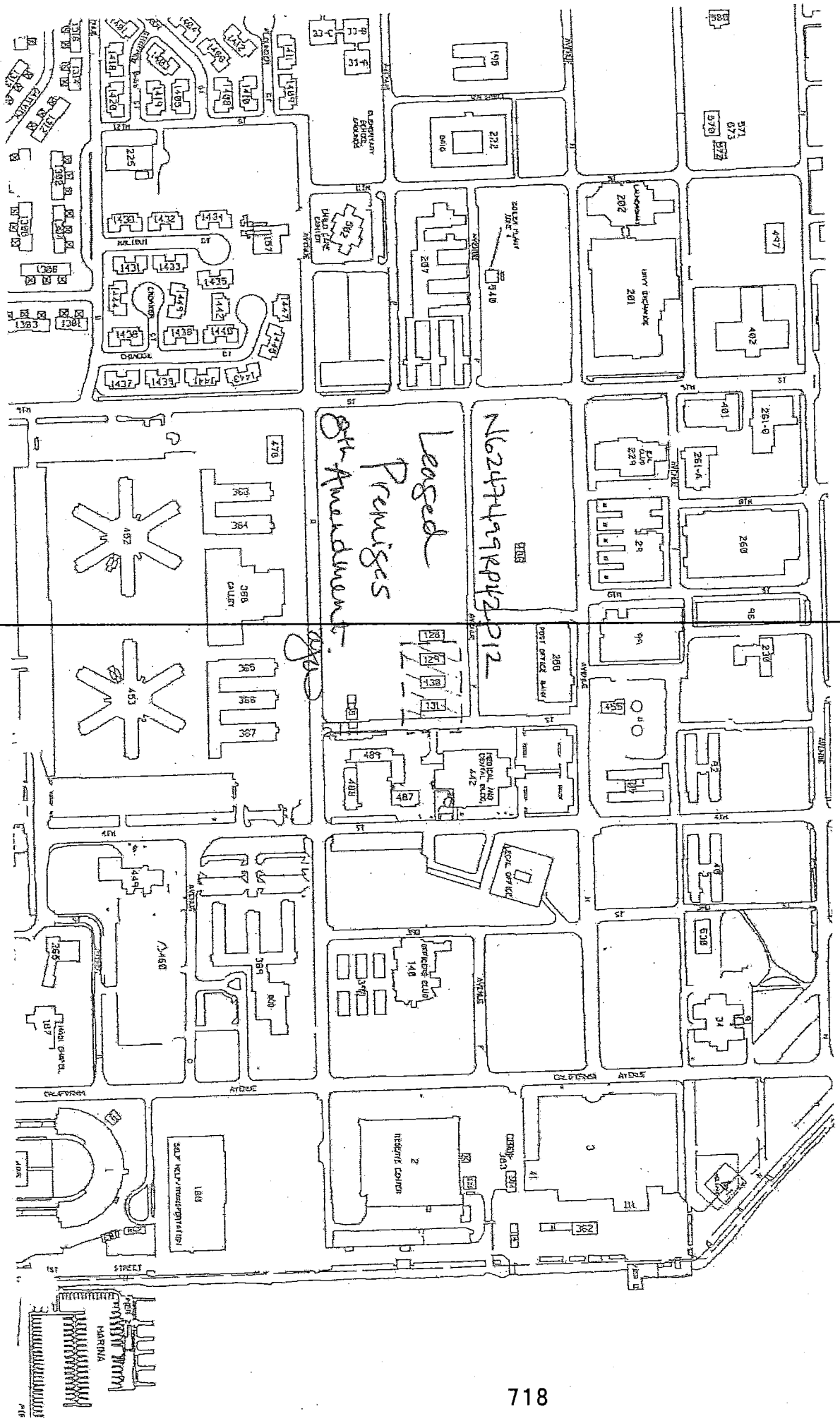
REAL ESTATE CONTRACTING OFFICER
Title BASE REALIGNMENT & CLOSURE OFFICE

TREASURE ISLAND DEVELOPMENT AUTHORITY

ANNEMARIE CONROY
Executive Director
Treasure Island Development Authority Project
Title

APPROVED AS TO FORM:

CITY ATTORNEY


Leased Premises
8th Amendment
N62474-99-RP-42-P12
CALIFORNIA AVENUE
1ST STREET
MARINA

SEVENTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of April 2001, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Paragraph 1. LEASED PREMISES add the following:

Use of approximately 36,444 square feet of land as shown on Exhibit A-5, attached hereto and made a part hereof.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

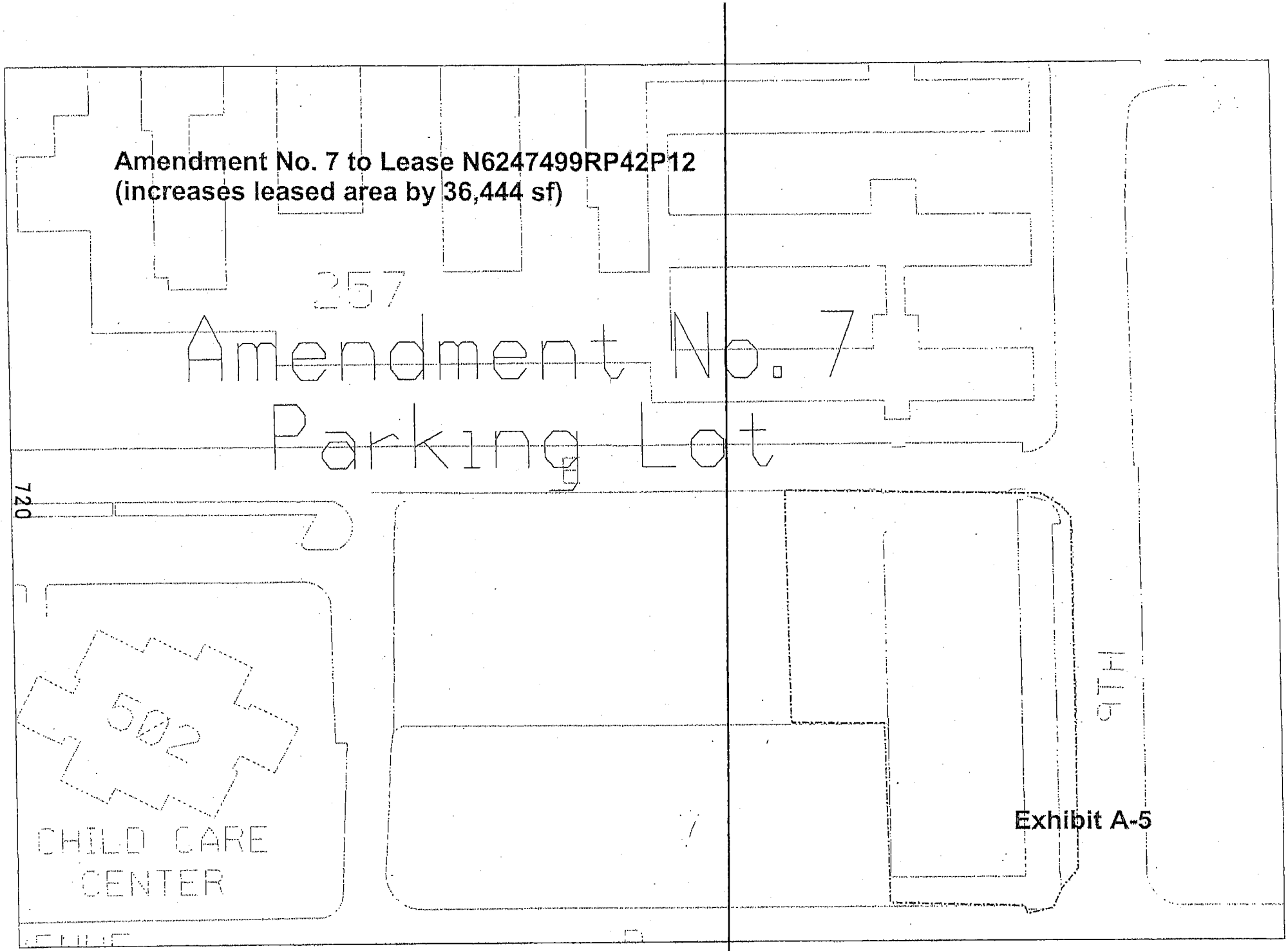
WILLIAM R. CARSILLO
Title REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

TREASURE ISLAND DEVELOPMENT AUTHORITY

ANNEMARIE CONROY
Title Executive Director
Treasure Island Development Authority Project

APPROVED AS TO FORM:

CITY ATTORNEY


Amendment No. 7 to Lease N6247499RP42P12
(increases leased area by 36,444 sf)
257
Amendment No. 7
Parking Lot
720
502
CHILD CARE
CENTER
Exhibit A-5

SIXTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 23rd day of October 2000, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth, the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Paragraph 1. LEASED PREMISES add the following:

Use of approximately 31,751 square feet of land as shown on Exhibit A-4, attached hereto and made a part hereof.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
DEPARTMENT OF THE NAVY

Title

TREASURE ISLAND DEVELOPMENT AUTHORITY

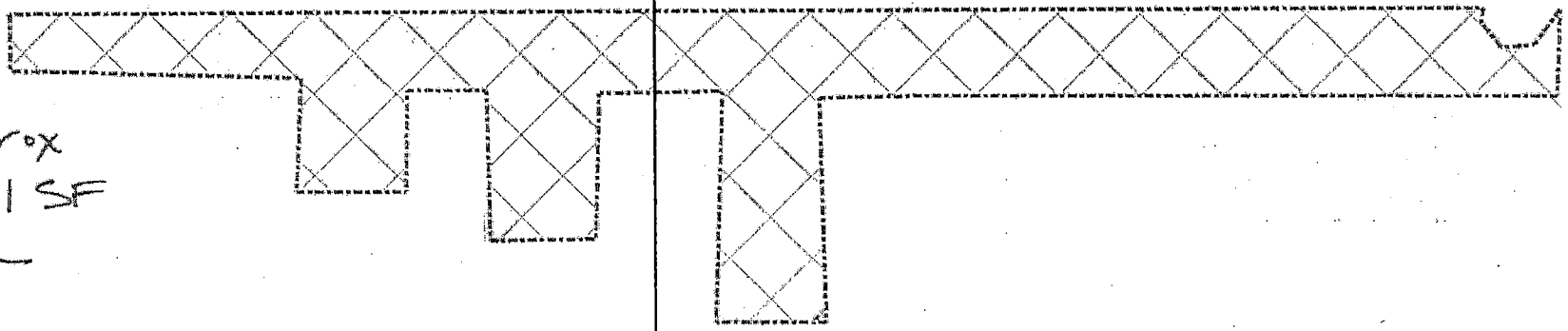
ANNEMARIE CONROY
Executive Director
Treasure Island Development Authority Project

Title

APPROVED AS TO FORM:

CITY ATTORNEY

EXHIBIT "A-4"



approx
31,751 SF
Land
only

722

FIFTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1 day of March 2000, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following changes;

Paragraph 1. LEASED PREMISES add the following:

> Use of the Perimeter Path, approximately 66,708 square feet (1.534 acres) as shown on Exhibit A-3 attached hereto and made a part hereof.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

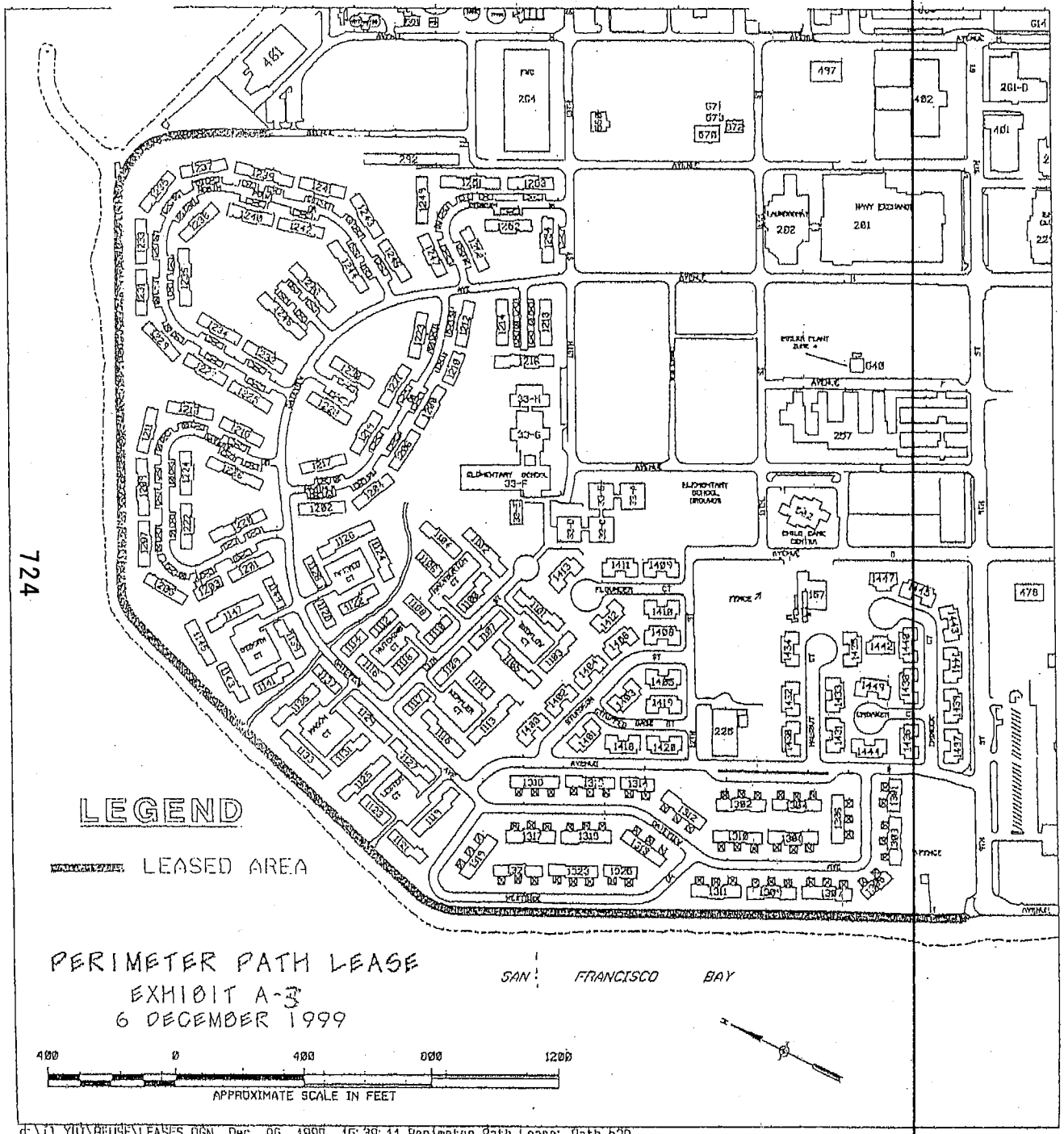
Title WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
ENGINEERING FIELD ACTIVITY, WEST

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

CITY ATTORNEY


LEGEND
LEASED AREA
PERIMETER PATH LEASE
EXHIBIT A-3
6 DECEMBER 1999
SAN FRANCISCO BAY
400 0 400 800 1200
APPROXIMATE SCALE IN FEET
d:\TI_YUI\REUSE\LEASES.DGN Dec. 06, 1999 16:39:11 Perimeter Path Lease; Path.b20

724

FOURTH AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1 day of February 2000 1999, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following changes;

Delete Paragraph 1. LEASED PREMISES in its entirety and insert the following:

> Subject to the terms and conditions of this Lease, Government does hereby lease, rent, and demise to Lessee, and Lessee does hereby hire and rent from Government, approximately 20,532 square feet (.47 acres) of land, including any structures located thereon as shown on Exhibit A; Building 62, (35,611 square feet) occupying approximately 69,24 square feet (1.60 acres) of land as sown on Exhibit A-1 and approximately 391,575 square feet (8.99 acres) as shown on Exhibit A-2, attached hereto, together with all improvements; and all rights of ingress and egress to the "Leased Premises".

