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[Economic Development Conveyance Memorandum of Agreement for Treasure Island]
Resolution approving the Economic Development Conveyance Memorandum of Agreement for the Transfer of Former Naval Station Treasure Island from the United States Government to the Treasure Island Development Authority and adopting findings under the California Environmental Quality Act.

WHEREAS, Former Naval Station Treasure Island is a military base located on Treasure Island and Yerba Buena Island (together, the "Base"), which is currently owned by the United States of America, acting by and through the Department of the Navy (the "Navy"); and,

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

WHEREAS, Pursuant to the power and authority provided by the Defense Base Closure and Realignment Act of 1990, 10 U.S.C. § 2687, as amended, the Navy is authorized to convey surplus property at a closed military installation for economic development purposes; and,

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

WHEREAS, In July 1996, after an extensive community planning effort, a draft reuse plan for the Base (the "Reuse Plan") was unanimously endorsed by the Mayor, the Board of Supervisors, the Planning Commission and the Treasure Island Citizens Reuse Committee; and,

1 WHEREAS, In 1997, the Base closed and the Treasure Island Development Authority
2 ("TIDA") was created to replace the City as the LRA and to serve as a single entity
3 responsible for the reuse and development of the Base; and,

4 WHEREAS, TIDA, acting by and through its Board of Directors (the "TIDA Board"),
5 submitted to the Navy an EDC Application and Business Plan for Naval Station Treasure
6 Island dated June 19, 2000, as amended on July 1, 2003 (the "EDC Application"), for an
7 economic development conveyance ("EDC") of the Base; and,

8 WHEREAS, In 2003, after a competitive bid process, the TIDA Board selected
9 Treasure Island Community Development, LLC (the "Developer") as the proposed master
10 developer of the Base (excluding certain property to be retained by the U.S. Coast Guard and
11 the U.S. Job Corps); and,

12 WHEREAS, In 2006, a Development Plan and Term Sheet for the Redevelopment of
13 Naval Station Treasure Island (as updated from time to time, the "Development Plan")
14 between TIDA and the Developer was endorsed by the CAB, the TIDA Board and the City's
15 Board of Supervisors; and,

16 WHEREAS, In 2007, TIDA submitted an amended and restated EDC Application (the
17 "Amended EDC Application") to the Navy based on the Development Plan and proposed a
18 profit participation mechanism as part of the purchase price; and,

19 WHEREAS, In April 2010, the Board of Supervisors unanimously voted to endorse a
20 term sheet for the proposed EDC by Resolution No. 243-10, which term sheet addressed key
21 terms of the proposed EDC, including the conveyance process, the consideration payable to
22 the Navy, including the profit participation mechanism, and certain controls required by the
23 Navy relating to the economic performance of the Project; and,

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1 WHEREAS, In August 2010, Mayor Gavin Newsom, House Speaker Nancy Pelosi, and
2 U.S. Secretary of the Navy Ray Mabus endorsed the terms of the proposed conveyance of
3 the Base from the Navy to TIDA; and,

4 WHEREAS, On April 21, 2011, the TIDA Board of Directors unanimously made certain
5 environmental findings under the California Environmental Quality Act (“CEQA”) and approved
6 a package of legislation in furtherance of the development project (the “Project”), including a
7 mitigation and monitoring and reporting program, a disposition and development agreement
8 (the “DDA”) with the Developer and, by Resolution No. 11-19-04/21, a draft form of an EDC
9 Memorandum of Agreement (the “Draft EDC”); and,

10 WHEREAS, On June 7, 2011, the Board of Supervisors unanimously confirmed
11 certification of the final environmental impact report and made certain environmental findings
12 under CEQA (collectively, the “FEIR”) by Resolution No. 246-11, and approved a package of
13 legislation in furtherance of the Project, including a development agreement with the
14 Developer and, by Resolution No. 0242-11, the Draft EDC; and,

15 WHEREAS, TIDA and the Navy have completed negotiations for the EDC, including
16 the utilities agreement, a copy of which is attached as Exhibit A to this Resolution (the “EDC
17 MOA”), which is hereby declared to be a part of this Resolution as if set forth fully herein; and,

18 WHEREAS, The EDC MOA and the DDA are structured so that the Developer will
19 make all payments to the Navy on behalf of TIDA, and the City’s General Fund is insulated
20 from any obligation to pay; and,

