

1 [Endorsement of Term Sheet with the Treasure Island Homeless Development Initiative]

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3 **Resolution endorsing the Term Sheet for the Amended and Restated Base Closure**  
4 **Homeless Assistance Agreement with the Treasure Island Homeless Development**  
5 **Initiative.**

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7 WHEREAS, Former Naval Station Treasure Island is a military base located on  
8 Treasure Island and Yerba Buena Island (together, the "Base" or the "Property"), which is  
9 currently owned by the United States of America ("the Federal Government" or the "Navy");  
10 and,

11 WHEREAS, Treasure Island was selected for closure and disposition by the Base  
12 Realignment and Closure Commission ("BRAC") in 1993, acting under Public Law 101-510,  
13 and its subsequent amendments; and,

14 WHEREAS, The United States Department of Defense designated the City and County  
15 of San Francisco ("City") as the Local Reuse Authority ("LRA") responsible for the conversion  
16 of the Base under the federal disposition process; and,

17 WHEREAS, The Board of Supervisors adopted Resolution No. 573-94 on July 2, 1994,  
18 electing to be governed by a process prescribed by the Federal Government in the Base  
19 Closure Community Redevelopment and Homeless Assistance Act of 1994 (the "Homeless  
20 Assistance Act"), which requires the LRA to propose a plan for using Base resources to assist  
21 homeless persons as part of its preparation of a strategic land use plan for redevelopment of  
22 the Base; and,

23 WHEREAS, The Homeless Assistance Act requires the LRA to prepare (i) a proposed  
24 legally binding agreement that provides for the use of buildings, property and other resources  
25 on and off the Base to assist homeless persons in the community, which will become effective

1 after completion of environmental review under the California Environmental Quality Act  
2 ("CEQA") and the National Environmental Policy Act ("NEPA"); (ii) information regarding how  
3 the draft Reuse Plan for the Base addresses homelessness in the community; and (iii) a  
4 summary of public comments regarding the above-mentioned documents (collectively, the  
5 "Homeless Assistance Submission"); and,

6 WHEREAS, The Treasure Island Homeless Development Initiative ("TIHDI") is a  
7 collaborative, currently consisting of 9 non-profit organizations ("TIHDI Member  
8 Organizations"), that was formed in June 1994 for the purpose of utilizing the structural and  
9 economic development resources of the Base to fill gaps in the continuum of care for  
10 homeless individuals and families in the City; and,

11 WHEREAS, TIHDI submitted a Notice of Interest to the LRA on November 1, 1995  
12 requesting the use of certain buildings on the Base and proposing various programs on the  
13 Base to serve homeless and economically disadvantaged persons; and,

14 WHEREAS, In 1996, the City and TIHDI negotiated a Base Closure Homeless  
15 Assistance Agreement and Option to Lease Real Property (the "Homeless Assistance  
16 Agreement") as part of the Homeless Assistance Submission, which describes the terms  
17 under which TIHDI and TIHDI Member Organizations (i) could utilize up to 375 units of  
18 existing former military housing on an interim basis, (ii) would be granted certain rights to new  
19 housing opportunities as part of redevelopment of the Base, (iii) would receive certain rights to  
20 economic development opportunities, (iv) would participate in a permanent employment  
21 program related to activities on the Base, and (v) could receive certain financial support and  
22 facilities; and,

23 WHEREAS, The Board of Supervisors adopted Resolution No. 672-96 on July 25,  
24 1996, endorsing a draft Reuse Plan for the Base and authorizing the submission of the draft  
25 Reuse Plan and the Homeless Assistance Submission to the Department of Defense and the

1 United States Department of Housing and Urban Development ("HUD") as required under the  
2 Homeless Assistance Act; and,