Delete Paragraph 2. TERM in its entirety and insert the following:

> The term of this Lease shall be for a period of ~~one (1)~~ Three (3) years beginning on **19 NOVEMBER 1999** and ending **18 NOVEMBER 2002**, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

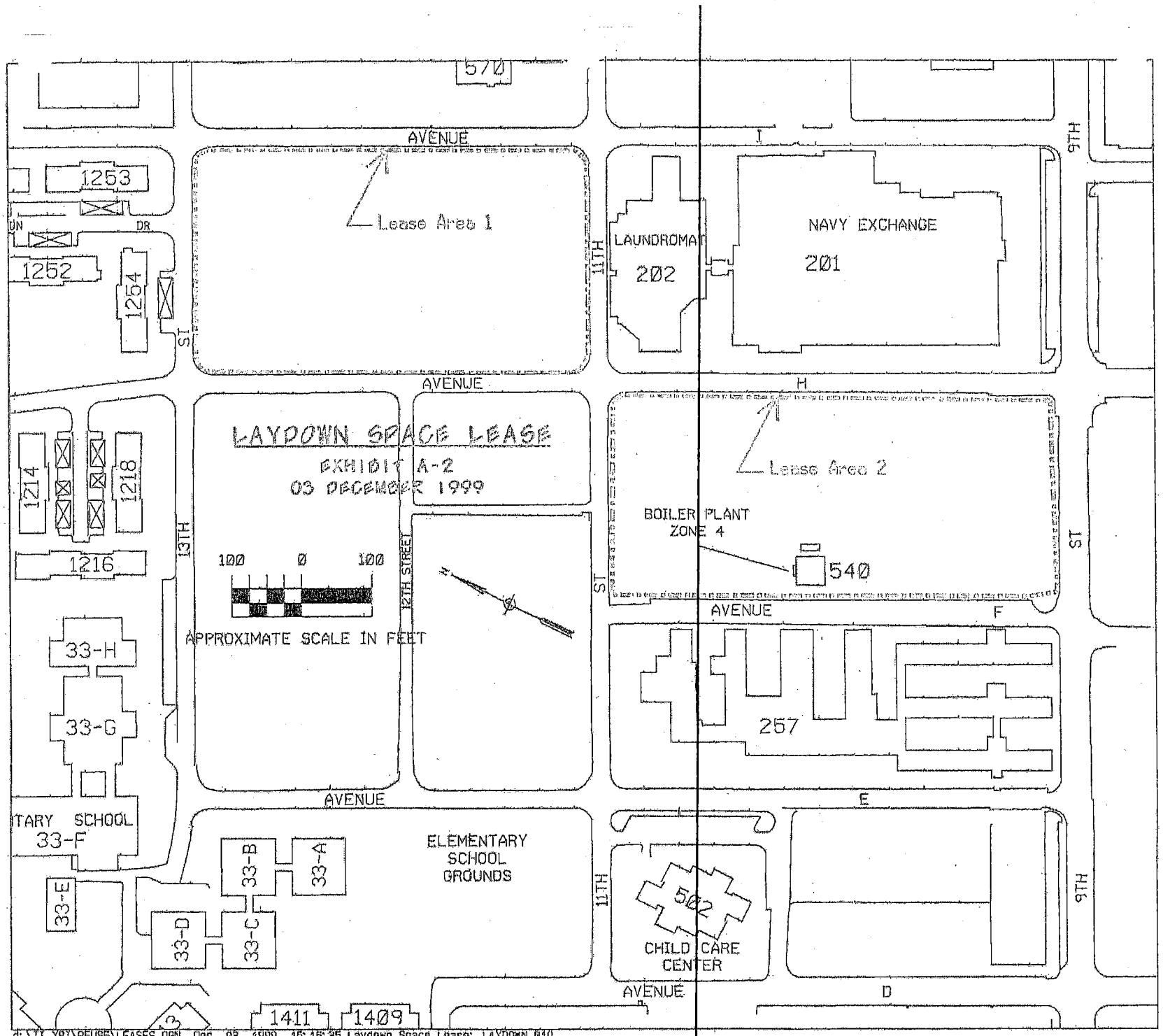
Title WILLIAM R. CARSILLO
REAL ESTATE CONTRACTING OFFICER
ENGINEERING FIELD ACTIVITY, WEST

TREASURE ISLAND DEVELOPMENT AUTHORITY

Title

APPROVED AS TO FORM:

CITY ATTORNEY


LAYDOWN SPACE LEASE
EXHIBIT A-2
03 DECEMBER 1999
Lease Area 1
Lease Area 2
NAVY EXCHANGE
201
LAUNDROMAT
202
BOILER PLANT
ZONE 4
540
257
502
CHILD CARE
CENTER
ELEMENTARY
SCHOOL
GROUNDS
1253
1252
1254
1214
1218
1216
33-H
33-G
33-F
33-E
33-D
33-C
33-B
33-A
1411
1409
AVENUE
ST
11TH
12TH STREET
13TH
9TH
100 0 100
APPROXIMATE SCALE IN FEET
d:\TI_YBI\REUSE\LEASES.DGN Dec. 03, 1999 15:16:35 Laydown Space Lease; LAYDOWN.810

THIRD AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of May 1999, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Delete Paragraph 1. LEASED PREMISES in its entirety and insert the following:

1. **LEASED PREMISES:**

Subject to the terms and conditions of this Lease, Government does hereby lease, rent, and demise to Lessee, and Lessee does hereby hire and rent from Government approximately 20,532 square feet (.47 acres) of land, including any structures located thereon as shown on Exhibit A and Building 62, (35,611 square feet) occupying approximately 69,824 square feet (1.60 acres) of land as shown on Exhibit A-1, attached hereto, together with all improvements; and all rights of ingress and egress to the "Leased Premises"

The following Special Provisions are added:

34.5 Lessee is prohibited from installing any groundwater wells on the leased premises, or otherwise using groundwater without prior consent and oversight from the Caretaker Site Office (CSO), Treasure Island. Point of contact (POC): LT Gough, (415) 743-4720.

34.6 Lessee shall not damage existing or future groundwater monitoring wells and shall be financially responsible for any damage caused to the groundwater monitoring wells.

34.7 Lessee shall comply with all applicable federal, state, and local laws relating to asbestos contained material (ACM). Prior to reconstruction or remodeling of the leased premises, the Lessee must submit plans to CSO, Treasure Island, to prevent the disturbance of potential ACM or Lead Base Paint (LBP). PCO: LT Gough, (415) 743-4720.

34.8 Lessee is required to submit an ACM management plan to CSO, Treasure Island, within 30 days of leasing the premises. POC: LT Gough, (415) 743-4720.

34.9 Lessee shall, at no cost to the Government, manage lead based-paint (LBP) properly and shall comply with applicable Federal, State and local laws related to LBP.

34.10 The leased premises shall not be used for residential or residential related uses such as child care, etc.

34.11 Lessee's use of the premises shall not interfere with the ongoing IR and other environmental program activities.

34.12 Lessee is required to obtain approval from the to CSO, Treasure Island prior to construction,, alteration or modification, including paint stripping and sanding. POC: LT Gough, (415) 743-4720.

34.13 Lessee is prohibited from performing any excavating, drilling, or other ground-distributing activities, other than minor repairs to the pavement and routine landscaping activities, without the prior written consent and oversight of the CSO, Treasure Island. POC: LT Gough, (415) 743-4720.

34.14 Lessee is prohibited from using the leased premises for the treatment or disposal of toxic or hazardous material, which includes material of a flammable, explosive or pyrotechnic nature.

34.15 Lessee, at its sole expense, shall obtain all required State, Federal and local permits necessary for its operation. Any violation of a permit may require Lessee to cease operations and/or cause termination of the Lease.

34.16 Lessee shall be required to comply with all applicable laws and regulations pertaining to the use, treatment, storage, disposal and transport of hazardous materials and hazardous waste.

34.17 Use of the leased premises by Lessee are limited to the type and nature described in Article 4 of the lease.

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Beverly Freitas

BEVERLY FREITAS
BRAC REAL ESTATE
REAL ESTATE CONTRACTING OFFICER

Title

APPROVED AS TO FORM:

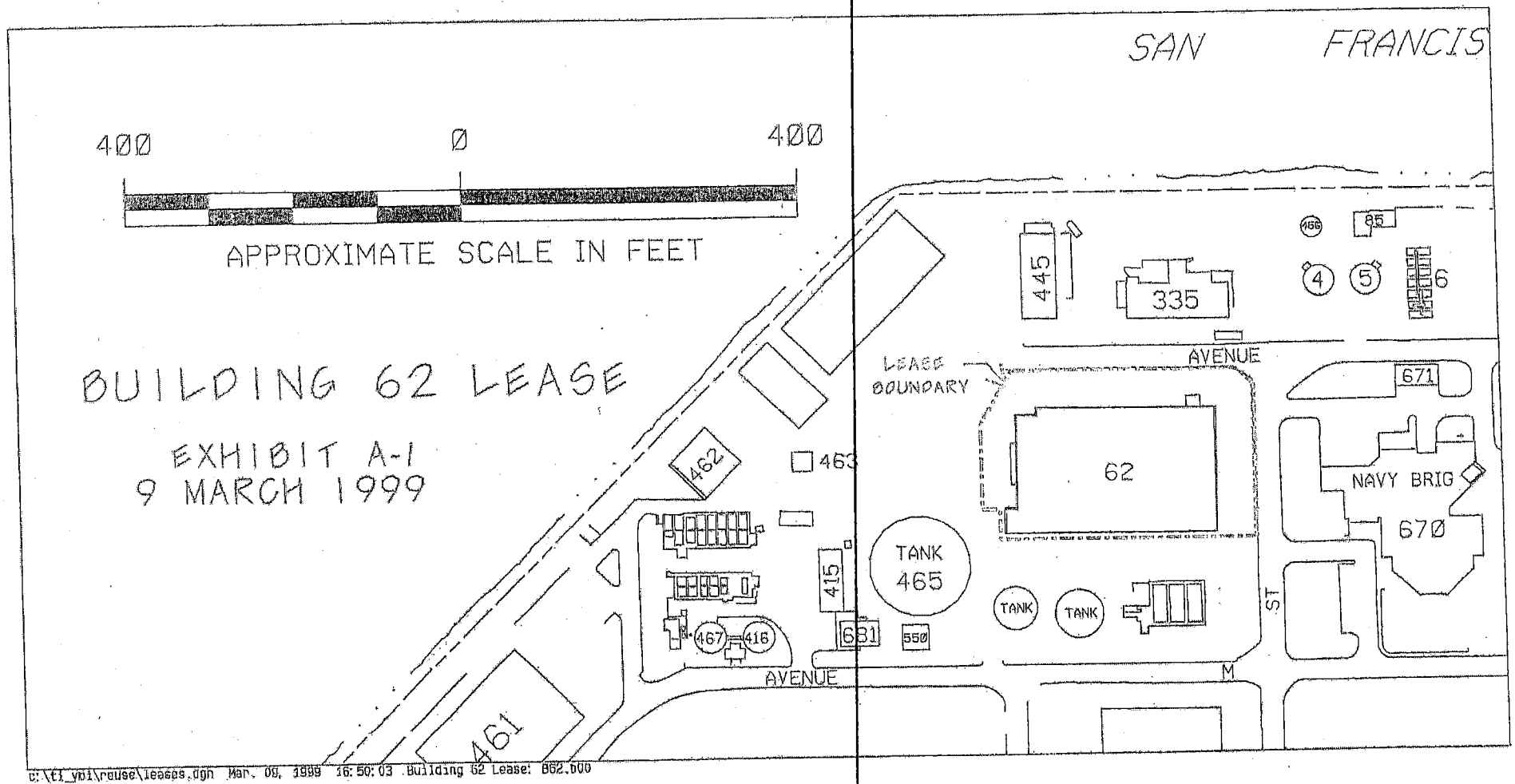
CITY ATTORNEY

CITY AND COUNTY OF SAN FRANCISCO

ANNEMARIE CONN
ANNEMARIE CO

Title

Treasur
Authority Pr


SAN FRANCIS
400
0
400
APPROXIMATE SCALE IN FEET
BUILDING 62 LEASE
EXHIBIT A-1
9 MARCH 1999
LEASE BOUNDARY
AVENUE
445
335
466
85
4
5
6
671
62
NAVY BRIG
670
462
463
415
TANK 465
TANK
TANK
467
416
681
550
AVENUE
461
ST
M
c:\ti_ybi\reuse\leases.dgn Mar. 09, 1999 16:50:03 Building 62 Lease: B62.b00

SECOND AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 15th day of April 1999, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Paragraph 3.1.3 delete the following:

"$0.050 per square foot per month of occupied building space (1) used or occupied by Lessee; (2) subleased by Lessee to another."

and insert the following:

"$0.025 per square foot per month of occupied building space (1) used or occupied by Lessee; (2) subleased by Lessee to another. This rate shall be effective 19 November 1998."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Beverly Freitas

Title BEVERLY FREITAS
BRAC REAL ESTATE
REAL ESTATE CONTRACTING OFFICER

APPROVED AS TO FORM:

CITY ATTORNEY

CITY AND COUNTY OF SAN FRANCISCO

Title ANNEMARIE CONROY
Executive Director
Treasure Island Development
Authority Project

FIRST AMENDMENT
TO LEASE AGREEMENT N6247499RP42P12
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE AMENDMENT made this 1st day of February 1999, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 19 November 1998, entered into Lease Agreement N6247499RP42P12 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraph to Lease N6247499RP42P12 is hereby amended to reflect the following change;

Delete:

WHEREAS, to the extent that this Lease involves storage, treatment and disposal of toxic or hazardous materials, the Secretary of the Navy has determined that the proposed use of the Leased Premises, subject to the terms and conditions of this Lease, meets the criteria of 10 U.S.C. § 2692(b)(9) and (10) and

All other terms and conditions of the Lease Agreement shall remain in full force and effect..

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

Beverly Freitas

BEVERLY FREITAS
Title BRAC REAL ESTATE
REAL ESTATE CONTRACTING OFFICER

CITY AND COUNTY OF SAN FRANCISCO

ANNEMARIE CONROY
Executive Director
Title Treasure Island Development
Authority Project

APPROVED AS TO FORM:

CITY ATTORNEY

All correspondence in connection with
this contract should include reference to:

N6247499RP42P12

LEASE

BETWEEN

THE UNITED STATES OF AMERICA

AND

TREASURE ISLAND DEVELOPMENT AUTHORITY

FOR

LAND AND STRUCTURES

NAVAL STATION TREASURE ISLAND

All correspondence in connection with
this contract should include reference to:
N6247499RP42P12

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4. Use Of Leased Premises
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7. Environmental Baseline Survey and Findings of Suitability to Lease
8. Alterations
9. Access by Government
10. Utilities and Services
11. Non-Interference with Government Operations
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13. Environmental Protection Provisions
14. Termination
15. Environmental Contamination
16. Non-Environmental Indemnification by Lessee
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31. Surrender
32. Interest
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34. Special Provisions
35. List of Exhibits

N6247499RP42P12

LEASE
BETWEEN
THE UNITED STATES OF AMERICA
AND
TREASURE ISLAND DEVELOPMENT AUTHORITY

THIS LEASE, made as of this 10th day of November 1998, is by and between THE UNITED STATES OF AMERICA, acting by and through the Department of the Navy, herein called "Government", and TREASURE ISLAND DEVELOPMENT AUTHORITY, acting by and through the City and County San Francisco, a non-profit public benefit corporation, herein called "Lessee";

WITNESSETH:

WHEREAS, Government has declared certain real and personal property, as more particularly described as the Leased Premises in Paragraph 1, surplus at the Naval Station Treasure Island, San Francisco, California, (the "Installation"), and Lessee has identified an immediate need to use such real and personal property; and

WHEREAS, the Secretary of the Navy, pursuant to the provisions of 10 U.S.C. § 2667 (f)(1), has determined that this Lease will facilitate state and local economic adjustment efforts pending final disposition of the Leased Premises; and

WHEREAS, the Secretary of the Navy, pursuant to 10 U.S.C. § 2667 (f)(2) has determined that a public interest will be served as a result of this Lease, the fair market value of the Lease is either unobtainable or not compatible with such public benefit, and consequently, consideration for this Lease will be at less than fair market value; and

WHEREAS, to the extent that this Lease involves storage, treatment and disposal of toxic or hazardous materials, the Secretary of the Navy has determined that the proposed use of the Leased Premises, subject to the terms and conditions of this Lease, meets the criteria of 10 U.S.C. § 2692(b)(9) and (10) and

WHEREAS, the Secretary of the Navy, after consultation with the Environmental Protection Agency Administrator has determined that the Leased Premises is suitable for lease, and the uses contemplated for the Lease are consistent with protection of human health and the environment; and

WHEREAS, Lessee is recognized by the Secretary of the Defense, through the Office of Economic Adjustment, as the local redevelopment authority with the responsibility for the redevelopment of the Installation; and

WHEREAS, Lessee is a municipal corporation, created and organized under the laws of the State of California, with the power to acquire, lease and dispose of federal military installations, and Lessee desires to enter into this Lease to further reuse efforts at the Installation.

All correspondence in connection with
this contract should include reference to:
N6247499RP42P12

NOW THEREFORE, in consideration of the terms, covenants, and conditions set forth in this Lease, Government and Lessee hereby agree as follows:

1. LEASED PREMISES:

Subject to the terms and conditions of this Lease, Government does hereby lease, rent, and demise to Lessee, and Lessee does hereby hire and rent from Government, approximately 20,532 square feet (.47 acres) of land, including any structures located thereon as shown on Exhibit A, attached hereto, together with all improvements; and all rights of ingress and egress to the "Leased Premises".

2. TERM:

The term of this Lease shall be for a period of one (1) year beginning on 19 Nov 1998 and ending 18 Nov 1999, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination.

3. CONSIDERATION:

3.1 As consideration for this Lease, Lessee agrees to (i) actively market the Installation and attempt to sublease those portions of the Leased Premises which are suitable for subleasing, (ii) provide protection and maintenance to the extent described in Paragraph 12 for those portions of the Leased Premises which are or have been during the term of this Lease used or occupied by Lessee or subleased by Lessee to another and (iii) pay Government the Common Services Charge described in Sections 3.1.2 and 3.1.3 below.

3.1.1 As additional consideration, subject to annual appropriations by Lessee's Board of Supervisor's, Lessee shall apply any Revenue (as defined herein) received from subleasing the Premises as follows: first, to reimburse itself for marketing and property management expenses incurred by Lessee; and second, for expenses incurred by Lessee for improvements to the Installation. If sufficient funds for the purposes described in this Section 3.1.1 are not appropriated for any reason in any fiscal year of the Lease after the fiscal year in which the Term of this Lease commences, then Government may terminate this Lease, without liability, upon thirty (30) calendar days written notice.

"Revenue" as referred to herein means rental income and any other miscellaneous income derived from the subletting of the Leased Premises less (i) sales tax, use and occupancy tax, franchise tax and any other taxes, building fees, planning fees and inspection fees related to the use and occupancy of the Leased Premises, and (ii) Lessee's cost of operating, maintaining, protecting and repairing the Leased Premises including, without limitation, any Common Services Charges paid to Government pursuant to this Section 3.1.

