

File No. 130903

Committee Item No. 11

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date: 12/04/2013

Board of Supervisors Meeting

Date: \_\_\_\_\_

#### Cmte Board

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Resolution                                   |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Analyst Report                   |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/> | Introduction Form                            |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
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Completed by: Victor Young

Date: November 27, 2013

Completed by: Victor Young

Date: \_\_\_\_\_

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

2  
3 **Resolution approving the Thirty Eighth Amendment to the Treasure Island Land and**  
4 **Structures Master Lease between the Treasure Island Development Authority and the**  
5 **United States Navy to extend the term for a period of one year beginning on December**  
6 **1, 2013, and ending on November 30, 2014, and amend the leased premises.**

7  
8 WHEREAS, The Treasure Island Development Authority ("Authority") and the United  
9 States of America, acting by and through the Department of the Navy (the "Navy"), entered  
10 into master lease agreement no. N6247499RP42P12, dated November 19, 1998, for the  
11 Authority to use and sublease certain land and structures on former Naval Station Treasure  
12 Island (as amended from time to time, the "Land and Structures Master Lease") at no rent;  
13 and,

14 WHEREAS, The Master Lease and amendments No. 1 through 37 are on file with the  
15 Clerk of the Board of Supervisors in File No. 120736; and,

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

19 WHEREAS, The term of the Land and Structures Master Lease expires on November  
20 30, 2013; and,

21 WHEREAS, The Authority wishes to extend the term of such lease for a period of one  
22 (1) year beginning on December 1, 2013 and ending on November 30, 2014, unless sooner  
23 terminated in accordance with the terms and conditions of the Master Lease; and,

24 WHEREAS, The Authority wishes to amend the Leased Premises of the Land and  
25 Structures Master Lease to add to the Premises certain land and lots located throughout

1 Treasure Island, and as more specifically shown on Exhibit A-14, as attached to the proposed  
2 Thirty Eighth Amendment; and,

3 WHEREAS, The Navy concurs with such amendment and the amendment has been  
4 approved by the Authority Board of Directors at its May 8, 2013 meeting; and,

5 WHEREAS, The Board of Supervisors Resolution establishing the Authority, AB 699  
6 and TIDA's Bylaws require that the Authority obtain Board of Supervisors approval of any  
7 agreements having a term in excess of ten (10) years or anticipated revenues of \$1,000,000  
8 or more; and,

9 WHEREAS, Because the cumulative term of the Land and Structures Master Lease  
10 exceeds ten (10) years, the Authority is requesting that the Board of Supervisors approve the  
11 Thirty Eighth Amendment to extend the term of such lease for a period of one (1) year  
12 beginning on December 1, 2013 and ending on November 30, 2014, unless sooner  
13 terminated in accordance with the terms and conditions of the Master Lease, and to add to the  
14 Premises certain land and lots located throughout Treasure Island, and as more specifically  
15 shown on Exhibit A-14, as attached to the proposed Thirty Eighth Amendment; now,  
16 therefore, be it

17 RESOLVED, That the Board of Supervisors hereby approves and authorizes the  
18 Director of Island Operations of the Authority or her designee to execute and enter into the  
19 Thirty Eighth Amendment to the Land and Structures Master Lease in substantially the form  
20 filed with the Clerk of the Board of Supervisors in File No. 130903, and any additions,  
21 amendments or other modifications to such Thirty Eighth Amendment (including, without  
22 limitation, its exhibits) that the Director of Island Operations of the Authority or her designee  
23 determines, in consultation with the City Attorney, are in the best interests of the Authority and  
24 do not otherwise materially increase the obligations or liabilities of the Authority, and are  
25 necessary or advisable to effectuate the purpose and intent of this resolution; and, be it

1           FURTHER RESOLVED, That within thirty (30) days of the lease amendment being fully  
2 executed by all parties the Director of Island Operations of the Authority shall provide the final  
3 lease amendment to the Clerk of the Board for inclusion into the official file.  
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CITY & COUNTY OF SAN FRANCISCO



MIRIAN SAEZ  
DIRECTOR OF ISLAND OPERATIONS

TREASURE ISLAND DEVELOPMENT AUTHORITY  
ONE AVENUE OF THE PALMS,  
2<sup>ND</sup> FLOOR, TREASURE ISLAND  
SAN FRANCISCO, CA 94130  
(415) 274-0660 FAX (415) 274-0299  
WWW.SFTREASUREISLAND.ORG