3 WHEREAS, HUD approved the draft Reuse Plan and the Homeless Assistance  
4 Submission on November 26, 1996; and,

5 WHEREAS, On June 13, 1997, the Board of Supervisors adopted Resolution No. 566-  
6 97 endorsing an amendment to the Homeless Assistance Agreement to allow for the transfer  
7 of certain Navy personal property to TIHDI, and the Homeless Assistance Agreement, as  
8 amended, is referred to in this resolution as the "1996 TIHDI Agreement"; and,

9 WHEREAS, In 1997, the Base closed and the Authority was created to replace the City  
10 as the LRA and to serve as a single entity responsible for the redevelopment of the Property;  
11 and,

12 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended  
13 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter  
14 1333 of the Statutes of 1968 (the "Conversion Act"), the California Legislature (i) designated  
15 the Authority as a redevelopment agency under California Community Redevelopment Law  
16 with authority over the Property, and (ii) with respect to those portions of the Property that are  
17 subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"),  
18 vested the authority to administer the Tidelands Trust as to such property in the Authority in  
19 accordance with the terms of the Conversion Act; and,

20 WHEREAS, The Board of Supervisors approved the designation of the Authority as a  
21 redevelopment agency with powers over the Property under the Conversion Act in Resolution  
22 No. 43-98, dated February 6, 1998; and,

23 WHEREAS, Under the Conversion Act and the Authority's Articles of Incorporation and  
24 Bylaws, the Authority, acting by and through its Board of Directors (the "Authority Board"), has  
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1 the power, subject to applicable laws, to sell, lease, exchange, transfer, convey or otherwise  
2 grant interests in or rights to use or occupy all or any portion of the Property; and,

3 WHEREAS, After a competitive bid process, the Authority Board selected Treasure  
4 Island Community Development, LLC ("TICD") as the proposed master developer of the  
5 Property and entered into exclusive negotiations with TICD relating to a Disposition and  
6 Development Agreement ("TICD DDA") and other transaction documents; and,

7 WHEREAS, Since endorsement of the Reuse Plan and selection of TICD as the  
8 proposed master developer, the Authority has undertaken an extensive public process to  
9 further refine the land use plan for the Property, which has included over 220 public meetings  
10 before the Authority Board, the Treasure Island/Yerba Buena Island Citizens Advisory Board  
11 ("TICAB"), the Board of Supervisors, the Planning Commission, and in other public forums;  
12 and,

13 WHEREAS, In 2006, a Development Plan and Term Sheet for the Redevelopment of  
14 Naval Station Treasure Island (as amended from time to time, the "Updated Development  
15 Plan") between the Authority and TICD was endorsed by the TICAB, the Authority Board and  
16 the Board of Supervisors, which, among other things, (i) describes the updated land use plan  
17 for the Property, (ii) describes the basic terms of the proposed TICD DDA, and (iii) addresses  
18 how the terms of the 1996 TIHDI Agreement are intended to be incorporated into the  
19 proposed redevelopment of the Property (the "Project"); and,

20 WHEREAS, The Authority is negotiating an Economic Development Conveyance  
21 Memorandum of Agreement with the Navy, subject to completion of necessary environmental  
22 review under CEQA and NEPA, for the transfer of the Property to the Authority as the  
23 designated LRA; and,

24 WHEREAS, Because environmental review is pending, the 1996 TIHDI Agreement has  
25 not been executed; however, the Authority and TIHDI have implemented significant policies of

1 the 1996 TIHDI Agreement through (i) interim subleases between the Authority and TIHDI or  
2 TIHDI Member Organizations for TIHDI administrative space, the childcare center and 250  
3 existing housing units on Treasure Island, (ii) contracts between the Authority and TIHDI  
4 Member Organizations for landscaping, janitorial and other services, (iii) the creation of the  
5 TIHDI Job Broker Program, and (iv) the formation of a joint venture among TIHDI, Toolworks  
6 (a TIHDI Member Organization) and Wine Valley Catering to manage the Authority's special  
7 events venues at the Property; and,