3.1.2 Lessee shall be responsible for paying the cost of services incurred by Government and provided for the benefit of Lessee and sublessees as described and in the

All correspondence in connection with
this contract should include reference to:

N6247499RP42P12

amount set forth in Paragraph 3.1.3 (the "Common Services Charge"). Lessee shall pay Government the Common Services Charge on the first day of each month.

3.1.3 The Common Services Charge will be calculated as follows:

$0.025 per square foot per month of occupied building space (1) used or occupied by Lessee; (2) subleased by Lessee to another.

$0.003 per square foot per month of land area (1) used or occupied by Lessee; (2) subleased by Lessee to another.

The Common Services Charge may be revised by Government and Lessee on an annual basis, or at other times only upon mutual agreement of Government and Lessee or as required by Section 3.1.4 below.

"Common Services" for the purpose of the Common Services Charge shall include, but are not limited to: fire fighting; general perimeter security (this does not include security of those portions of Leased Premises which are (1) used or occupied by Lessee, (2) subleased by Lessee to another); causeway operations, maintenance and repair; maintenance and repair of roads, streets, sidewalks, curbs and gutters; operation, maintenance and repair of street lighting, street signals and signage; operation, maintenance and repair of storm sewer; pest control, and general administration of these services. Nothing in this Lease commits Government to continue to provide Common Services referenced herein.

3.1.4 If and to the extent Government reduces, modifies or ceases to provide all or portion of the Common Services described herein or to the extent Lessee assumes the responsibility for such Common Services pursuant to a cooperative agreement or other agreement with Government, the Common Services Charge shall be proportionately reduced, to an amount mutually agreed upon by Government and Lessee, so that at all times during the term of this Lease the amount of the Common Services Charge shall accurately and in substantially the same proportion as provided herein reflect the costs of Government in providing such Common Services.

3.1.5 If the Government expects to incur any unanticipated costs which are specifically attributable to an action or inaction of the Lessee, its sublessees, or assigns, the Lessee and the Government shall meet and confer on ways to avoid or mitigate such costs and, if the costs can not be entirely avoided, the Lessee and Government shall mutually determine the amount that Lessee shall pay from revenue in addition to the Common Services Charge to defray those costs that cannot be avoided or mitigated. If the Lessee and Government are unable to reach agreement on a way to avoid or mitigate the unanticipated costs or the amount of compensation that the Lessee shall pay to the Government to defray such costs, their dispute shall be resolved in accordance with the provisions of Paragraph 23 of this Lease.

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3.2 Consistent with standard accounting practices for tax purposes, Lessee shall keep adequate records and books of account showing the actual cost to it of all items of labor, material, equipment, supplies, services and other items of cost incurred by it directly in the performance of any item of work or service in the nature of marketing and management; the repair, restoration, protection and maintenance of Leased Premises which is required by Paragraph 12; or otherwise approved or directed by Government. Lessee shall provide Government with access to such records and books of account and proper facilities for inspection thereof at all reasonable times.

4. USE OF LEASED PREMISES:

4.1 The Leased Premises shall be used for storage of supplies in connection with retrofitting of the Oakland/San Francisco Bay Bridge. Lessee understands and acknowledges that this is not and does not constitute a commitment by Government with regard to the ultimate disposal of Leased Premises, in whole or in part, to Lessee or any agency or instrumentality thereof, or to any sublessee. The Lease may be terminated by Government or Lessee as provided by the terms of the Lease pursuant to Paragraph 14, and Lessee and Government agree to and acknowledge such terms.

4.2 Lessee shall not undertake any activity that may affect an identified historic or archeological property, including excavation, construction, alteration or repairs of Leased Premises, without the approval of Government. Buried cultural materials may be present on the Leased Premises. If such materials are encountered, Lessee shall stop work immediately and notify Government.

5. SUBLETTING:

5.1 Lessee is authorized to sublease property included in this lease without obtaining Navy approval of the sublease, provided the sublease incorporates the terms of this lease (except for rental terms which may be different in amount or expressed differently) and does not include any provisions that are inconsistent with this lease. A copy of the sublease must be provided to the Navy Local Representative. In the event that the terms and conditions of the proposed sublease do not comply with or are not included in this Lease, then prior Government approval is required. Any proposed sublease which involves the use of hazardous or toxic materials, including those of an explosive, flammable, or pyrotechnic nature, as provided in 10 U.S.C. 2692, shall require prior Government approval. Such consent shall not be unreasonably withheld or delayed. Each sublease shall contain the environmental protection provisions set forth in Paragraph 13 herein. Under no circumstances shall Lessee assign this Lease.

5.2 Any sublease granted by Lessee shall contain a copy of this Lease as an attachment and be subject to all terms and conditions of this Lease and shall terminate immediately upon the expiration or any earlier termination of this Lease, without any liability on the part of Government to Lessee or any sublessee. Under any sublease made, with or without consent, the sublessee shall be deemed to have assumed all of the obligations of Lessee under this Lease. No sublease shall relieve Lessee of any of its obligations hereunder.

5.3 Upon its execution, a copy of the sublease shall immediately be furnished to the Navy Local Representative. Should a conflict arise between the provisions of this Lease and a provision of the sublease, the provisions of this Lease shall take precedence. Any sublease shall not be taken or construed to diminish or enlarge any of the rights or obligations of either of the parties under this Lease.

6. JOINT INSPECTION & INVENTORY REPORT:

6.1 Joint Inspection. Representatives of the Lessee and Government shall conduct a joint inspection of all portions of the Leased Premises to be (1) beneficially used or occupied by the Lessee; (2) assigned by the Lessee to another; or (3) subleased by Lessee to another for any purpose. Such inspections shall be completed before any such use begins and may include a representative of the sublessee if appropriate. Based on the joint inspection, a complete inventory of Government property located on the Leased Premises and a report of the condition of the Leased Premises, including the condition of improvements, appurtenances and personal property thereon, has been prepared and is attached to this Lease as Exhibit B.

6.2 No Warranty by Government. All facilities and property delivered to the Lessee shall be delivered "as is, where is," and, as such, the Government makes no warranty as to such facilities and property either as to their usability generally or as to their fitness for any particular purpose. As provided in Section 12 of this Lease, Lessee shall, at no expense to Government, maintain those portions of the Leased Premises which Lessee uses or subleases, and will from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals which shall thereupon become part of the Leased Premises. During the term of this Lease, Government shall have no responsibility, financial or otherwise, except as otherwise described herein with respect to protection and maintenance of the Leased Premises.

6.3 In accordance with 32 CFR §91.7(h), governing the disposition of personal property at closing military bases, Personal Property shall be identified throughout the Installation for use in connection with redevelopment of the Installation. At no expense to Government, and only with Government approval, Personal Property may be relocated from other buildings to the Leased Premises in order to facilitate redevelopment, including exclusive use thereof by the sublessee during the Term of this Lease. Each inventory, upon completion, shall be identified by building or facility number, and signed and dated by both parties to this Lease and attached to this Lease as part of the Joint Inspection Report attached hereto as Exhibit B.

7. ENVIRONMENTAL BASELINE SURVEY AND FINDINGS OF SUITABILITYTO LEASE:

An Environmental Baseline Survey for Lease (EBSL), a Finding of Suitability to Lease (FOSL) and a National Environmental Policy Act (NEPA) document are attached to this Lease as Exhibit C and made part of this Lease. The EBSL sets forth the existing environmental conditions of the Leased Premises as represented by the baseline survey which has been conducted by Government. The FOSL sets forth the basis for the Government's determination that Leased Premises are suitable for leasing. Lessee is hereby made aware of the information contained in the FOSL attached hereto as Exhibit C and shall comply with applicable restrictions set forth therein.

8. ALTERATIONS:

8.1 Lessee shall not construct, make or permit its sublessees to construct or make any substantial alterations, additions, excavations, improvements to, installations upon or otherwise modify or alter the Leased Premises in any way, including those which may adversely affect the remediation of hazardous materials on the Installation (together, "Alterations") without the prior written consent of Government. Such consent may not be unreasonably withheld or delayed, but may involve, where reasonably necessary, a requirement for Lessee or Lessee's contractor to provide the government with a performance and payment bond satisfactory to it in all respects and other requirements deemed reasonably necessary to protect the interests of the Government.

8.2 Upon termination of this Lease, as directed by Government, Lessee shall, at the option of the Government either:

8.2.1 Promptly remove all alterations, additions, betterments and improvements made or installed and restore the Leased Premises to the same or as good condition as existed on the date of entry under this Lease, reasonable wear and tear and acts of God excepted; or

8.2.2 Abandon such additions or alterations in place, at which time title to such alterations, improvements and additions shall vest in Government.

8.2.3 In either event all personal property and trade fixtures of Lessee or any third person may be removed from the Leased Premises and Lessee shall repair any damage to the Leased Premises resulting from such removal.

9. ACCESS BY GOVERNMENT:

In addition to access required under Paragraph 13, at all reasonable times throughout the term of this Lease, Government shall be allowed reasonable access to the Leased Premises for any purpose. Government will give Lessee or any sublessee at least twenty-four (24) hour prior notice of its intention to enter the Leased Premises, unless it determines the entry is immediately required for safety, environmental, operations or security purposes. Lessee shall have no claim

on account of any entries against Government or any officer, agent, employee, contractor or subcontractor of Government. All keys to the buildings and facilities occupied by Lessee or any sublessee shall be made available to Government upon request.

10. UTILITIES AND SERVICES:

Procurement of utilities (i.e., electricity, water, gas, sewer, telephone and trash removal) will be the responsibility of Lessee. Lessee agrees to obtain needed utility services from any private or municipal supplier who should, during the term of Lease, become able to deliver such services to Leased Premises. In the event that Government shall furnish Lessee with any utilities or services maintained by Government which Lessee may require in connection with its use of Leased Premises, Lessee shall pay Government the cost incurred in providing such utilities or services in the amounts set forth in Exhibit D attached hereto, which rates shall be determined by Government and Lessee in accordance with applicable laws and regulations. Lessee, at no cost to Government, shall install metering devices for utilities serving the Leased Premises prior to its occupancy. The volume of utilities used by Lessee shall be determined by such metering devices. It is expressly agreed and understood that Government in no way warrants the continued availability, maintenance or adequacy of any utilities or services furnished to Lessee.

11. NON-INTERFERENCE WITH GOVERNMENT OPERATIONS:

Lessee shall not conduct operations nor make any alterations that would interfere with or otherwise restrict operations, environmental clean-up or restoration actions by Navy, Environmental Protection Agency (EPA), applicable state equivalent, or their contractors. Environmental clean-up, restoration or testing activities by these parties shall take priority over Lessee's use of Leased Premises in the event of any conflict. However, Government and Lessee agree to coordinate to minimize potential conflicts between necessary remediation of environmental contamination, including investigation and remedial actions, and Lessee's and any sublessee's use of Leased Premises.

12. PROTECTION AND MAINTENANCE SERVICES:

12.1 Except as otherwise specifically provided herein, Lessee shall furnish or cause to be furnished all labor, supervision, materials, supplies and equipment necessary to the operation, maintenance and repair of the following building systems and appurtenances located in or on the Leased Premises: structural (including roof), fencing, plumbing, electrical, heating and cooling systems; exterior utility systems (including fire hydrants and mains); pavement and grounds maintenance (including grass cutting, shrub trimming and tree removal); pest and weed control; security and fire protection within Leased Premises; refuse collection, removal and disposal; and utilities maintenance necessary for the protection of Leased Premises. Government shall not be required to furnish any services or facilities to Lessee or to make any repair or alteration in or to

Leased Premises. Lessee hereby assumes the full and sole responsibility for the protection, maintenance and repair of Leased Premises set forth in this paragraph. For specifics as to such protection and maintenance required to be provided by Lessee hereunder, the following provisions shall apply:

12.1.1 The degree of maintenance and repair services to be furnished by Lessee hereunder shall be that which is sufficient to assure weather tightness, structural stability (excluding any seismic retrofit and/or modification to foundations resulting from extraordinary natural occurrences such as earthquakes, floods and landslides), protection from fire hazards or erosion, and elimination of safety and health hazards which arise during the term of the Lease and which are not caused by the actions of Government or its employees, contractors or agents, so that the Leased Premises being serviced will remain in the condition in which they existed at the commencement of the Lease as documented in the Joint Inspection and Inventory Report prepared pursuant to Paragraph 6, ordinary wear and tear and acts of God excepted. Prior to use and occupancy, Lessee shall correct the safety and health hazards described on Exhibit E.

12.2 During the Term of this Lease, debris, trash and other useless materials placed on the Leased Premises during the term of this Lease shall be promptly removed from the Leased Premises. Upon termination or expiration of this Lease, the Leased Premises shall be left without containers, Lessee's equipment, and other undesirable materials placed on the Leased Premises during the term of this Lease (except by Government) and in as clean condition as received by Lessee.

12.3 Lessee shall provide or cause to be provided all security services necessary to assure security and safety within the Leased Premises. Any crimes or other offenses, including traffic offenses and crimes and offenses involving damage to or theft of Government property, shall be reported to the appropriate authorities for their investigation and disposition and to Government as property owner.

12.4 Lessee shall take or cause to be taken, all reasonable and necessary fire protection precautions at the Leased Premises. Such precautions may include, but are not limited to, the maintenance of any sprinkler system that exists on the effective date of this Lease and/or the provision of portable fire extinguishers for fire protection of Leased Premises.

12.5 Lessee is responsible for the repair and maintenance of all interior utility systems and those exterior utility systems, distribution lines, connections and equipment which solely support the Leased Premises. This responsibility extends from the Leased Premises to the point of connection with the utility system which serves users other than Lessee.

12.6 Lessee shall ensure only trained and qualified persons are utilized in performance of the maintenance and protection services specified in this paragraph.

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13. ENVIRONMENTAL PROTECTION PROVISIONS:

13.1 Lessee, sublessees and contractors shall comply with all applicable Federal, state and local laws, regulations and standards that are or may become applicable during the term of this Lease to Lessee's activities on the Leased Premises.

13.2 Lessee or any sublessee shall be solely responsible for obtaining, at no cost to Government, any environmental permits required for its operations under the Lease, independent of any existing permits held by the Government. Nothing in this Lease shall require Lessee to become a secondary discharger or co-permittee on any existing environmental permit held by Government relating to the operation of the Installation, including, without limitation, any environmental permits associated with the operation of the Installation's sewage treatment plant. Any and all environmental permits required for any of Lessee's or sublessees' operations or activities will be subject to prior concurrence of the Commanding Officer, Engineering Field Activity West, Naval Facilities Engineering Command. Lessee acknowledges that the Government will not consent to being named a secondary discharge or co-permittee for any operations or activities of the Lessee or any sublessee under the Lease. In the event the Government is named as a secondary discharger or co-permittee for any activity or operation of the Lessee or any sublessee, Government shall have the right to take reasonable actions necessary to prevent, suspend, or terminate such activity or operation, including terminating this Lease, without liability or penalty.

13.3 Government's rights under this Lease specifically include the right for Government officials to inspect upon reasonable notice the Leased Premises for compliance with environmental, safety and occupational health laws and regulations, whether or not Government is responsible for enforcing them. Such inspections are without prejudice to the right of duly constituted enforcement officials to make such inspections. Government will give Lessee or sublessee twenty-four (24) hours prior notice of its intention to enter Leased Premises unless it determines the entry is immediately required for safety, environmental, operations or security purposes. Lessee shall have no claim on account of any entries against the United States or any officer, agent, employee, contractor or subcontractor thereof.

13.4 Government and its officers, agents, employees, contractors and subcontractors have the right, upon reasonable notice to Lessee and any sublessee, to enter upon the Leased Premises for the purposes enumerated in this subparagraph:

13.4.1 to conduct investigations and surveys, including, where necessary, drilling, soil and water sampling, testpitting, testing soil borings and other activities related to the Installation Restoration Program (IRP);

13.4.2 to inspect field activities of Government and its contractors and subcontractors in implementing the IRP;

13.4.3 to conduct any test or survey related to implementation of the IRP or environmental conditions at Leased Premises or verify any data submitted to EPA or applicable state equivalent by Government relating to such conditions;

13.4.4 to construct, operate, maintain or undertake any other response or remedial action as required or necessary under the IRP, including but not limited to monitoring wells, pumping wells and treatment facilities.

13.5 Lessee agrees to comply with the provisions of any health or safety plan in effect under the IRP during the course of any of the above described response or remedial actions. Any inspection, survey, investigation or other response or remedial action will, to the extent practicable, be coordinated with representatives designated by Lessee and any sublessee. Lessee and sublessee shall have no claim on account of such entries against the United States or any officer, agent, employee, contractor or subcontractor thereof. In addition, Lessee shall comply with all applicable Federal, state and local occupational safety and health regulations.

13.6 Lessee further agrees that if the Leased Premises are subject to ongoing environmental remediation by Government, during such period, Lessee shall provide to EPA and applicable state equivalent by certified mail a copy of any sublease of the Leased Premises within fourteen (14) calendar days after the effective date of such sublease. Lessee may delete the financial terms and any other proprietary information from the copy of any agreement of assignment or sublease furnished pursuant to this condition.

13.7 Lessee shall strictly comply with the hazardous waste permit requirements under the Resource Conservation and Recovery Act or its applicable state equivalent. Except as specifically authorized by Government in writing, Lessee must provide at its own expense such hazardous waste management facilities as required by its use of the Leased Premises, complying with all laws and regulations. Government hazardous waste management facilities will not be available to Lessee. Any violation of the requirements of this condition shall be deemed a material breach of this Lease.

13.8 DOD component accumulation points for hazardous and other waste will not be used by Lessee or any sublessee. Neither will Lessee or sublessee permit its hazardous wastes to be commingled with hazardous waste of DOD Component.