21 WHEREAS, The main changes from the previously-approved Draft MOA and the EDC
22 MOA are (1) the addition of language relating to the Navy’s obligations with respect to certain
23 radiologically impacted property, (2) the addition of the utilities agreement and provisions
24 relating to the delivery of utility services during the phased transfer of the Base to TIDA, (3)
25 revisions to the schedule for the conveyance of property, and (4) the deletion of the “pre-

1 closing parcel”, which already transferred to TIDA in connection with the Bay Bridge ramps
2 project; and,

3 WHEREAS, The Planning Department prepared a Memorandum entitled “Recent
4 Information Regarding Radiological Analysis of Soil Samples on Treasure Island and Recent
5 Communications Regarding Tsunami Issues,” which it finalized and sent to the Treasure
6 Island Director on April 29, 2014 (the “4/29/14 Memorandum”); and,

7 WHEREAS, In the April 29 Memorandum the Planning Department concluded that no
8 supplemental or subsequent EIR was required because there are no substantial changes in
9 the project analyzed in the FEIR, no changes in circumstances under which the project is
10 being undertaken, and no new information indicating that new significant impacts would occur,
11 or that the impacts identified in the FEIR as significant impacts would be substantially more
12 severe; and,

13 WHEREAS, The TIDA Board reviewed and considered the information contained in the
14 FEIR, the 4/29/14 Memorandum, and all written and oral information provided by the Planning
15 Department, the public, relevant public agencies, and the administrative files for the Project;
16 now, therefore, be it

17 RESOLVED, The TIDA Board has reviewed and considered the FEIR, the 4/29/14
18 Memorandum, and record as a whole, finds that the FEIR is adequate for its use as the
19 decision-making body for the action taken herein and incorporates the CEQA findings
20 contained in Board of Supervisors Resolution No.246-11 by this reference; and be it further

21 RESOLVED, The TIDA Board further finds that since the FEIR was finalized, there
22 have been no substantial project changes and no substantial changes in project
23 circumstances that would require major revisions to the FEIR due to the involvement of new
24 significant environmental effects or an increase in the severity of previously identified

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1 significant impacts, and there is no new information of substantial importance that would
2 change the conclusions set forth in the FEIR; and be it further

3 RESOLVED, That the TIDA Board of Directors approves the EDC MOA and authorizes
4 the Treasure Island Director to execute, deliver and perform the EDC MOA, subject to Board
5 of Supervisors approval of the EDC MOA; and be it-further

6 RESOLVED, That the TIDA Board of Directors authorizes and urges the Treasure
7 Island Director, before execution of the EDC MOA, to make changes and take any and all
8 steps as the Treasure Island Director determines, in consultation with the City Attorney, are
9 necessary or appropriate to consummate the EDC MOA in accordance with this Resolution,
10 provided that such changes and steps do not materially decrease the benefits to or materially
11 increase the obligations or liabilities of TIDA, and are in compliance with all applicable laws;
12 and be it further

13 RESOLVED, That all actions heretofore taken by TIDA and its officers, employees, and
14 agents with respect to the EDC MOA are hereby approved, confirmed and ratified; and be it
15 further

16 RESOLVED, That the TIDA Board of Directors authorizes and urges all officers,
17 employees, and agents of TIDA and the City to take any and all steps as they deem
18 necessary or appropriate, to the extent permitted by applicable law, in order to consummate
19 the EDC MOA in accordance with this Resolution, including execution of subsequent
20 documents and acceptance of real property from the Navy, or to otherwise effectuate the
21 purpose and intent of this Resolution and TIDA's performance under the EDC MOA, provided,
22 the Treasure Island Director shall not waive any closing conditions relating to the
23 environmental condition of the property without the prior approval of the TIDA Board and the
24 Board of Supervisors; and be it-further

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1 RESOLVED, That the TIDA Board of Directors authorizes the Treasure Island Director
2 to enter into any amendments or modifications to the EDC MOA that the Treasure Island
3 Director determines, in consultation with the City Attorney, are in the best interest of TIDA, do
4 not materially decrease the benefits to or materially increase the obligations or liabilities of
5 TIDA, and are in compliance with all applicable laws.

6
7 **CERTIFICATE OF SECRETARY**

8 **I hereby certify that I am the duly elected Secretary of the Treasure Island**
9 **Development Authority, a California nonprofit public benefit corporation, and that the**
10 **above Resolution was duly adopted and approved by the Board of Directors of the**
11 **Authority at a properly noticed meeting on May 14, 2014.**

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15 , Secretary
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