

File No. 140864

Committee Item No. 10

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

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget & Finance Committee

Date September 17 2014

Board of Supervisors Meeting

Date \_\_\_\_\_

### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Legislative Digest                           |
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| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
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| <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                                 |
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| <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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### OTHER (Use back side if additional space is needed)

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Completed by: Linda Wong Date September 12, 2014

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

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

2  
3 **Resolution approving Amendment No. 39 to the Treasure Island Land and Structures**  
4 **Master Lease between the Treasure Island Development Authority and the United**  
5 **States Navy to extend the term for one year for the period of December 1, 2014, through**  
6 **November 30, 2015.**

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 Amendment No. 38 is on file with the  
16 Clerk of the Board of Supervisors in File No. 130903; and

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

20 WHEREAS, The term of the Land and Structures Master Lease expires on November  
21 30, 2014; and

22 WHEREAS, The Authority wishes to extend the term of such lease for a period of one  
23 (1) year beginning on December 1, 2014, and ending on November 30, 2015, unless sooner  
24 terminated in accordance with the terms and conditions of the Master Lease; and  
25

1           WHEREAS, The Navy concurs with such amendment and the amendment has been  
2 approved by the Authority Board of Directors at its July 9, 2014, meeting; and

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

7           WHEREAS, Because the cumulative term of the Land and Structures Master Lease  
8 exceeds ten (10) years, the Authority is requesting that the Board of Supervisors approve the  
9 Thirty Ninth Amendment to extend the term of such lease for a period of one (1) year  
10 beginning on December 1, 2014, and ending on November 30, 2015, unless sooner  
11 terminated in accordance with the terms and conditions of the Master Lease; now, therefore,  
12 be it

13           RESOLVED, That the Board of Supervisors hereby approves and authorizes the  
14 Director of Island Operations of the Authority or her designee to execute and enter into the  
15 Thirty Ninth Amendment to the Land and Structures Master Lease in substantially the form  
16 filed with the Clerk of the Board of Supervisors in File No. 140864, and any additions,  
17 amendments or other modifications to such Thirty Ninth Amendment (including, without  
18 limitation, its exhibits) that the Director of Island Operations of the Authority or her designee  
19 determines, in consultation with the City Attorney, are in the best interests of the Authority and  
20 do not otherwise materially increase the obligations or liabilities of the Authority, and are  
21 necessary or advisable to effectuate the purpose and intent of this resolution; and, be it

22           FURTHER RESOLVED, That within thirty (30) days of Amendment No. 39 being fully  
23 executed by all parties, the Authority shall provide the final Amendment No. 39 to the Clerk of  
24 the Board for inclusion into the official file.

CITY & COUNTY OF SAN FRANCISCO

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



MIRIAN SAEZ  
DIRECTOR OF ISLAND OPERATIONS

July 21, 2014

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 seven pieces of legislation be formally introduced at the Board of Supervisors and calendared for hearing and consideration of approval at the Boards earliest convenience:

- Extension of the term of the Treasure Island South Waterfront Master Lease between TIDA and the United States Navy ("Navy")
- Extension of the term of the Treasure Island Land and Structures Master Lease between TIDA and the Navy
- Extension of the term of the Treasure Island Marina Master Lease between TIDA and the Navy
- Extension of the term of the Treasure Island Childcare Center Master Lease between TIDA and the Navy
- Extension of the term of the Treasure Island Events Venues Master Lease between TIDA and the Navy
- Extension of the term of the Treasure Island Fire Fighting Training Center Master Lease between TIDA and the United States Navy
- Extension of the term of the Cooperative Agreement 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  
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**Treasure Island Development Authority  
City and County of San Francisco**

**Resolution Authorizing the Thirty Ninth 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, 2015.

**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 Master Lease is renewed yearly.

The term of the Land and Structures Master Lease will expire November 30, 2014. The proposed Thirty Ninth Amendment extends the term through November 30, 2015 on the same terms and conditions as the existing Land and Structures Master Lease.

The Authority's Board of Directors approved the Thirty Ninth Amendment to the Land and Structures Master Lease at its July 9, 2014 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 Ninth Amendment from the Board of Supervisors to extend the term to November 30, 2015 on the same terms and conditions as the existing Master Lease.

**RECOMMENDATION:**

Approve the Thirty Ninth 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, 2015.

Mirian Saez, Director of Island Operations

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

THIS LEASE AMENDMENT made this \_\_\_\_ day of \_\_\_\_\_ 2014, 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 2014 and ending on 30 November 2015, 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

TREASURE ISLAND DEVELOPMENT  
AUTHORITY

\_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_  
Title \_\_\_\_\_

APPROVED AS TO FORM:

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