13.9 Before beginning operations on the Leased Premises, Lessee shall have a Government-approved plan for responding to hazardous waste, fuel and other chemical spills. Such plan shall be independent of the Installation plan and, except for initial fire response and/or spill containment, shall not rely on the use of Installation personnel or equipment. Should Government provide to the Leased Premises any personnel or equipment whether for initial fire response and/or spill containment, or otherwise on request of Lessee, or because Lessee was not, in the reasonable opinion of Government, conducting timely cleanup actions, Lessee agrees to reimburse Government for its reasonable and actual costs in association with such response or cleanup upon receipt of an invoice for such costs.

13.10 Lessee shall not conduct or permit its sublessees to conduct any subsurface excavation, digging, drilling or other disturbance of the surface without the prior written approval of Government, which consent shall not be unreasonably withheld or delayed.

13.11 To the extent required by law and regulation, Government shall abate, remove or otherwise remedy all friable, accessible and damaged asbestos containing material (ACM), lead based paint (LBP) and polychlorinated biphenyls (PCBs) from Leased Premises. The presence of known ACM, LBP or PCBs shall be fully identified in an Environmental Baseline Survey (EBS) and/or Supplemental Environmental Baseline Survey (SEBS), attached as an Exhibit.

13.11.1 Except as provided in Paragraph 13.11.2, Government is not responsible for any removal or containment of asbestos containing materials (ACM). If Lessee intends to make any improvements or repairs that require the removal of asbestos, an appropriate asbestos disposal plan must be incorporated into the plans and specifications and submitted to Government. The asbestos disposal plan will identify the proposed disposal site for the asbestos, or in the event the site has not been identified, will provide for disposal at a licensed facility authorized to receive it.

13.11.2 Government shall be responsible for the removal or containment of the ACM identified as requiring abatement shown on Exhibit F attached hereto as damaged or deteriorated ACM. Government agrees to abate these listed items of damaged or deteriorated ACM. Government may choose the most economical means of abating any damaged or deteriorated ACM, which may include removal, repair or containment (encapsulation), or a combination of removal, repair and containment. The forgoing obligation of Government does not apply to any ACM other than that identified in Exhibit F. Notwithstanding Paragraph 13.11.1 above, in an emergency, Lessee will notify Government as soon as practicable of its emergency ACM responses. Lessee shall be responsible for monitoring the condition of existing ACM on Leased Premises for deterioration or damaged and accomplishing repairs or abatement pursuant to the applicable conditions of this Lease.

13.12 Lessee shall indemnify and hold harmless Government from any costs, expenses, liabilities, fines or penalties resulting from discharges, emissions, spills, storage or disposal arising from Lessee's occupancy, use or operations, or any other action by Lessee or any sublessee during the term of this Lease giving rise to Government liability under Federal, state or local environmental laws. Lessee's obligations hereunder shall apply whenever Government incurs costs or liabilities as a result of Lessee's activities or activities of any sublessee as provided hereunder. However, this indemnity does not extend to those damages which are due to the fault or negligence of Government or its contractors. This provision shall survive the expiration or termination of this Lease.

13.13 The responsibility of Government to indemnify and hold harmless the Lessee and any sublessee against any toxic torts and other environmental claims shall be in accordance with Public Law 102-484, the National Defense Authorization Act for Fiscal Year 1993, Section 330, as amended.

13.14 If Lessee or a sublessee encounters pre-existing conditions caused by the Government which require the Government to take action in accordance with Federal, State or local law to remove, remediate, correct, or abate hazardous substances, pollutants or contaminants, the Lessee or sublessee shall promptly notify the Government, cease performance, and secure the work site. Vacation of the Leased Premises, or any part thereof, will be directed pursuant to the provisions of Section 15 of this Lease. The Government will take necessary and appropriate actions, as required by Federal, State or local law, and bear the cost of such removal, remediation, corrective action, or abatement, subject to the availability of funds for such purpose.

14. TERMINATION:

~~14.1 Government shall have the right to terminate this Lease, in whole or in part, without~~ liability, upon thirty (30) calendar days written notice:

14.1.1 In the event of the Government making a final decision on disposal of the Leased Premises that is inconsistent with continued use thereof by Lessee under this Lease; or

14.1.2 In the event of a national emergency as declared by the President or the Congress of the United States and Government makes a determination that such national emergency requires termination of this Lease; or

14.1.3 If, at any time after January 1, 2003, (a) Government has complied with all applicable legal requirements to convey fee title to the Premises, (b) Government has satisfied in full all of its obligations under this Lease, (c) Government tenders to Lessee a conveyance of fee ownership of the Premises after negotiating in good faith with respect to establishing reasonable terms, conditions of, and consideration for such conveyance, and (d) Lessee fails to accept such conveyance within one hundred eighty (180) calendar days of written notice of such tender; or

14.1.4 In the event of a breach by Lessee of any of the terms and conditions hereof. In the event of a breach involving the performance of any obligation, Lessee shall be afforded thirty (30) calendar days from the receipt of Government's written notice of intent to terminate to complete performance of the obligation or otherwise cure the subject breach and avoid termination of this Lease, unless Government determines that a shorter period is required for safety, environmental, operations or security purposes. In the event that Government shall elect to terminate this Lease on account of the breach by Lessee of any of the terms and conditions, Government shall be entitled to recover and Lessee shall pay to Government:

14.1.4(a) The costs incurred in resuming possession of the Leased Premises.

14.1.4(b) The costs incurred in performing any obligation on the part of the Lessee to be performed hereunder, but only after notice to Lessee and the expiration of all applicable cure periods.

14.1.4(c) An amount equal to the aggregate of any maintenance obligations and charges assumed hereunder and not paid or satisfied, which amounts shall be due and payable at the time when such obligations and charges would have accrued or become due and payable under this Lease.

14.2 Lessee shall have the right to terminate this Lease upon thirty (30) calendar days written notice to Government in the event of breach by Government of any of the terms and conditions hereof. In the event of a breach involving the performance of any obligation, Government shall be afforded thirty (30) calendar days from the receipt of Lessee's notice of intent to terminate to complete performance of the obligation or otherwise cure the subject breach and avoid termination of this Lease. Lessee shall also have the right to terminate this Lease in the event of damage to or destruction of all of the improvements on Leased Premises or such a substantial portion thereof as to render Leased Premises incapable or impracticable of use for the purposes for which it is leased hereunder, provided:

14.2.1 Government either has not authorized or directed the repair, rebuilding or replacement of the improvements or has made no provision for payment for such repair, rebuilding or replacement by application of insurance proceeds or otherwise; and

14.2.2 That such damage or destruction was not occasioned by the fault or negligence of Lessee or any of its officers, agents, servants, employees, subtenants, licensees or invitees, or by any failure or refusal on the part of Lessee to fully perform its obligations under this Lease.

14.2.3. If Government requires Lessee or any sublessee to vacate all or a substantial portion of Leased Premises pursuant to any provision of this Lease for a period in excess of thirty (30) calendar days, Lessee may terminate this Lease by written notice to Government given at any time while Lessee shall continue to be denied use of all or a substantial portion of Leased Premises. Lessee shall thereafter surrender possession of Leased Premises within fifteen (15) calendar days of such notice.

15. ENVIRONMENTAL CONTAMINATION:

In the event environmental contamination is discovered on the Leased Premises which creates, in Government's determination, an imminent and substantial endangerment to human health or the environment which necessitates evacuation of the Leased Premises, and notwithstanding any other termination rights and procedures contained in this Lease, Lessee shall vacate or require any sublessee to vacate Leased Premises immediately upon notice from Government of the existence of such a condition. Exercise of this right by Government shall be without liability,

except that Lessee shall not be responsible for the payment of consideration, the amount of deduction to be determined on a daily pro-rata basis, during the period Leased Premises is vacated, and Lessee shall have the right to terminate this Lease if, as provided in Section 14.3 above, Lessee or any sublessee is deprived of the beneficial use and occupancy of the Leased Premises for a period in excess of thirty (30) days. Government's exercise of this right herein to order the Leased Premises immediately vacated does not alone constitute a termination of the Lease, but such right may be exercised in conjunction with any other termination rights provided in this Lease or by law.

16. NON-ENVIRONMENTAL INDEMNIFICATION BY LESSEE:

The Lessee shall hold harmless, indemnify, and defend the Government from and against any suit, claim, demand or action, liability, judgment, cost or other fee arising out of any claim for injury or damage that results from, or is any manner predicated upon activities of the Lessee on the Leased Property during the term of the Lease. This indemnification applies to any fines, claims, demands and causes of action of every nature whatsoever which may be made upon, sustained or incurred by Government by reasons of any breach, violation, omission or non-performance of any term, covenant or condition hereof on the part of Lessee or the employees, agents, servants, guests, invitees and sublessees of Lessee. This indemnification also applies to claims arising out of the furnishing of any utilities or services by Government or any interruption therein or failure thereof, whether or not the same shall be occasioned by the negligence or lack of diligence of Lessee, its officers, agents, servants, employees or sublessees. However, this indemnity does not extend to those damages which are due to the fault or negligence of Government or its contractors. This covenant shall survive the termination of this Lease.

17. INSURANCE:

17.1 At the commencement of this Lease, Lessee shall obtain, from a reputable insurance company or companies, liability insurance or shall maintain a program of self-insurance. The insurance shall provide an amount not less than a minimum combined single limit of $10 million, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage or both, suffered or alleged to have been suffered by any person or persons resulting from the operations of Lessee, sublessees, contractors and invitees under the terms of this Lease. Lessee shall provide Government certificates of its self-insurance or require its insurance company to furnish Government a copy of the policy or policies, or if acceptable to Government, certificates of insurance evidencing the purchase of such insurance. The minimum amount of liability insurance coverage is subject to revision by Government every three years or upon renewal or modification of this Lease.

17.2 As to those structures and improvements on Leased Premises constructed by or owned by Government, Lessee shall procure and maintain at Lessee's cost a standard fire and extended coverage insurance policy or policies or a program of self-insurance on the Leased Premises in an amount sufficient to demolish damaged or destroyed structures and improvements, remove debris and clear the Leased Premises. Should Lessee elect to purchase

commercial insurance in lieu of self-insurance, Lessee shall procure such insurance from a reputable company or companies. In that event, the insurance policy shall provide that in the event of loss thereunder, the proceeds of the policy or policies, at the election of Government, shall be payable to Lessee to be used solely for the demolition of damaged or destroyed structures and improvements, removal of debris and clear the Leased Premises or for repair, restoration, or replacement of the property damaged or destroyed. Any balance of the proceeds not required for such purposes shall be paid to Government. If Government does not elect, by notice in writing to the insurer within thirty (30) calendar days after the damage or destruction occurs, to have the proceeds paid to Lessee for the purposes herein above set forth, then such proceeds shall be paid to Government, provided however that the insurer, after payment of any proceeds to Lessee in accordance with the provision of the policy or policies, shall have no obligation or liability with respect to the use or disposition of the proceeds by Lessee. Nothing herein contained shall be construed as an obligation upon Government to repair, restore or replace Leased Premises or any part thereof.

17.3 If and to the extent required by law, Lessee shall provide workmen's compensation or similar insurance or self-insurance in form and amounts required by law.

17.4 During the entire period this Lease shall be in effect, Lessee shall require its contractors or sublessees or any contractor performing work at Lessee's or sublessee's request on Leased Premises to carry and maintain the insurance required below:

17.4.1 Comprehensive general liability insurance, including, but not limited to, contractor's liability coverage and contractual liability coverage, of not less than $3 million, per occurrence with respect to personal injury or death, and $5 million, per occurrence with respect to property damage.

17.4.2 Workman's compensation or similar insurance in form and amounts required by law.

17.5 Should Lessee purchase commercial insurance in lieu of self-insurance, all insurance which this Lease requires Lessee or sublessee to carry and maintain or cause to be carried or maintained shall be in such form, for such periods of time, and with such insurers as Government may reasonably require or approve. In that event, all policies or certificates issued by the respective insurers for public liability and property insurance will name Government as an additional insured, provide that any losses shall be payable notwithstanding any act or failure to act or negligence of Lessee or Government or any other person, provide that no cancellation, reduction in amount, or material change in coverage thereof shall be effective until at least thirty (30) calendar days after receipt by Government of written notice thereof; provide that the insurer shall have no right of subrogation against Government; and be reasonably satisfactory to Government in all other respects. In no circumstances will Lessee be entitled to assign to any third party, rights of action which Lessee may have against Government.

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17.6 Lessee and sublessees shall deliver or cause to be delivered promptly to Government a certificate of insurance or self-insurance evidencing the insurance required by this Lease and shall also deliver no later than thirty (30) calendar days prior to expiration of any such policy, a certificate of insurance evidencing each renewal policy covering the same risks.

18. LABOR PROVISION:

During the term of this Lease, Lessee agrees as follows:

18.1 Lessee will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. Lessee shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation and selection for training, including apprenticeship. Lessee agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Government setting forth the provisions of this nondiscrimination clause.

18.1.1 Lessee shall, in all solicitations or advertisements for employees placed at Leased Premises by or on behalf of Lessee, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

18.1.2 Lessee shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice to be provided by Government, advising the labor union or worker's representative of Lessee's commitments under this equal opportunity clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment

18.1.3 Lessee shall comply with all provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations and relevant orders of the Secretary of Labor.

18.1.4 Lessee shall furnish all information and reports required by Executive order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, and of the rules, regulations and relevant orders of the Secretary of Labor or pursuant thereto, and will permit access to his books, records and accounts by Government and the Secretary of Labor for purposes of investigating to ascertain compliance with such rules, regulations and orders.

18.1.5 In the event of Lessee's noncompliance with the equal opportunity clause of this Lease or with any of said rules, regulations or orders, this Lease may be canceled, terminated or suspended in whole or in part, after the expiration of all applicable cure periods,

and Lessee may be declare ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended by Executive order 11375 of October 13, 1967, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, or by rule, regulation or order of the Secretary of Labor, or otherwise provided by law.

18.1.6 Lessee will include the above provisions in every sublease unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967, so that such provisions will be binding upon each sublessee. Lessee will take such action with respect to any sublessee as Government may direct as a means of enforcing such provisions including sanctions for noncompliance; provided, however, that in the event Lessee becomes involved, or is threatened with litigation with sublessee as a result of such direction by Government, Lessee may request the United States to enter into such litigation to protect the interest of the United States.

18.2 This Lease, to the extent that it is a contract of a character specified in the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) and is not covered by the Walsh-Healy Public Contracts Act (41 U.S.C. 35-45), is subject to the following provisions and exceptions of said Contract Work Hours and Safety Standards Act and to all other provisions and exceptions of said law.

18.2.1 Lessee shall not require or permit any laborer or mechanic in any workweek in which he is employed on any work under this Lease to work in excess of 40 hours in such work week on work subject to the provisions of the Contract Work Hours Standards Act unless such laborer or mechanic receives compensation at a rate not less than one and one-half times his basic rate of pay for all such hours worked in excess of 40 hours in such work week. The "basic rate of pay", as used in this clause, shall be the amount paid per hour, exclusive of Lessee's contribution or cost for fringe benefits and any cash payment made in lieu of providing fringe benefits or the basic hourly rate contained in the wage determination, whichever is greater.

18.2.2 In the event of any violation of the provision of Paragraph 18.2.1, Lessee shall be liable to any affected employee for any amounts due, and to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic employed in violation of the provisions of paragraph 18.2.1 in the sum of ten $10.00 for each calendar day on which such employee was required or permitted to be employed on such work in excess of the standard workday of 8 hours or in excess of the standard work week of 40 hours without payment of the overtime wages required by Paragraph 18.2.1.

18.3 In connection with the performance of work required by this Lease, Lessee agrees not to employ any person undergoing a sentence of imprisonment at hard labor.

All correspondence in connection with
this contract should include reference to:
N6247499RP42P12

19. SUBMISSION OF NOTICES:

Notices shall be sufficient under this Lease if made in writing and to the addressees as

Lessee: City and County of San Francisco
Ms. Annemarie Conroy
San Francisco Mayor's Office
Treasure Island Project
410 Palm Ave. Bldg. 1, Room 237
Treasure Island
San Francisco, CA 94130

Government: Commanding Officer (Code 624)
Engineering Field Activity - West
Naval Facilities Engineering Command
900 Commodore Drive
San Bruno, CA 94066-5000

The individuals so designated above shall be representatives of the parties and the points of contact during the period of this Lease.

20. AUDIT:

This Lease shall be subject to audit by any and all cognizant Government agencies. Lessee shall make available to such agencies for use in connection with such audits all records which it maintains with respect to this Lease and copies of all reports required to be filed hereunder.

21. AMENDMENTS:

This Lease shall not be amended or modified unless in writing and signed by both parties. No oral statements or representation made by, for or on behalf of either party shall be a part of this Lease. Should a conflict arise between the provisions of this Lease and any exhibit hereto, or any other agreement between Government and Lessee, the provisions of this Lease shall take precedence.

22. FAILURE TO INSIST ON COMPLIANCE:

The failure of Government or Lessee to insist, in any one or more instances, upon performance of any of the terms, covenants or conditions of this Lease shall not be construed as a waiver or relinquishment of Government's or Lessee's right to the future performance of any such terms, covenants or conditions and Government's and Lessee's respective obligations in respect of such future performance shall continue in full force and effect.

All correspondence in connection with
this contract should include reference to:
N6247499RP42P12

23. DISPUTES:

23.1 This lease is subject to the Contract Disputes Act of 1978, as amended (41 U.S.C. 601-613) (the Act).

23.2 Except as provided in the Act, all disputes arising under or relating to this Lease shall be resolved under this clause.