September 18, 2013

Ms. Angela Calvillo  
Clerk of the Board  
San Francisco Board of Supervisors  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102

Dear Ms. Calvillo

The Treasure Island Development Authority ("TIDA") requests that the following six pieces of legislation be formally introduced at the Board of Supervisors and calendared for hearing and consideration of approval at the Boards earliest convenience:

- 130902 - Extension of the term of the Treasure Island South Waterfront Master Lease between TIDA and the United States Navy ("Navy").
- 130903 - Extension of the term and amendment of the Leased Premises of the Treasure Island Land and Structures Master Lease between TIDA and the Navy
- 130904 - Extension of the term of the Treasure Island Marina Master Lease between TIDA and the Navy
- 130905 - Extension of the term of the Treasure Island Childcare Center Master Lease between TIDA and the Navy
- 130906 - Extension of the term of the Treasure Island Events Venues Master Lease between TIDA and the Navy
- 130907 - Extension of the term of the Treasure Island Fire Fighting Training Center Master Lease between TIDA and the United States Navy

Please find enclosed one original and four copies of the materials for each item. Thank you for your attention to this matter. Should your office have any questions, please do not hesitate to contact me at 415-274-0669.

Sincerely,

Mirian Saez  
Director of Island Operations

Cc: file  
Enclosures

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO  
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**Treasure Island Development Authority  
City and County of San Francisco**

**Resolution Authorizing the Thirty Eighth 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 and Amend the Leased Premises.**

**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, 2014 and to Amend the Leased Premises to add certain land and lots located throughout Treasure Island.

**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, 2013. The proposed Thirty Eighth Amendment extends the term through November 30, 2014 on the same terms and conditions as the existing Land and Structures Master Lease. The proposed Thirty Eighth Amendment also amends the Leased Premises of the Land and Structures Master Lease to add to the Premises certain land and lots located throughout Treasure Island, and as more specifically shown on Exhibit A-14, as attached to the proposed Thirty Eighth Amendment document.

The Authority's Board of Directors approved the Thirty Eighth Amendment to the Land and Structures Master Lease at its May 8, 2013 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 Eighth Amendment from the Board of Supervisors to extend the term to November 30, 2014 on the same terms and conditions as the existing Master Lease.

**RECOMMENDATION:**

Approve the Thirty Eighth 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, 2014.

Mirian Saez, Director of Island Operations

180903

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

THIS LEASE AMENDMENT made this \_\_\_\_ day of \_\_\_\_\_ 2013, 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 2013 and ending on 30 November 2014, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

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

"Use of the open space surrounding Building 452 and Building 453 as shown as Item #1 on Exhibit A-14, attached hereto and made a part hereof. Building 452 and 453 is excluded from the Leased Premises."

"Use of Building 257, for the express purpose of demolition and pre-demolition activities, as shown as Item #2 on Exhibit A-14, attached hereto and made a part hereof."

"Use of lot underlying and surround Building 257 after demolition, as shown as Item #3 on Exhibit A-14, attached hereto and made a part hereof."

"Use of the lot surrounding Building 217, as shown as Item #4 on Exhibit A-14, attached hereto and made a part hereof. Building 217 is excluded from the Leased Premises."

"Use of the lot South of Building 330 and bordered by Avenue and 10<sup>th</sup> Street, as shown as Item #5 on Exhibit A-14, attached hereto and made a part hereof."

"Use of a portion of the lot bordered by 5<sup>th</sup> and Avenue N near Building 458, as shown as Item #6 on Exhibit A-14, attached hereto and made a part hereof."

“Use of a portion of the lot bordered by Bldg 293 and Avenue M and 5<sup>th</sup> Avenue, as shown as Item #7 on Exhibit A-14, attached hereto and made a part hereof.”

“Use of lot east of the former Building 92 and west of Avenue M, located approximately between 3<sup>rd</sup> and 5<sup>th</sup> streets, as shown as Item #8 on Exhibit A-14, 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

TREASURE ISLAND DEVELOPMENT  
AUTHORITY

\_\_\_\_\_

\_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY



San Francisco Bay



