

1 [Lease Agreement - Treasure Island Sailing Center Foundation - Treasure Island Sailing
2 Center - \$10,000 Minimum Annual Base Rent]

3 **Resolution approving a lease agreement between the Treasure Island Development**
4 **Authority and Treasure Island Sailing Center Foundation, Inc, a California nonprofit**
5 **corporation, for the development and management of the Treasure Island Sailing**
6 **Center for a term of 66 years following Board approval for a minimum annual base rent**
7 **of \$10,000 with rent increases adjusted annually by the Consumer Price Index, as**
8 **defined herein; making findings under the California Environmental Quality Act,**
9 **adopting a Mitigation Monitoring and Reporting Program and confirming the Planning**
10 **Department’s determination that no additional environmental impacts that were not**
11 **previously identified, would occur as a result of the proposed lease.**

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13 WHEREAS, Naval Station Treasure Island is a former military base located on
14 Treasure Island and Yerba Buena Island (together, the "Base"); and

15 WHEREAS, The Base was selected for closure and disposition by the Base
16 Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its
17 subsequent amendments; and

18 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
19 authorizing the Mayor’s Treasure Island Project Office to establish a nonprofit public benefit
20 corporation known as the Treasure Island Development Authority (the “Authority”) to act as a
21 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
22 conversion of the Base for the public interest, convenience, welfare and common benefit of
23 the inhabitants of the City and County of San Francisco; and

24 WHEREAS, Under the Treasure Island Conversion Act of 1997 (the “Act”), which
25 amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to

1 Chapter 1333 of the Statutes of 1968, the California Legislature 1) designated the Authority as
2 a redevelopment agency under California redevelopment law with authority over the Base
3 upon approval of the City's Board of Supervisors, and 2) with respect to those portions of the
4 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
5 administer the public trust for commerce, navigation and fisheries as to such property; and

6 WHEREAS, On February 6, 1998, the Board of Supervisors adopted Resolution No.
7 43-98 approving the designation of the Authority as a redevelopment agency for Treasure
8 Island and Yerba Buena Island; and

9 WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of
10 the Authority as the redevelopment agency for Treasure Island under California Community
11 Redevelopment Law in Resolution No. 11-12; although such rescission does not affect
12 Authority's status as the Local Reuse Authority for Treasure Island or the Tidelands Trust
13 trustee for the portions of Treasure Island subject to the Tidelands Trust, or any other powers
14 or authority of the Authority; and

15 WHEREAS, The Authority, together with the Planning Department, are the Lead
16 Agencies responsible for the implementation of the California Environmental Quality Act
17 ("CEQA") for this area and have undertaken a planning and environmental review process for
18 the development of the Base, including the Treasure Island Sailing Center, and provided for
19 appropriate public hearings before the respective Commissions; and

20 WHEREAS, The Authority and Treasure Island Sailing Center Foundation, Inc. ("TISC")
21 have worked for almost two decades to support the programs of the Treasure Island Sailing
22 Center and to plan for the continuation of those programs within the larger reuse and
23 redevelopment of the Base; and

24 WHEREAS, On August 23, 2003, the Planning Department and Authority released for
25 public review and comment the Draft Environmental Impact Report for the Transfer and

1 Reuse of Naval Station Treasure Island (Planning Department File No. 94.448E), which
2 includes both a program-level analysis of the transfer of the portions of the former base from
3 the United States Navy to the City and County of San Francisco and a project-level analysis of
4 the proposed marina development; and

5 WHEREAS, The Planning Commission and the Authority Board of Directors held a joint
6 public hearing on October 2, 2003, on the Draft Environmental Impact Report and received
7 written public comments until October 21, 2003, for a total of 60 days of public review; and

8 WHEREAS, The Planning Department and Authority prepared a Final Environmental
9 Impact Report ("2006 FEIR") for the Transfer and Reuse of Naval Station Treasure Island
10 consisting of the Draft Environmental Impact Report, the comments received during the
11 review period, any additional information that became available after the publication of the
12 Draft Environmental Impact Report, and the Comments and Responses, all as required by
13 law, a copy of which is on file with the Planning Department under Case No. 94.448E, which
14 is incorporated into this motion by this reference; and

15 WHEREAS, On May 5, 2005, the Planning Commission, by Motion No. 17020, and the
16 Authority Board of Directors, by Resolution No. 05-017-5105, as co-lead agencies, certified
17 the 2006 FEIR and made certain environmental findings under CEQA; and

18 WHEREAS, On July 12, 2010, the Planning Department and Authority released for
19 public review and comment the Draft Environmental Impact Report for the Treasure
20 Island/Yerba Buena Island Project (Planning Department Case No. 2007.0903E), which
21 analyzed the impacts of the proposed master development, including an analysis of the new
22 and upgraded landside and waterside facilities for the existing Treasure Island Sailing Center;
23 and

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1 WHEREAS, The Planning Commission and the Authority Board of Directors held a joint
2 public hearing on August 12, 2010, on the Draft Environmental Impact Report and received
3 written public comments until August 26, 2010, for a total of 45 days of public review; and

4 WHEREAS, The Planning Department and Authority prepared a Final Environmental
5 Impact Report ("2011 FEIR") for the Treasure Island/Yerba Buena Island Project consisting of
6 the Draft Environmental Impact Report, the comments received during the review period, any
7 additional information that became available after the publication of the Draft Environmental
8 Impact Report, and the Draft Summary of Comments and Responses, all as required by law,
9 a copy of which is on file with the Planning Department under Case No. 2007.0903E, which is
10 incorporated into this motion by this reference; and