23.3 "Claim", as used in this clause, means a written demand or written assertion by Lessee or Government seeking, as a matter of right, the payment of money in a sum certain, the adjustment or interpretation of lease terms, or other relief arising under or relating to this Lease. A claim arising under this Lease, unlike a claim relating to this Lease, is a claim that can be resolved under a lease clause that provides for the relief sought by the claimant. However, a written demand or written assertion by Lessee seeking the payment of money exceeding $100,000 is not a claim under the Act until certified as required by subparagraph 23.4 below. A voucher, invoice or other routine request for payment that is not in dispute when submitted, is not a claim under the Act. The submission may be converted to a claim under the Act, by complying with the submission and certification requirements of this clause, if it is disputed either as to liability or amount or is not acted upon in a reasonable time.

23.4 A claim by Lessee shall be made in writing and submitted within six (6) years after accrual of the claim, to the Engineering Field Activity West (ATTN.: Code 624), Naval Facilities Engineering Command, 900 Commodore Drive, San Bruno, CA 94066-5006 herein called "Command", for a written decision. A claim by the Government against Lessee shall be subject to a written decision by the Command.

23.4.1 Lessee shall provide the certification specified in subparagraph 23.4.3 of this clause when submitting any claim:

(a) Exceeding $100,000; or
(b) Regardless of the amount claimed, when using:
    (1) Arbitration conducted pursuant to 5 U.S.C. 575-580; or
    (2) Any other alternative means of dispute resolution (ADR) technique that the agency elects to use in accordance with the Administrative Dispute Resolution Act (ADRA).

23.4.2 The certification requirement does not apply to issues in controversy that have not been submitted as all or part of a claim.

23.4.3 The certification shall state as follows: "I certify that the claim is made in good faith; that the supporting data are accurate and complete to the best of my knowledge and belief; that the amount requested accurately reflects the contract adjustment for which Lessee believes Government is liable; and that I am duly authorized to certify the claim on behalf of Lessee."

23.4.4 The certification may be executed by any person duly authorized to bind Lessee with respect to the claim.

23.5 For Lessee claims of $100,000 or less, the Command, must, if requested in writing by Lessee, render a decision within 60 calendar days of the request. For Lessee-certified claims over $100,000, the Command, must, within 60 calendar days, decide the claim or notify Lessee of the date by which the decision will be made.

23.6 The Command's, decision shall be final unless Lessee appeals or files a suit as provided in the Act.

23.7 At the time a claim by the Lessee is submitted to the Command or a claim by Government is presented to Lessee, the parties, by mutual consent, may agree to use ADR. When using arbitration conducted pursuant to 5 U.S.C. 575-580, or when using any other ADR technique that the agency elects to employ in accordance with the ADRA, any claim, regardless of amount, shall be accompanied by the certification described in Paragraph 23.4.3 of this clause, and executed in accordance with Paragraph 23.4.4 of this clause.

23.8 Government shall pay interest on the amount found due and unpaid by Government from (1) the date the Command receives the claim (properly certified if required), or (2) the date payment otherwise would be due, if that date is later, until the date of payment. With regard to claims having defective certifications, as defined in FAR 33.201, interest shall be paid from the date that the Command initially receives the claim. Simple interest on claims shall be paid at the rate, fixed by the Secretary of the Treasury, as provided in the Act, which is applicable to the period during which the Command receives the claim and then at the rate applicable for each 6-month period as fixed by the Treasury Secretary during the pendency of the claim.

23.9 Lessee shall proceed diligently with the performance of Lease, pending final resolution of any request for relief, claim, appeal or action arising under Lease, and comply with any decision of the Command.

24. COVENANT AGAINST CONTINGENT FEES:

Lessee warrants that no person or agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial agencies maintained by Lessee for the purpose of securing business. For breach or violation of this warranty, Government shall have the right to annul this Lease without liability or in its discretion, to require Lessee to pay the full amount of such commission, percentage, brokerage or contingent fee.

All correspondence in connection with
this contract should include reference to:
N6247499RP42P12

25. OFFICIALS NOT TO BENEFIT:

No member of or delegate to Congress or Resident Commissioner, shall be admitted to any share or part of this Lease or to any benefit to arise therefrom, but this provision shall not be construed to extend to this Lease if made with a corporation for its general benefit.

26. LIENS:

Lessee shall promptly discharge or cause to be discharged any valid lien, right in rem, claim or demand of any kind, except one in favor of Government, which at any time may arise or exist with respect to the Leased Property or materials or equipment furnished therefor, or any part thereof, and if the same shall not be promptly discharged by Lessee, or should Lessee or sublessee be declared bankrupt or make an assignment on behalf of creditors, or should the leasehold estate be taken by execution, Government reserves the right to take immediate possession without any liability to Lessee or any sublessee. Lessee and any sublessee shall be responsible for any costs incurred by Government in securing clear title to its property.

27. TAXES:

Lessee shall pay or cause to be paid to the proper authority, when and as the same become due and payable, all taxes, assessments and similar charges which, at any time during the term of this Lease, may be imposed upon Lessee with respect to its operations of the Leased Premises. Title 10 United States Code, Section 2667(e) contains the consent of Congress to the Taxation of Lessee's interest in Leased Premises, whether or not the Leased Premises are in an area of exclusive federal jurisdiction. Should Congress consent to taxation of Government's interest in the property, this Lease will be renegotiated.

28 SUBJECT TO EXISTING AND FUTURE EASEMENTS AND RIGHTS- OF-WAY:

This Lease is subject to all outstanding easements and rights-of-way for location of any type of facility over, across, in and upon Leased Premises or any portion thereof and to the right of Government to grant such additional easements and rights-of-way over, across, in and upon Leased Premises as it shall determine to be in the public interest; provided that any such additional easement or right-of-way shall be conditioned on the assumption by the grantee thereof of liability to Lessee for such damages as Lessee shall suffer for property destroyed or property rendered unusable on account of the grantee's exercise of its rights thereunder. There is hereby reserved to the holders of such easements and rights-of-way as are presently outstanding or which may hereafter be granted, to any workers officially engaged in the construction, installation, maintenance, operation, repair or replacement of facilities located thereon, and to any Federal, state or local official engaged in the official inspection thereof, such reasonable rights of ingress and egress over Leased Premises as shall be necessary for the performance of their duties with regard to such facilities.

29. INGRESS-EGRESS AND PARKING:

Lessee and any sublessees will be granted reasonable access to Leased Premises under this Lease. Such access will be coordinated with Government. As a condition, Lessee and any sublessees agree to adhere to all base rules and regulations regarding installation security, ingress, egress, safety and sanitation as may be prescribed from time to time by Government. Parking will be coordinated with Government.

30. ADMINISTRATION:

Except as otherwise provided for under this Lease, Government shall, under the direction of the Command, have complete charge of the administration of this Lease, and shall exercise full supervision and general direction thereof insofar as the interests of Government are affected.

31. SURRENDER:

Upon the expiration of this Lease or its earlier termination in accordance with the terms of this Lease, Lessee shall quietly and peacefully remove itself and its property from Leased Premises and surrender the possession thereof to Government. Government may, in its discretion, declare any property which has not been removed from Leased Premises upon expiration or termination provided for above, as abandoned property upon giving to Lessee an additional 30 calendar days notice after the termination date.

32. INTEREST:

32.1 Notwithstanding any other provision of this Lease, unless paid within thirty (30) calendar days from the due date, all amounts that become payable by Lessee to Government under this Lease (net any applicable tax credit under the Internal Revenue Code) shall bear interest from the date due. The rate of interest will be the Current Value of Funds rate published by the Secretary of Treasury pursuant to 31 U.S.C. 3717 (Debt Collection Act of 1982).

32.1.1 Amounts shall be, subject to applicable cure periods, due upon the earliest of:

32.1.1(a) the date fixed pursuant to this Lease,

32.1.1(b) the date of the first written demand for payment, consistent with this Lease, including demand consequent upon default termination,

32.1.1(c) the date of transmittal by Government to Lessee of a proposed supplemental agreement to confirm completed negotiations fixing the amount,

32.1.1(d) if this Lease provides for revision of prices, the date of written notice to Lessee stating the amount of refund payable in connection with a pricing proposal or in connection with a negotiated pricing agreement not confirmed by Lease supplement.

33. AVAILABILITY OF FUNDS:

33.1 The Government's obligations under this Lease are subject to the availability of funds appropriated for such purposes. Nothing in this Lease shall be interpreted to require obligations or payments by Government which are in violation of the Anti-Deficiency Act (31 USC 1341).

34. SPECIAL PROVISIONS:

34.1 Notwithstanding anything to the contrary contained in this Lease, there shall be no obligation for the payment or expenditure of money by Lessee under this Lease unless the Controller of the City and County of San Francisco first certifies, pursuant to Section 3.105 of the Charter of the City and County of San Francisco, that there is a valid appropriation from which the expenditure may be made and that unencumbered funds are available from the appropriation to pay the expenditure. Without limiting the foregoing, if in any fiscal year of City after the fiscal year in which the Term of this Lease commences, sufficient funds for the payment of any payments required under this Lease are not appropriated for any reason, then either party may terminate this Lease upon thirty (30) calendar days written notice and Lessee shall quietly and peacefully remove itself and its property from Leased Premises and surrender possession thereof to the Government. Notwithstanding the foregoing, this section 34.1 shall not in any way limit or otherwise impair Lessee's indemnification obligation arising under Sections 13.12 and 16 of this Lease.

34.2 Article 1.5 of the San Francisco Planning Code ("Code") requires the provision of bicycle storage at all properties leased by the City at no cost to the landlord, here the Government, and only if funds are available. In the event public and/or private donations, grants or other funds become available, at any time during this Lease, Lessee shall have the right to request that the Government amend this Lease to include space sufficient for the installation and operation of bicycle storage facilities. In the event of storage locker installation, the storage lockers shall be considered a trade fixture. Government, at no cost to Government, shall reasonably cooperate with City regarding the implementation of this Code.

34.3 The date on which this Lease shall become effective (the "Effective Date") is the date upon which (i) Lessee's Mayor and Board of Supervisors enact a resolution approving this Lease in accordance with all applicable laws and (ii) this Lease is duly executed by the parties hereto.

34.4 EBSL, FOSL and NEPA Documentation are attached as Exhibit "C". These documents contain restrictions to the Lease that must be strictly adhered to and are made a part hereof.

All correspondence in connection with
this contract should include reference to:

N6247499RP42P12

35. **LIST OF EXHIBITS:**

The following exhibits are a part of this Lease:

Exhibit A - Leased Premises
Exhibit B - Joint Inspection Report
Exhibit C – EBS, FOSL and NEPA Documentation
Exhibit D - Utility Rates Schedule
Exhibit E - Safety and Health Hazards to be Corrected
Exhibit F - Government's Obligations to Abate Asbestos

All correspondence in connection with this contract should include reference to:

N6247499RP42P12

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth below duly executed this Lease as of the day and year first above written.

WITNESS

THE UNITED STATES OF AMERICA

By: Beverly Freitas
Real Estate Contracting Officer

11/19/98

Date: 11-19-98

BEVERLY FREITAS
BRAC REAL ESTATE
REAL ESTATE CONTRACTING OFFICEF

TREASURE ISLAND DEVELOPMENT AUTHORITY

By:

ANNEMARIE CONROY
Executive Director
Treasure Island Development Authority Project

Title:

Date: 10-19-98

APPROVED AS TO FORM

CITY ATTORNEY

EXHIBIT B

N6247499RP42P12

JOINT INSPECTION REPORT

To be completed at time of move-in by both parties.

All correspondence in connection with
this contract should include reference to:
N6247499RP42P12

EXHIBIT C

EBS, FOSL AND NEPA DOCUMENTATION

Site-Specific Environmental Baseline Survey for Reuse Zone Proposed Job Corps Center, U.S. Department of Labor
December 19, 1995

Finding of Suitability to Lease Zone
Summary Document
June 14, 1996

Record of Categorical Exclusion for the Lease of Buildings 128, 129, 130 and 131 and Adjacent Property for Warehousing Use
October 9, 1998

N6247499RP42P12

SUPPLEMENTAL ENVIRONMENTAL BASELINE SURVEY

NAVAL STATION, TREASURE ISLAND

PROPOSED JOB CORPS CENTER
U.S. DEPARTMENT OF LABOR

Prepared By:

Amelia Duque, Code 1824.1
Engineering Field Activity, West
Naval Facilities Engineering Command
San Bruno, CA 94066
Tel. No. (415) 244-3101

December 19,1995

N6247499RP42P12

SUPPLEMENTAL ENVIRONMENTAL BASELINE SURVEY FOR PROPOSED JOB CORPS CENTER AT NAVAL STATION TREASURE ISLAND

1. INTRODUCTION

1.1 PURPOSE: The purpose of this Supplemental Environmental Baseline Survey (EBS) is to summarize information from the Basewide EBS, provide additional environmental survey findings to address the data gaps and areas of concern and to support the transfer of the subject property to the Department of Labor for the proposed Job Corps Center.

1.2 REGULATORY COORDINATION

The U.S. Environmental Protection Agency (EPA), Department of Toxic Substances Control (DTSC- Cal-EPA), and Regional Water Quality Control Board (RWQCB) were notified at the initiation of the Basewide EBS. Comments from DTSC and RWQCB dated 31 March 1995 and from U.S. EPA dated 22 March 1995 were reviewed, addressed and incorporated in the Basewide EBS. The Basewide EBS was completed on 19 May 1995.

1.3 SITE DESCRIPTION

The proposed transfer site consists of 35.5 acres encompassing part of seven parcels and all of nine parcels with twelve buildings, associated open spaces and parking lots as shown in enclosures (1) and (1) (a). This location was originally the site of the 1939-40 Golden Gate International Exposition and was converted in 1941 for military use.

1.3.1 Parcel T026

Parcel T026, 4.3 acres in area, is currently used as a playing field. Only part of the parcel is included in the proposed transfer. There are no buildings or structures located in the parcel. Historically, four Exposition buildings were located on the parcel and were later used as barracks, gymnasium and storage. These buildings were all demolished prior to 1977.

1.3.2 Parcel T028

Parcel T028 is approximately 12.9 acres in area. Currently, three buildings and one structure occupy 10 percent of the parcel. Only Building 369 (with associated spaces)

is included in the proposed transfer. Building 369 is currently used as Bachelor Officers Quarters and the Admiral Nimitz Conference Center. Historically, five other buildings used in the Exposition that were converted to barracks, training bldg. and swimming pool were present in the parcel . They were demolished prior to 1961.

1.3.3 Parcel T035

Parcel T035, approximately 4.8 acres in area, is open space used as an asphalt-paved parking lot . Currently, no buildings are present in the parcel. Only part of parcel T035 is included in the proposed transfer. Historically, five Exposition buildings were located at the site and later used as subsistence and storage, bakery, transformer housing, and offices. They were demolished prior to 1948. A sump house constructed after 1958 was also demolished by the end of 1971.

1.3.4 Parcel T036

Parcel T036, approximately 0.7 acres in size, is currently used as grassy open space. Currently, no buildings or structures are present in the parcel. Historically, an Exposition bakery was located in the parcel and was demolished prior to 1948.

1.3.5 Parcel T037

Currently, buildings 365, 366 , 367 (Barracks) and one pump station occupy approximately 30 percent of parcel T037. The remaining 70 percent is open space. Historically, two Exposition buildings were formerly present in the parcel. Both were demolished prior to 1948. The present buildings were constructed between 1956 and 1957.

1.3.6 Parcel T038

Approximately 30 percent of the parcel is occupied by building 368. The remaining 70 percent is open space and primarily used as vehicle parking. Building 368 and part of the open space are included in the proposed transfer. Currently, building 368 is used as the Navy and Job Corps mess hall. Historically, parts of three world's fair exhibition halls were present in the parcels and later used as barracks and a garbage house. All three buildings were demolished prior to 1948.

1.3.7 Parcel T039

Parcel T039, 4.7 acres in area, currently have two buildings (Bldgs.363 and 364) and two structures (structure 478-basketball court and pump station). These occupy 15 percent of the parcel while the remaining 85 percent is open space. All the buildings and structures and part of the open space are included in the proposed transfer. Building 364 is currently vacant. Building 363 currently houses the Job Corps Center Culinary Program and contains dormitory, mess hall and recreational facilities. Historically, parts of the Exposition exhibition halls that were later converted to barracks were present in the parcel. They were all demolished prior to 1948.

1.3.8 Parcel T040

Parcel T040, 8.3 acres in size, consists entirely of open spaces. The parcel contains two baseball diamonds, a playground, a golf driving range, a soccer field, and barbecue area. Historically, 11 buildings were located in this parcel. They were used as a garage, storage, auxiliary fire station, paint lockers, shops, classrooms, administrative offices and barracks. They were all demolished between 1961 and 1983.

1.3.9 Parcel T041

Parcel T041, approximately 1.8 acres, consists of three buildings which occupy approximately 10 percent of the parcel and 90 percent open spaces. The buildings are not part of the transfer. Historically, the parcel was occupied by two antenna towers, laboratory, and a radio school that were constructed in the early 1960's and demolished prior to 1977.

1.3.10 Parcel T042

Parcel T042 contains five other parcels (parcel T043, T044, T045, T046 and T047), open spaces and part of building 131 (occupies less than one percent of the parcel). Bldg. 131 was not part of the proposed transfer. Historically, three buildings and part of five buildings were formerly located in this parcel. They were used as an exhibition hall, laboratory, radio school, storage, heating plant and barracks. These buildings were demolished from 1948 through 1977.

1.3.11 Parcel T043

Parcel T043 is building 135 (approximately 1,900 sq.feet), is currently used as a Religious Education Center. Historically, building 135 contained a bus station and ticket office, a launderette and a garbage house.

1.3.12 Parcel T044

Parcel T044 is building 488 (approximately 6,000 sq. ft.). Currently, the building is used as barracks. Historically, part of a Word's Fair exhibition hall were present in the parcel. and was demolished prior to 1948.

