

**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