8 WHEREAS, The Authority and TIHDI have worked collaboratively to prepare a Term  
9 Sheet for the Amended and Restated Base Closure Homeless Assistance Agreement (the  
10 "TIHDI Term Sheet"), a copy of which is on file with the Clerk of the Board of Supervisors in  
11 File No. \_\_\_\_\_, which is hereby declared to be a part of this resolution as if set forth  
12 fully herein; and,

13 WHEREAS, The TIHDI Term Sheet will become the basis for the parties' negotiation of  
14 an amendment and restatement of the 1996 TIHDI Agreement (the "Amended and Restated  
15 TIHDI Agreement") that will outline TIHDI's participation in the redevelopment project via  
16 housing, economic development and support components and, among other things, reflect the  
17 updated land use plan, development program and financing plan described in the Updated  
18 Development Plan and other terms to be negotiated between the Authority and TIHDI; and,

19 WHEREAS, The proposed TIHDI Term Sheet is consistent with the proposed  
20 development program and economic assumptions included in the Updated Development Plan  
21 and TIHDI's current interim uses and activities on the Property; and,

22 WHEREAS, The TIHDI Term Sheet was presented to the TICAB at a duly noticed  
23 public meeting on April 6, 2010, and on \_\_\_\_\_, 2010, the TICAB voted \_\_\_ to \_\_\_  
24 endorse the TIHDI Term Sheet; and,

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1           WHEREAS, The TIHDI Term Sheet was presented to the Authority Board at a duly  
2 noticed public meeting on April 7, 2010, and on \_\_\_\_\_, 2010, the Authority Board  
3 voted \_\_\_ to \_\_\_ endorse the TIHDI Term Sheet; and,

4           WHEREAS, The TIHDI Term Sheet is not a binding agreement that commits the  
5 Authority or the City to proceed with the approval or implementation of the Project, but it  
6 outlines the terms on which the Authority, the City, and TIHDI will negotiate in good faith to  
7 reach agreement on the final Amended and Restated TIHDI Agreement; and,

8           WHEREAS, The Project, as ultimately proposed by the Authority, the City, TIHDI and  
9 TICD, will be subject to a process of thorough public review and input and all necessary and  
10 appropriate approvals; that process must include environmental review under CEQA and, if  
11 applicable, NEPA, before the Authority or the City may consider approving the Project; the  
12 Project will require discretionary approvals by a number of government bodies after public  
13 hearings and environmental review, including by the Authority Board and the City's Board of  
14 Supervisors; and,

15           WHEREAS, Nothing in this resolution commits, or shall be deemed to commit, the  
16 Authority, the City, or any other public agency to approve or implement any project, and they  
17 may not do so, until environmental review of the project as required under CEQA and, if  
18 applicable, NEPA, has been completed; accordingly, the references to "the Project" (or the  
19 like) in this resolution mean a proposed project subject to future environmental review and  
20 consideration by the Authority, the City, and other public agencies; further, the Authority, the  
21 City, and any other public agency with jurisdiction over any part of the Project each shall have  
22 the absolute discretion before approving the Project to: (i) make such modifications to the  
23 Project as may be necessary to mitigate significant environmental impacts; (ii) select other  
24 feasible alternatives to avoid or substantially reduce significant environmental impacts; (iii)  
25 require the implementation of specific measures to mitigate any specific impacts of the

1 Project; (iv) balance the benefits of the Project against any significant environmental impacts  
2 before taking final action if such significant impacts cannot otherwise be avoided; or (v)  
3 determine whether or not to proceed with the Project; now, therefore, be it

4 RESOLVED, That the Board of Supervisors hereby endorses the TIHDI Term Sheet  
5 and urges City and Authority staff, including the Planning Department and the Office of  
6 Economic and Workforce Development, to continue environmental review and planning for the  
7 Project and the negotiation of the Amended and Restated TIHDI Agreement and other  
8 transaction documents consistent with the TIHDI Term Sheet; and, be it

9 FURTHER RESOLVED, That any and all actions taken by City and Authority staff  
10 consistent with the intent of this resolution are hereby ratified and approved.

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