1.3.13 Parcel T045

Parcel T045 is building 489 (apartment-style barracks). Building 489 covers approximately 9,100 sq. ft. Historically, part of an Exposition exhibition hall was present in this parcel. It was demolished prior to 1948.

1.3.14 Parcel T046

Parcel T046 is building 487 and covers approximately 3,400 sq.ft. Currently, building 487 is used as an administrative building that also contains recreational facilities associated with the adjacent barracks. Historically, part of an Exhibition exhibition hall was present in this parcel and demolished prior to 1948.

1.3.15 Parcel T047

Parcel T047 is building 442 (new medical/dental clinic) and covers approximately 33,000 sq.ft. Historically, part of two buildings that used to be an Exposition exhibition halls and later converted to barracks were present in the parcel. These buildings were demolished prior to 1948.

1.3.16 Parcel T056

The buildings in parcel T056 cover approximately 20 percent of the parcel's total area of 20.2 acres. The remaining 80 percent is open spaces and currently used as baseball field, vehicle parking area, roadway, and landscaped area. The only portion of parcel T056 included in the proposed transfer is a paved parking lot adjacent to the new medical/ dental clinic (bldg.442).

---

2. ENVIRONMENTAL FINDINGS:

2.1 STORAGE TANKS

Two leaking diesel Underground Storage Tanks-(UST's), 550-gallon and 1,000-gallon capacities, were formerly located in parcel T038 (see enclosure (2)). They were both removed in 1992. Testing showed impacts to both soil and groundwater. Potential groundwater contamination migration may possibly impact parcel T037 and T039. Another UST formerly located in the adjacent parcel, 300 feet south of parcel T028, has impacted groundwater. The sites are under investigation and possible remediation by the Navy's UST program. A study done for the Navy to assess the presence of suspected USTs at NAVSTA TI showed no evidence that a third tank in parcel T038 (Tank# 368C) had been installed. Two aboveground storage tanks (ASTs) were removed between 1968 and 1971. Both tanks are fuel oil tanks with a capacity of 10,000 gallons each. No further information is available for these ASTs.

2.2 FUEL LINES

Abandoned and potentially damaged fuel lines were identified in parcels T035, T037 and T042 (see enclosure (2)). Potential groundwater contamination migration from T042 may have impacted parcels T041, T043, T044, T045, T046 and T047. Fuel lines potentially damaged by the 1989 Loma Prieta earthquake were present in parcels T035 and T037. A potential groundwater contamination migration from T037 may also exist in parcel T036. A Workplan for the closure -in-place and removal of inactive/damaged fuel pipelines was developed by the Navy and is pending execution as soon as funding is available. Additional investigation of suspected fuel lines on parcels T037 and T042 will also be done by the Navy.

2.3 INSTALLATION RESTORATION (IR)

IR site 5, 17 and 24 border the eastern edge of parcel T042 (see enclosure (2)). The IR sites were established to evaluate reports of buried debris and asbestos, past releases from ASTs, fuel lines, and from a former dry cleaning facility. Results from ongoing remedial investigation indicates that T042 has not been impacted from any of the releases. Groundwater may have been impacted but in the direction east of the IR sites and T042 The paved parking lot, west of T056, that is included in the proposed transfer will likely not be impacted by the ongoing remedial investigation.

2.4 ASBESTOS

Two asbestos surveys were done, one for the Department of Labor (DOL) and one for the Navy for the twelve buildings included in the proposed transfer. DOL survey recommended three areas which contained significantly damaged and friable asbestos for immediate replacement. These areas are the fire door exterior stairwell in bldg.365 (parcel T037) and two fan units in the roof of bldg. 369 (T028). The Navy will perform any necessary abatement in these three areas. Any other abatement will be the responsibility of DOL. Both studies recommended limiting access, long term removal action or repair and implementation of Operation and Maintenance Plan for the other areas with friable and damaged asbestos containing material (ACM).

2.5 LEAD BASE PAINT

The Residential Lead-Based Paint (LBP) Hazard Reduction Act of 1992 (Title X of P.L. 102-550) affects the transfer of Federal property for residential use. The act states that target housing constructed before 1960 must be inspected for LBP and abated, if necessary. In addition target housing built between 1960 to 1978 must be inspected and proper notification provided. Title X will be applicable to building 369 (Parcel T028) which was constructed in 1958 and buildings 487 (Parcel T046), 488 (Parcel T044) and 489 Parcel T045) which were constructed in the mid- 70's. All of these buildings are intended to be used as dormitories by DOL. No LBP survey for the these buildings is planned by the Navy prior to the transfer of the property. Due to the age of the other facilities not intended for dormitory use, it is likely that LBP is present.

2.6 POLYCHLORINATED BIPHENYL (PCB)

Navy Public Works Center San Francisco Bay (PWCSFB) survey dated May 1995 identified three pole-mounted oil -filled transformers located at buildings 363 (Parcel T039), 365 (Parcel T037) and 368 (Parcel T038) contain 160 ppm, 87 ppm and 300 ppm of PCB -containing oil, respectively. The Navy is responsible for the removal and disposal of PCB-containing equipments.

2.7 HAZARDOUS SUBSTANCES

Hazardous substances are known to be stored and used at the property. Chemical Storage for parcels T037, T039, T042 and T047 were limited to small quantities (less than 50 gals.). A 550-gallon and 1000-gallon USTs containing diesel at Parcel T038 were removed in 1992. A notice of hazardous substances was prepared for this parcel in compliance with CERCLA 120 (h) and 40 CFR 373 and is attached as enclosure (3).

2.8 PESTICIDES

Developed and or/open spaces are likely to have received routine pesticides management.

2.9 RADON

A radon screening program was conducted in 1991. No buildings were identified as having radon gas levels above 4 pCi/L; therefore no further investigation is required.

2.10 UTILITIES

Potentially contaminated sanitary and sewer lines are present beneath parcels T028 and T042. The EBS Sampling Plan will address all the storm sewer lines issues as a basewide concern.

3. CONCLUSIONS:

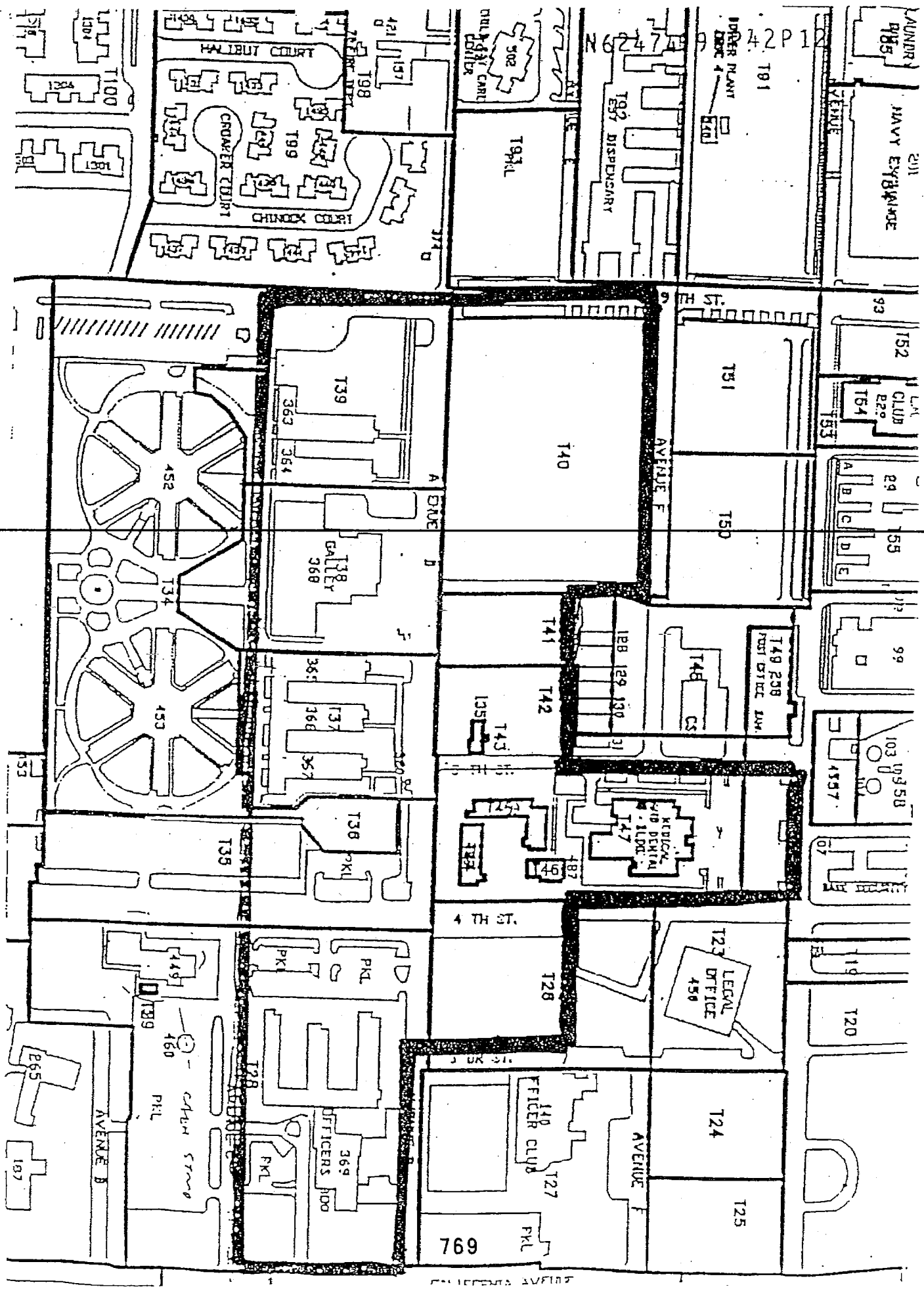
Based on the careful review of the available environmental data, the Navy has determined that the property is suitable to transfer for the proposed use, subject to the specified use restrictions, with acceptable risk to human health and environment. Data gaps for the parcels classified as BRAC Area Type 7 are being investigated under the Underground Storage Tanks (UST's), Installation Restoration (IR) and Environmental Baseline Survey (EBS) programs.

4. CERTIFICATIONS:

I certify that the property conditions stated in this report are based on a detailed search and review of available records, visual inspections, sampling, and analysis, as noted, and true and correct to the best of my knowledge and belief.

4/24/96
Date

James B. Sullivan
BRAC Environmental Coordinator
Naval Station Treasure Island


HALIBUT COURT
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CHINOOK COURT
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POST OFFICE
LEGAL OFFICE
450
OFFICERS
369
OFFICER CLUB
140
PKL
CALIFORNIA AVENUE

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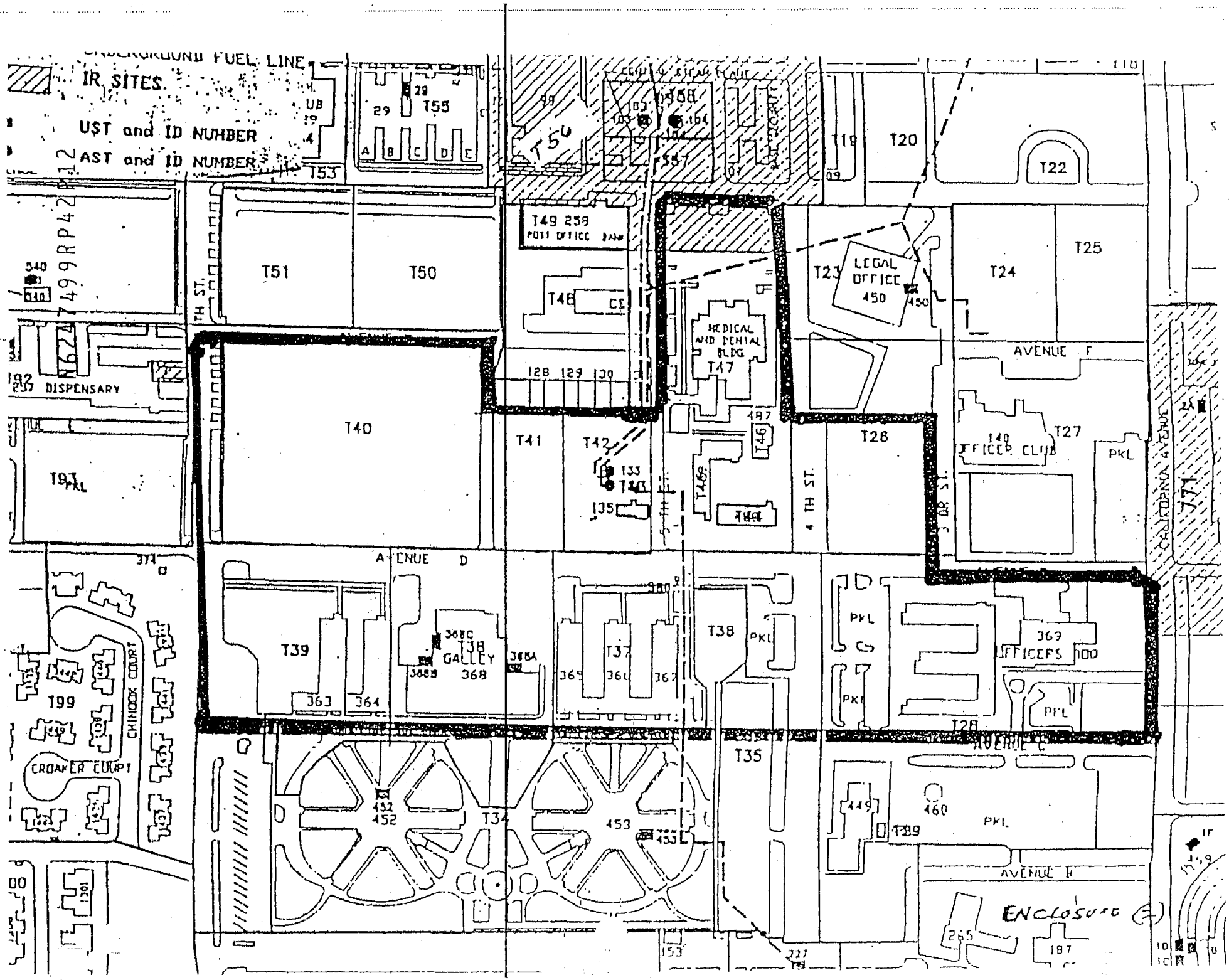
BUILDINGS INCLUDED IN THE PROPOSED TRANSFER

BUILDING	PARCELS	BRAC Area Type	DESCRIPTION
369	T028	7	Barracks, Mess Hall, Administration Office
365	T037	7	Barracks, Administration Office
366	T037	7	Barracks, Administration Office
367	T037	7	Barracks, Administration Office, Rehabilitation Center, Data Processing Center
368	T038	7	Dining Facility, Mess Hall, Cooking School
363	T039	7	Barracks, Administration Office
364	T039	7	Barracks
135	T043	7	~~Religious Education Building~~
488	T044	7	Barracks
489	T045	7	Barracks
487	T046	7	Administrative Office
442	T047	7	Medical/ Dental Clinic
—	T026	1	Playing Field
—	T056	6	Paved Parking Lot

ENCLOSURE (1)(a)



UNDERGROUND FUEL LINE
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AST and ID NUMBER
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POST OFFICE BANK
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LEGAL OFFICE 450
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MEDICAL AND DENTAL BLDG
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AVENUE F
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OFFICER CLUB
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4 TH ST.
AVENUE D
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T38 GALLEY 368
T37
T38
PKL
369 OFFICERS 100
T99
CHINOOK COURT
CROAKER COURT
T35
T34
AVENUE C
T89
AVENUE B
ENCLOSURE (2)

NOTICE OF PAST PRESENCE OF HAZARDOUS MATE .LS , STORED, RELEASED OR DISPOSED OF

			QUANTITY		CASRN	REGULATORY	RCRA	Date	REMARKS
FACILITY NUMBER	FACILIT NAME	SUBSTANCE	Pounds	Kilograms		SYNOMYM	Waste No.		
T038	Bldg.368	Diesel	550 gallons		---	---	---	?-1992	Formerly located on the parcel.
		(UST 368A)							Removed in 1992. High levels of Total
									Petroleum Hydrocarbon (TPH)-Diesel
									were detected along the west and
									south sides of the tank. Affected
									soil was removed. The site is under
									investigation and possible remediation
									under the Underground Storage Tank
									program (UST's) by EFA-West.
		Diesel	1000 gallons		---	---	---	?-1992	Formerly located on the parcel.
		(UST 368B)							Removed in 1992. Testing showed
									impacts to both soil and groundwater.
									Affected soil was removed. The site is
									under investigation and possible
									remediation under the Underground
									Storage Tank (UST's) by EFA-West.

The information contained in this notice is required under the authority of regulations promulgated under section 120(h) of the Comprehensive Environmental Response, Liability, and Compensation Act (CERCLA or "Superfund') 42 U.S.C. section 9620(h).

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ENCLOSURE (3)

N6247499RP42P12

FINDING OF SUITABILITY TO TRANSFER
SUMMARY DOCUMENT

1. ACTIVITY: Naval Station Treasure Island , San Francisco,CA

2. AGENCY REQUESTING TRANSFER: U.S. Department of Labor, Employment and Training Administration, Office of Job Corps Center, Washington, D.C.

3. PURPOSE: To document environmentally related findings on the proposed transfer of twelve existing buildings, open spaces and parking lot to the U.S. Department of Labor for the proposed Job Corps Center.

4. PROPERTY DESCRIPTION: The property is comprised of 35.5 acres with twelve buildings, associated open spaces and parking lot. See enclosures (1) and (1)(a).