11 WHEREAS, On April 21, 2011, the Planning Commission by Motion No. 18325, and
12 the Authority Board of Directors, by Resolution No. 11-14-04/21, as co-lead agencies, certified
13 the completion of the 2011 FEIR, and unanimously approved a series of entitlement and
14 transactional documents, including certain environmental findings under CEQA and a
15 Mitigation Monitoring and Reporting Program ("MMRP"); and

16 WHEREAS, On June 7, 2011, in Motion No. M11-0092, the Board of Supervisors
17 unanimously affirmed certification of the 2011 FEIR, and on that same date, the Board of
18 Supervisors, in Resolution No. 246-11, adopted CEQA findings and the MMRP, and made
19 certain environmental findings under CEQA; and

20 WHEREAS, The Planning Department reviewed the proposed lease for the Treasure
21 Island Sailing Center, a copy of which is on file with the Secretary of this Board (the "Lease");
22 and

23 WHEREAS, The Planning Department concluded that the Lease as proposed is within
24 the scope of the 2006 EIR (waterside) and 2011 EIR (landside) projects previously analyzed,
25 and that there have not been any substantial changes with respect to the circumstances

1 under which development at Treasure Island would be undertaken, nor has new information
2 come to light that would alter the analysis or conclusions of the 2006 EIR and the 2011 EIR;
3 as such, pursuant to California Public Resources Code, Section 21166 and CEQA Guidelines,
4 Section 15162, the Planning Department concluded in a memorandum that a subsequent or
5 supplemental environmental impact report is not required at this time, a copy of which is on
6 file with the Secretary of this Board (the “2017 Memorandum”); and

7 WHEREAS, The 2006 FEIR, the 2011 FEIR, the 2017 Memorandum and other Project-
8 related files have been made available for review by the Planning Commission, the Planning
9 Department, the Authority Board of Directors and the public; and

10 WHEREAS, At its October 17, 2017, meeting the Authority Board of Directors approved
11 Resolution No. 17-37-1030 1) making CEQA findings and confirming the Planning
12 Department’s determination that no additional environmental impacts that were not previously
13 identified would occur as a result of the proposed lease; and 2) approving and authorizing the
14 execution of a 66 year lease between the Authority and TISC, for the Treasure Island Sailing
15 Center; and

16 WHEREAS, The Lease is for a 66 year term that begins once the Authority issues a
17 notice to proceed with the Initial Improvements (as described in the Lease); and

18 WHEREAS, The Lease provides TISC with an opportunity to develop and manage the
19 Treasure Island Sailing Center in portions of Clipper Cove, with nonexclusive use of the
20 common water areas of Clipper Cove and adjacent land side areas, and exclusive use of
21 certain landside premises; and

22 WHEREAS, The Lease provides a commitment to TISC for the use of the premises
23 allowing them to raise funds for the development of the site and the to commence the
24 permitting process with the Bay Conservation and Development Commission; and

25

1 WHEREAS, The Lease requires TISC to prepare plans and specifications for the Initial
2 Improvements, subject to the review and approval of the Authority's Board of Directors
3 following any required environmental review, if any, and that the work on the Initial
4 Improvements cannot proceed unless and until such approval has been obtained; and

5 WHEREAS, Under the Lease, TISC will, upon the receipt of approvals and satisfaction
6 of conditions relating to the Initial Improvements, which must occur within two years, construct
7 the Initial Improvements in several phases; and

8 WHEREAS, Under the Lease, TISC will pay a minimum monthly base rent of \$833.33
9 per month or \$10,000 annually, with future consumer price index adjustments, and an annual
10 percentage rent based upon revenues, if such amount is higher than the minimum base rent
11 under the formula set forth in the Lease; and

12 WHEREAS, Pursuant to the Board of Supervisors Resolution establishing the
13 Authority, AB 699 and the Authority's Bylaws, Board of Supervisors approval is required of
14 any contract or agreement entered into by the Authority with a term longer than ten years;
15 now, therefore, be it

16 RESOLVED, That the Board of Supervisors has reviewed and considered the 2006
17 FEIR, 2011 FEIR and the 2017 Memorandum, and hereby adopts the CEQA Findings; and,
18 be it

19 FURTHER RESOLVED, The Board of Supervisors confirms the Planning Department's
20 determination that no additional environmental impacts would occur as a result of the
21 proposed Lease and no additional environmental analysis is required under CEQA at this
22 time; and, be it

23 FURTHER RESOLVED, That the Board of Supervisors hereby approves and
24 authorizes the Treasure Island Director or his designee to execute and enter into the Lease
25 with Treasure Island Sailing Center Foundation, Inc., a California non-profit corporation, in

1 substantially the form filed with the Clerk of the Board of Supervisors in File No. 181226, and
2 any additions, amendments or other modifications to such Lease (including, without limitation,
3 its exhibits) that the Treasure Island Director or his designee determines, in consultation with
4 the City Attorney, are in the best interests of the Authority, that do not materially increase the
5 obligations or liabilities of the Authority or materially reduce the rights of the Authority, and are
6 necessary or advisable to effectuate the purpose and intent of this resolution; and, be it

7 FURTHER RESOLVED, That within thirty (30) days of the Lease Agreement being fully
8 executed by all parties the Treasure Island Development Authority shall provide copies of the
9 Lease Agreement to the Clerk of the Board for inclusion into the official file.

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1 RECOMMENDED:

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Bob Beck, Director, Treasure Island Development Authority

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