5. PAST AND CURRENT USE OF THE PROPERTY:

a. Past Usage of the Property

Buildings that were present on the property during the 1939-40 World's Fair (Golden Gate International Exposition) were historically used as exhibition halls, storage areas, bakery, offices and later converted to barracks, gymnasium, training center, and other military facilities by the Navy. Buildings built after the exposition had a variety of usage ranging from barracks, bus station, shops, classrooms and offices.

b. Present Usage of the Property

The property has twelve existing buildings with parking lots primarily used as Barracks, Job Corps Center Cooking School, Medical/Dental Clinic, Mess Hall, and Administrative Offices. The open spaces were used for recreational purposes such as baseball diamonds, a soccer field and a golf driving range.

6. PROPOSED USE: Job Corps Training Center for disadvantaged youths between the ages of 16 and 21.

7. NEPA DOCUMENTATION: (1) Record of Categorical Exclusion for Federal to Federal Property Transfer is being prepared by Naval Station, Treasure Island (NAVSTA, TI) (2) Environmental Assessment prepared for Department of Labor by Donaldson and Associates dated 16 September 1994 to develop a Jobs Corps Training Center. The Job Corps Center would be housed in twelve existing buildings at NAVSTA, TI. A new recreational center may be constructed on an undeveloped portion of the land. The Job Corps is a residential vocational training and basic education program for disadvantaged youths between the ages of 16 and 21 and provides a unique combination of training and support services in a residential environment. Job Corps Center operators are responsible for management and administration of the centers seven days a week, 24 hours a day. All facilities, such as the library, arts and crafts areas,and athletic activities must be open for supervised use during evening and on weekends and holidays. The Job Corps Center would be developed through the adaptive reuse of twelve existing residential, office, food

service, medical-dental and support buildings and facilities clustered on about 35.5 acres of Treasure Island. The Job Corps Center would be planned for an optimum capacity of 720 residents and 130 non-residents students. It is estimated that many of the non-residents would be single parents, with a total of 60 children, that would use child care services available to the Job Corps on Treasure Island. Therefore, a total of 910 people would be served at the Center.

8. ENVIRONMENTAL BASELINE SURVEY FINDINGS: The Basewide Environmental Baseline Survey (EBS) Report dated 19 May 1995 documents the current environmental conditions of the property consisting of parcels T026 (part), T028 (part), T035 (part), T036, T037, T038(part), T039 (part), T040, T041(part), T042, T043, T044, T045, T046, T047 and T056 (part). A supplement to the EBS report dated 30 November 1995 summarizes information from the basewide EBS on the subject property and provides additional environmental survey findings on the data gaps. The significant findings and issues are summarized below:

a. Parcel T026 is classified as "uncontaminated" or BRAC Area Type 1 where no storage, release or disposal (including migration) has occurred.

b. Parcel T056 is classified as BRAC Area type 6 where there are areas of known contamination but the required response actions have not been implemented.

c. The rest of the parcels are all classified as BRAC Area Type 7 where there are suspected presence of contamination and require further evaluation. This further evaluation is being conducted under the Underground Storage Tank (UST), Installation Restoration (IR) and Environmental Baseline Survey (EBS) programs.

d. Abandoned and potentially damaged fuel lines were identified in Parcels T035, T037 and T042. Potential contamination migration from these fuel lines are the main areas of concern for Parcels T036, T041, T043, T044, T045, T046 and T047. Workplan for the closure-in-place and removal of inactive/damaged fuel lines was developed by the Navy and will be executed as soon as funding is available. Additional investigation of suspected fuel lines on parcels T037 and T042 will also be done by the Navy.

e. Two leaking Underground Storage Tanks were formerly located in Parcel T038. Potential groundwater contamination migration may have possibly impacted parcels T037 and T039. Another UST formerly located in the adjacent parcel from T028 was suspected to have impacted the groundwater. These sites are under investigation and any necessary remediation will be conducted under the Navy's UST program.

f. Potentially contaminated Sanitary and Sewer lines are present beneath parcels T028 and T042. The EBS Sampling Plan will address this issue as a basewide concern. Any necessary remediation will be conducted under the Navy's IR program.

g. Asbestos. Two asbestos surveys were done, one for the Department of Labor (DOL) and one for the Navy for twelve buildings included in the proposed transfer. DOL survey recommended three areas which contained significantly damaged and friable Asbestos Containing Materials (ACM) for immediate replacement. The Navy will perform any necessary abatement in these three areas. Any other abatement will be the responsibility of DOL.

h. The Navy has no plan for a Lead Base Paint (LBP) Survey for the proposed buildings prior to the transfer of the property. Due to the age of the facilities on the subject property, it is likely that LBP is present.
i. Results from Polychlorinated Biphenyl (PCB) survey done in May 1995 showed transformers in buildings 363(Parcel T039), 365(Parcel T037) and 368(Parcel T038) are contaminated with PCB (50 ppm or greater but less than 500 ppm). Removal and disposal of the above PCB transformers will be performed by the Navy subject to funding availability.
j. Hazardous substances are known to have been stored and used at the property. A 550-gallon and 1000-gallon UST's at Parcel T038 containing diesel were removed in 1992.
k. The parking lot near bldg. 442 is paved and will not be impacted by the IR Sites in parcel T056. A notice of hazardous substances was prepared for Parcel T038 in compliance with CERCLA 120 (h) and 40 CFR 373 and is attached as enclosure (3).

9. RECOMMENDED RESTRICTIONS AND NOTIFICATIONS:
Based on the results of the surveys at NAVSTA, TI, the property can be transferred for the proposed use with the following restrictions/notifications:

RESTRICTIONS:
a. Installing any groundwater wells at the subject property shall be prohibited, or otherwise utilizing groundwater without prior consent and oversight from the Navy.
b. Excavation in the areas identified in the UST, IR, fuel lines and sanitary sewer lines shall be prohibited without prior consent and oversight from the Navy.

NOTIFICATIONS:
a. The Navy reserves the right to enter upon the subject property to conduct investigations and surveys, collect samples, perform remediation or engage in other activities associated with the UST, IR and BRAC programs.
b. Buildings with known ACM as stated in the surveys shall be properly maintained and managed in compliance with the applicable federal, state and local laws and regulations related to asbestos.
c. Lead- based paint in all facilities and structures contained within the subject property shall be properly maintained and managed in compliance with all applicable Federal, State and Local LBP laws and regulations.

10. A Federal Facility Site Remediation Agreement (FFSRA) was executed on 29 September 1992 between the Navy and State of California, represented by California Department of Toxic Substances Control (DTSC) as lead agency and Califonia Regional Water Quality Control Board (RWQCB) as support agency. This agreement establishes requirements for the performance of remedial investigations and corresponding response actions to attain clean-up of hazardous substances, wastes (only to the extent that the definition of waste in water code section 13050 covers hazardous substances, pollutants and contaminants), pollutants or contaminants at the sites in accordance with applicable state and federal law.

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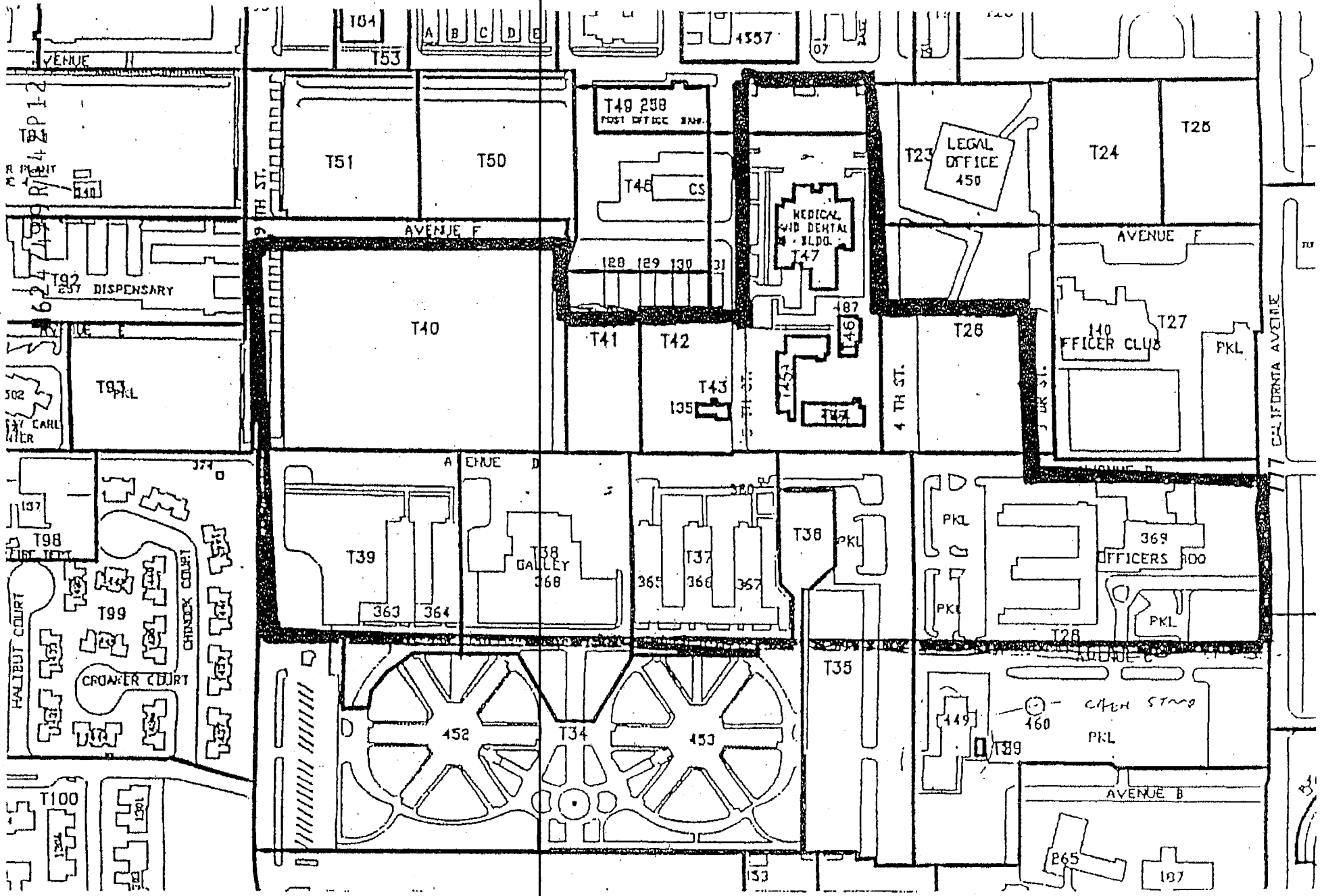
11. The Navy shall be responsible for compliance with all terms and provisions of the FFSRA and will remediate any soil and groundwater contamination resulting from past Navy activities to the satisfaction of federal, state, and local regulatory agencies In addition, the Navy shall retain full responsibility for all environmental requirements and regulations arising out of or related to the activities of the Navy, or its contractors and sub-contractors.

12. SUITABILITY TO TRANSFER STATEMENT

The property contains some level of contamination by hazardous substances or petroleum products, but the property can be transferred for the proposed use, with the specified use restrictions, with acceptable risk to human health and environment and without interference with the environmental restoration process.

14 JUNE 1996
Date

R.G. HOCKER JR.
CAPTAIN, CEC, USN
Commanding Officer
Engineering Field Activity, West
Naval Facilities Engineering Command



AVENUE H
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MEDICAL AND DENTAL BLDG.
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LEGAL OFFICE 450
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AVENUE F
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CALIFORNIA AVENUE
AVENUE D
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GALLEY
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PKL
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OFFICERS BDG
T98
T99
HALIBUT COURT
CHINOOK COURT
CROAKER COURT
T35
T34
452
453
T100
AVENUE B
265
187

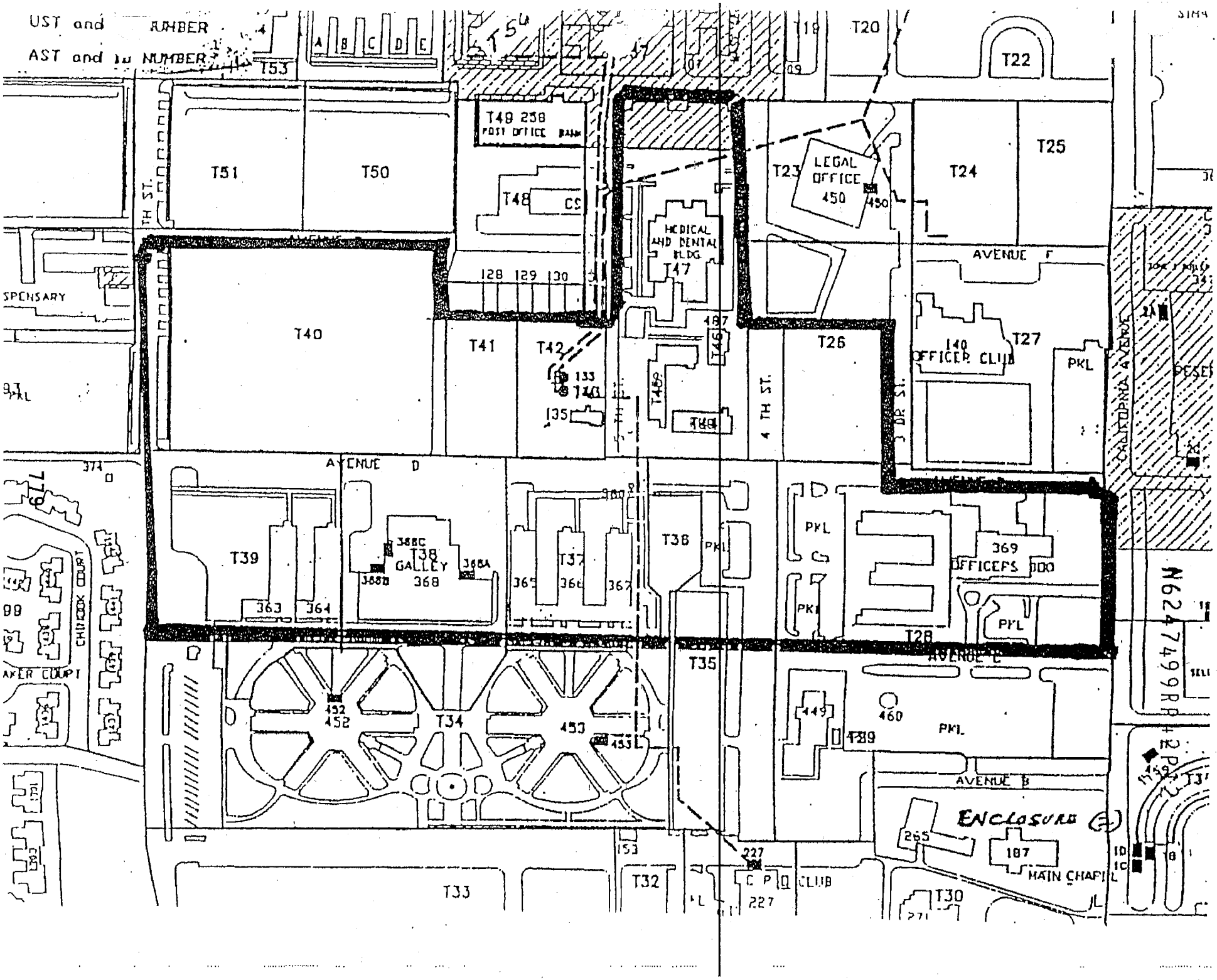
ENCLOSURE (1)

BUILDINGS INCLUDED IN THE PROPOSED TRANSFER

N6247499RP42P12

BUILDING	PARCELS	BRAC Area Type	DESCRIPTION
369	T028	7	Barracks, Mess Hall, Administration Office
365	T037	7	Barracks, Administration Office
366	T037	7	Barracks, Administration Office
367	T037	7	Barracks, Administration Office, Rehabilitation Center, Data Processing Center
368	T038	7	Dining Facility, Mess Hall, Cooking School
363	T039	7	Barracks, Administration Office
364	T039	7	Barracks
135	T043	7	Religious Education Building
488	T044	7	Barracks
489	T045	7	Barracks
487	T046	7	Administrative Office
442	T047	7	Medical/ Dental Clinic
—	T026	1	Playing Field
—	T056	6	Paved Parking Lot

ENCLOSURE (1)(a)



UST and NUMBER
AST and NUMBER
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POST OFFICE BANK
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HEDICAL AND DENTAL BLDG
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128 129 130
AVENUE F
SPENSARY
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OFFICER CLUB
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PKL
133
135
4 TH ST.
3 DR ST.
CALIFORNIA AVENUE
AVENUE D
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T38
GALLEY
368
T37
T36
PKL
369
OFFICERS
363
364
365
366
367
T28
T35
AVENUE C
CHINOOK COURT
T34
452
453
449
460
PKL
AVENUE B
ENCLOSURE (2)
265
187
MAIN CHAPEL
T33
T32
227
C P O CLUB
T30
N6247499RR42P

FACILITY NUMBER	FACILIT NAME	SUBSTANCE	QUANTITY Pounds	QUANTITY Kilograms	CASRN	REGULATORY SYNOMYM	RCRA Waste No.	Date	REMARKS
1038	Bldg.368	Diesel (UST 368A)	550 gallons		—	—	—	?-1992	Formerly located on the parcel. Removed in 1992. High levels of Total Petroleum Hydrocarbon (TPH)-Diesel were detected along the west and south sides of the tank. Affected soil was removed. The site is under investigation and possible remediation under the Underground Storage Tank program (UST's) by EFA-West.
		Diesel (UST 368B)	1000 gallons		—	—	—	?-1992	Formerly located on the parcel. Removed in 1992. Testing showed impacts to both soil and groundwater. Affected soil was removed. The site is under investigation and possible remediation under the Underground Storage Tank (UST's) by EFA-West.

The information contained in this notice is required under the authority of regulations promulgated under section 120(h) of the Comprehensive Environmental Response, Liability, and Compensation Act (CERCLA or "Superfund') 42 U.S.C. section 9620(h).

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ENCLOSURE (3)

N6247499RP42P12

9 Oct 1998

RECORD OF CATEGORICAL EXCLUSION FOR THE LEASE OF BUILDINGS 128, 129, 130 AND 131 AND ADJACENT PROPERTY FOR WAREHOUSING USE TO THE CITY OF SAN FRANCISCO AT FORMER NAVAL STATION TREASURE ISLAND SAN FRANCISCO, CALIFORNIA

1. Categorical Exclusion Process. This Categorical Exclusion was prepared by the Treasure Island Caretaker Site Office (CSO), Engineering Field Activity West (EFAWEST), pursuant to the National Environmental Policy Act (NEPA), the Council on Environmental Quality Regulations for Implementing the Procedural Provisions of the National Environmental Policy Act (40 CFR Parts 1500-1508), and the Navy's Environmental and Natural Resources Program Manual (OPNAVINST 5090.1B, CH-1, 2 Feb 1998). Categorical Exclusions may be used for those actions which, after consideration by the Navy, have been found not to have a significant effect on the human environment individually or cumulatively, under normal circumstances. The purpose of this document is to demonstrate that this action meets the criteria as a Categorical Exclusion, where there is no substantial change in land use.

2. Description of Proposed Action, and Purpose and Need. Pursuant to the Base Realignment and Closure Act BRAC III, the Navy is expediting interim licenses, leases, uses and transfers of buildings and parcels of land at closing bases, in order to facilitate prompt reuse opportunities by the affected local community. The proposed action is one such interim lease.

The proposed action at former Naval Station Treasure Island is the lease of Buildings 128, 129, 130 and 131 and adjacent property on Treasure Island, as shown in the accompanying figure, to the City of San Francisco, for warehousing use. The buildings and land will be used in an "as is" condition except for routine maintenance. The proposed action is acceptable to and desired by the local city that will inherit jurisdiction over the closing base, the City of San Francisco.

The historic use of the site was for warehousing. Buildings 128, 129, 130 and 131 were built in 1942 and used as scrub houses and storage buildings.

The reason for selecting the proposed site at the closing base is: there is no other available warehouse buildings offering comparable warehouse space. It will also assist the City in the marketing of the overall Naval Station property for fast-track reuse and job creation.

The proposed action is consistent with existing land use because there will be no significant change in use from Navy operated warehouses to leased warehouses. It is anticipated it will be generally consistent with ultimate Reuse Plan, and in any case such long-term reuse compatibility will be evaluated in more comprehensive NEPA documentation to be prepared based on the overall disposal and reuse plans.

The proposed action would not result in significant adverse changes in impacts upon local socioeconomic resources because warehousing operations will be confined to the existing Buildings 128, 129, 130 and 131. The action is in an already developed area. The proposed action would not result in significant visual or aesthetic characteristics changes.

No alternatives are considered for this action nor are any required given the lack of expected significant environmental effects. Given the Navy's determination to expedite the interim use of closing bases, No Action is not required to be considered nor was it needed to be considered as an alternative needing evaluation in this Categorical Exclusion. No action would mean a continuation of the status quo of the facility as unused.

3. Applicable Categorical Exclusion(s). The Categorical Exclusion deemed appropriate to this proposed action is Category (s), which states as follows:

(s) "Granting of leases, permits and easements where there is no substantial change in land use or where subsequent land use would otherwise be categorically excluded."

This Categorical Exclusion applies because the lease of Buildings 128, 129, 130 and 131 as warehouses is consistent with the existing historic nature of land use in this area of Treasure Island. Evaluation supporting the lack of environmental effects follows in succeeding paragraphs.

4. Impact Evaluation Factors. OPNAVINST 5090.1B section 2-4.2 lists available Categorical Exclusions. Section 2-4.1 specifies that, even if a proposed action fits a Categorical Exclusion listed in section 2-4.2, it may not be used if the proposed action might result in certain specified impacts.

a. Public health or safety.

The proposed action will not result in significant increases in impacts upon existing utilities, police and fire protection, or traffic and parking because the level of operations is expected to be consistent with the historical level of activity in this area.

The City of San Francisco will be responsible for providing utilities services.

Executive Order 12898, Environmental Justice. The Executive Order requires a Federal Agency to identify and address, as appropriate, disproportionately high and adverse human health or environmental effects it its actions on minority and low-income populations. The proposed action will have no high or adverse effect on minority or low-income populations because the Treasure Island site is remote from all civilian populated areas. The action would result in the creation of an unknown number of jobs and an unknown change in the tax base. Pursuant to Executive Order 12898 (11 Feb 94) on Environmental Justice in Minority Populations and Low Income Populations, the proposed action would not have a disproportionately adverse effect on such populations.

b. Potential for significant environmental affects on wetlands, endangered or threatened species, historical or archeological resources, or hazardous waste sites.

The proposed action would not affect wetlands since there are no wetlands on Treasure Island.

The proposed action is in an existing developed area of Treasure Island. The proposed action would not affect endangered or threatened species since there are no habitats in this area. (Draft Final Onshore Remedial Investigation Report, U.S. Navy, September 1997)

The proposed action will not affect historical, archeological, or paleontological resources on or eligible for listing on the National Register of Historic Places, or affected Native American concerns. Buildings 128, 129, 130 and 131 are not eligible for the National Register.

Based on the Basewide Environmental Baseline Survey of 19 May 1995 (Parcels T041 and T042) and the Summary Document for Transfer of Property to the Department of Labor (DOL) dated 1997, there are no hazardous material issues in this area other than lead-based paints and asbestos, and potential subsurface soil and groundwater contamination from petroleum. (This site had earlier been evaluated for transfer to DOL.) A former fuel line was removed along the south side of Building 131 and may require additional remediation. The Navy has determined that the property is suitable for the proposed lease use for warehousing, with the following use restrictions:

- The lessee will be restricted from conducting excavation, drilling or other ground-disturbing activities other than minor repairs of the pavement without prior written Navy approval and Navy coordination with applicable federal and state regulatory agencies, as necessary. This restriction will not apply to routine landscaping activities.

- Use of groundwater is prohibited. The lessee will be prohibited from installing any groundwater wells or otherwise using groundwater at the subject property. The lessee shall not damage existing or future groundwater monitoring wells. The lessee will be responsible for any damage to the wells.

- The lessee is required to conduct routine evaluations of the condition of existing Asbestos Containing Material (ACM) and to comply with all applicable federal, state and local laws relating to asbestos. Before reconstruction or remodeling, the lessee must submit plans to the Navy to prevent an inadvertent disturbance of potential ACM. For the purposes of this lease, the lessee will agree that during its use and occupancy of the subject property, it will bear all costs for managing the ACM properly.

- Due to the presumed presence of lead-based paints on the interior and the exterior structure of Buildings 128, 129, 130 and 131, residential, or residential related uses such as child-care, are absolutely prohibited.

The proposed action does not involve effects that are highly uncertain, involve such risks, or are scientifically controversial since only warehousing activities are involved.

The proposed action would not result in significant increased noise levels since the types of warehousing activities would be consistent with historic use of the property.

c. Precedents or decisions in principle for future actions with significant effects.

The proposed action would not establish precedents of future significant effects because there are no unusual aspects to the use of Buildings 128, 129, 130 and 131 as warehouses.

d. Federal, State of California or local law or requirements imposed for protection of the environment.

The proposed action would not threaten or violate environmental protection laws or requirements because it does not involve any unusual hazardous actions.

Clean Air Act: The proposed action would not result in new, added or significantly different affects on air quality. There will be no substantial change in land or facility use that would significantly change or add to existing air emission sources. This discussion in the Categorical Exclusion constitutes the Record of Non-Applicability. The action is therefore not considered to require a formal Air Quality Conformity Evaluation pursuant to the Clean Air Act Amendments.

Coastal Zone Management Act Compliance: The Building 128, 129, 130 and 131 area is located outside of the 100 foot line of the shoreline. In addition, activities will be taking place exclusively within the existing area and there will be no significant permanent changes made to the site. As a result, no further coastal consistency documentation is considered necessary.

5. Public Concerns Summary.

No formal scoping process was conducted nor was any deemed necessary given the limited scope of the proposed action. There are no known or expected public concerns that would result from this proposed action.

6. Conclusion.

Based on the above project description and analysis, the proposed action fits the specified Categorical Exclusion, and would not result in any significant adverse environmental impact nor would it be environmentally controversial. We therefore conclude that this proposed lease is categorically excluded from NEPA under OPNAVINST 5090.1B paragraph 2-4.2, and that additional environmental documentation is not required.

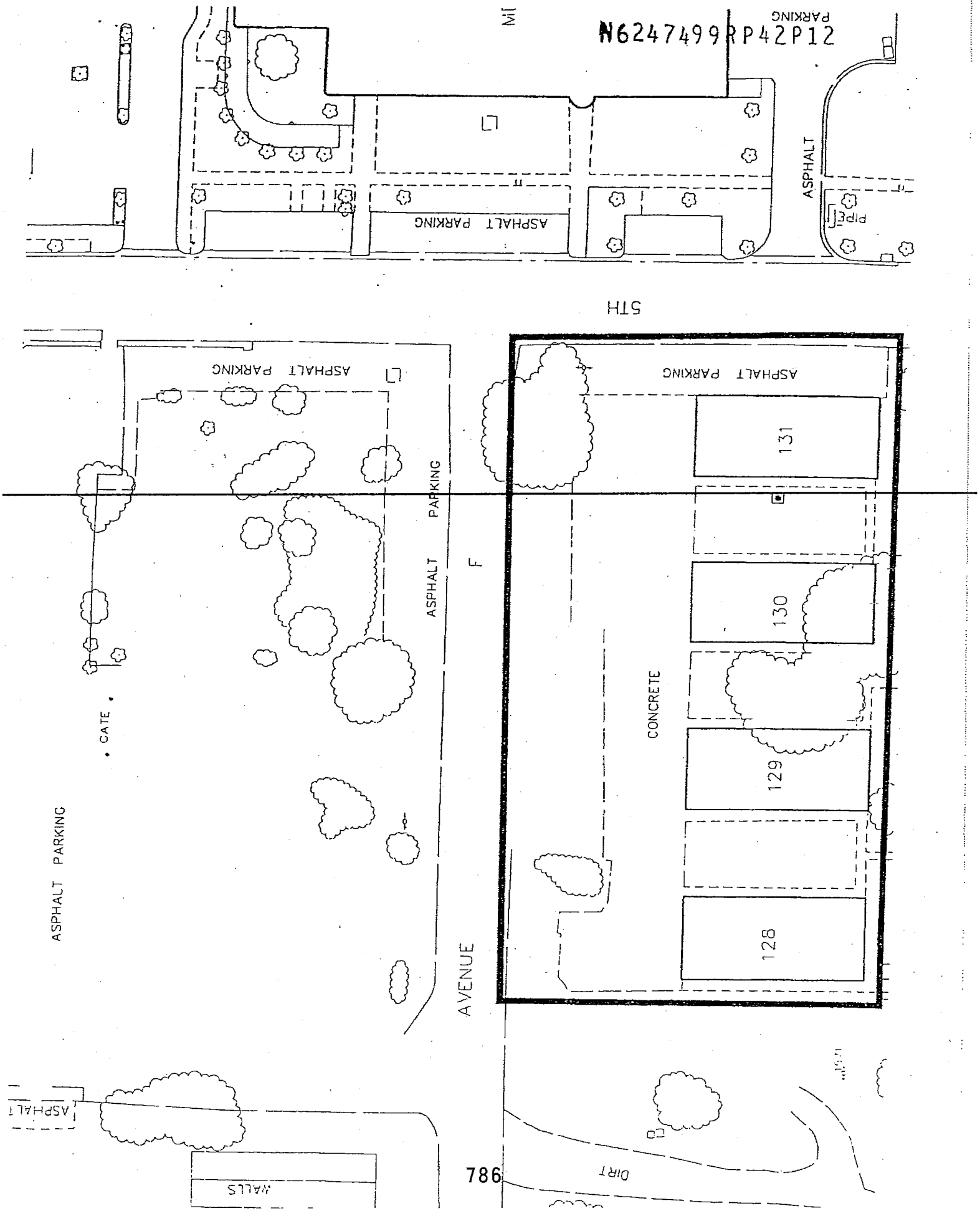
7. Preparer. This Categorical Exclusion was prepared by the Treasure Island Caretaker Site Office, San Francisco, California, (415) 743-4717, FAX (415) 743-4700 or Internet jbsullivan@efawest.navfac.navy.mil.

James B. Sullivan Base Closure Environmental Coordinator

Signature

9 Oct 1998
Date

-end of Categorical Exclusion-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PARKING
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EXHIBIT D

UTILITIES AGREEMENT
SUPPORTING LEASE OF LAND AND STRUCTURES

NAVAL STATION TREASURE ISLAND

ARTICLE 10, UTILITIES

(a) Portions of the Government's utilities systems serving the Station are located within the Premises and are reserved for use by the Government hereunder. The Lessee agrees to allow the Government or its utility suppliers reasonable access to the Premises for such operation, maintenance, repair and replacement of these utilities systems as may be required. In executing operation, maintenance, repair or replacement of these systems, the Government agrees to take all reasonable steps to limit interference with the use of the Premises by the Lessee or its approved sublessees or assignees.

(b) Prior to commencement of the term of this Lease, the Government and the Lessee will agree upon the terms and conditions for delivery of utility services by the Government to the Lessee which agreement will be appended as Exhibit "E" to this Lease. Conditions will include the following:

(1) Sewage discharge by the Lessee to the Government owned sewer system must meet all requirements of any applicable waste water discharge permit or contract issued by or between the Government and Bay Area Water Quality Management Board for discharge of sewage from the Station.

(2) Storm water discharged from the Premises must meet the requirements of permits issued to the Government in accordance with the National Pollution Discharge Elimination System (NPDES) for discharge of storm water from the Station. In addition, the Lessee agrees to participate in any storm water quality management program required by applicable local, State, or Federal regulations.

(c) The Lessee may, at its own cost, replace, remove, or relocate utility systems on the Premises in order to use the Premises, so long as there is no unreasonable interference with use by the Government of the utility systems and provided the Government has approved the replacement, removal or relocation in advance. Government approval shall not be unreasonably denied or delayed.

BACKGROUND

This exhibit implements the agreement stipulated in ARTICLE 10, of the Lease between the Lessee and the Government.

All correspondence in connection with
this contract should include reference to:

N6247499RP42P12

AGREEMENT

Pursuant to the requirements stipulated in ARTICLE 10 of said Lease, the Lessee and the Government hereby agree to the following with respect to Government-owned utility systems and to Government-provided utility services:

1. General

All utility services delivered at the premises shall be obtained from the City and County of San Francisco (CCSF) in accordance with provisions of Cooperative Agreement N624749720003 entered into by the Navy and CCSF. The Lessee agrees to conform to conditions of service which may be laid out by CCSF in addition to the general requirements of paragraphs 2.0 through 7.0, below. Assistance in obtaining service from CCSF can be obtained by contacting:

San Francisco Public Utilities Commission
410 Palm Ave., Building 1
Treasure Island
San Francisco, CA 94130

Attn.: Chuck Swanson, Utilities Project Manager
Phone: 415 274 0333

2.0 Metering

Electric, natural gas and water service will be authorized by the Government only after installation of meters which fully and exclusively measure consumption on the Premises. Prior to commencement of service the Lessee will insure that any additional metering which may be required has been installed by the San Francisco Public Utilities Commission (SFPUC), as the representative of the CCSF, or in accordance with SFPUC requirements and with written SFPUC authorization. Unless otherwise stipulated by the SFPUC, the volume of sewer discharge from the Premises will be assumed to equal water consumption as measured by applicable meters.

3.0 Commencement of Service

Service will commence after the Lessee, or any sublessee authorized by the Government, has established an account with the SFPUC and has made any advance service deposit which the SFPUC may require.

4.0 Rates

Until further notice by the Government, the following rates are in effect:

Utility	Unit	Charge Per Unit
electricity	MWH (million watt-hours)	$142.75
natural gas	MFC (1,000 cubic feet)	$ 6.00
water	KGAL (thousand gallons)	$ 5.40
sewer	KGAL	$ 5.75

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this contract should include reference to:

N6247499RP42P12

5.0 Billing and Payment

Monthly bills for utilities services will be issued by the SFPUC to the Lessee or to a Government authorized sublessee as agreed upon between the Lessee and the SFPUC. Payment to the SFPUC is due within 10 working days of receipt of the bill. Adjustments to billed amounts may requested only after receipt of the billed amount by the SFPUC and may be granted by the SFPUC only after an error in the originally presented bill is clearly established and documented.

6.0 Service to Sublessees

As stated in paragraph 5.0, above, payment for utility service may be made directly to the SFPUC by a Government authorized sublessee, rather than by the Lessee, subject to agreement by the SFPUC. In the event any such agreement is made, the Lessee will insure that the applicable sublease contains provisions sufficient to bind the sublessee to all conditions of service given here as well as to any additional conditions of service which may be imposed by the SFPUC.

7.0 Failure by Sublessees to Make Payment

Any Government authorized sublessee obligated to make payment for utility services directly to the SFPUC will be considered in arrears if payment of any bill is not received within 30 working days of presentation to the sublessee by the SFPUC. In any such case, the liability for payment will immediately revert to the Lessee and will remain with the Lessee for the remainder of the term of this Lease.

Exhibit E

SAFETY AND HEALTH HAZARDS TO BE CORRECTED

There are no safety or health hazards identified by the Government requiring correction.

All correspondence in connection with
this contract should include reference to:

Exhibit F

N6247499RP42P12

GOVERNMENT'S OBLIGATIONS TO ABATE ASBESTOS

No asbestos abatement to be performed by Government.