

1 [Homeless Development Initiative Agreement - Treasure Island/Yerba Buena Island]

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3 **Resolution approving the Amended and Restated Base Closure Homeless Assistance**  
4 **Agreement with the Treasure Island Homeless Development Initiative.**

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

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

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

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

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

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

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

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

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

22 WHEREAS, The Board of Supervisors adopted Resolution No. 672-96 on July 25,  
23 1996, endorsing a draft Reuse Plan for the Base and authorizing the submission of the draft  
24 Reuse Plan and the Homeless Assistance Submission to the Department of Defense and the  
25 United States Department of Housing and Urban Development ("HUD") as required under the

1 Homeless Assistance Act; and

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

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

8 WHEREAS, In 1997, the Base closed and the Treasure Island Development Authority  
9 (the "Authority") was created to replace the City as the LRA and to serve as a single entity  
10 responsible for the redevelopment of the Property; and

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

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

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

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

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

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

18           WHEREAS, The Authority has negotiated an Economic Development Conveyance  
19 Memorandum of Agreement with the Navy for the transfer of the Property to the Authority as  
20 the designated LRA; and

21           WHEREAS, The Authority and TIHDI have implemented significant policies of the 1996  
22 TIHDI Agreement through (i) interim subleases between the Authority and TIHDI or TIHDI  
23 Member Organizations for TIHDI administrative space, the childcare center and 250 existing  
24 housing units on Treasure Island; (ii) contracts between the Authority and TIHDI Member  
25 Organizations for landscaping, janitorial and other services; (iii) the creation of the TIHDI Job

1 Broker Program; and (iv) the formation of a joint venture among TIHDI, Toolworks (a TIHDI  
2 Member Organization) and Wine Valley Catering to manage the Authority's special events  
3 venues at the Property; and

4 WHEREAS, In 2010, the Board of Supervisors unanimously endorsed a Term Sheet  
5 between the Authority and TIHDI for the Amended and Restated Base Closure Homeless  
6 Assistance Agreement (the "TIHDI Term Sheet"), a copy of which is on file with the Clerk of  
7 the Board of Supervisors in File No. 100428 and incorporated herein by reference; and

8 WHEREAS, The TIHDI Term Sheet was the basis for the parties' negotiation of an  
9 amendment and restatement of the 1996 TIHDI Agreement (the "Amended and Restated  
10 TIHDI Agreement" or "TIHDI Agreement") that outlines TIHDI's participation in the  
11 redevelopment project via housing, economic development and support components and,  
12 among other things, reflects the updated land use plan, development program, housing plan  
13 and financing plan described in the TICD DDA and other terms negotiated between the  
14 Authority and TIHDI, a copy of which is on file with the Clerk of the Board of Supervisors in  
15 File No. \_\_\_\_\_, which is hereby declared to be a part of this Resolution as if set  
16 forth fully herein; and

17 WHEREAS, The proposed TIHDI Agreement is consistent with the TIHDI Term Sheet  
18 as well as the proposed development program and economic assumptions included in the  
19 TICD DDA and TIHDI's current interim uses and activities on the Property; and

20 WHEREAS, The TIHDI Agreement was presented to the TICAB at duly noticed public  
21 meetings on March 22, 2011 and \_\_\_\_\_, 2011, and on \_\_\_\_\_,  
22 2011 the TICAB voted \_\_\_\_ to \_\_\_\_ endorse the TIHDI Agreement; and

23 WHEREAS, The TIHDI Agreement was presented to the Authority Board at duly  
24 noticed public meetings on March 22, 2011 and \_\_\_\_\_, 2011, and on  
25

1 \_\_\_\_\_, 2011 the Authority Board voted \_\_\_\_\_ to \_\_\_\_\_ endorse the  
2 TIHDI Agreement; and

3 WHEREAS, The Community Redevelopment Law provides in Section 33433 that  
4 before any property acquired, in whole or in part, with tax increment monies, is sold or leased  
5 for development pursuant to a redevelopment plan, such sale or lease shall first be approved  
6 by the legislative body after a public hearing, that notice of the time and place of the hearing  
7 shall be published in a newspaper of general circulation in the community for at least two (2)  
8 successive weeks prior to the hearing, and that the agency shall make available for public  
9 inspection a copy of the proposed sale or lease and a report containing specified information  
10 and the financial aspects of the proposal; and

11 WHEREAS, Pursuant to Sections 33433 of the Community Redevelopment Law, the  
12 Authority has prepared a report (the "33433 Report") to provide certain information with  
13 respect to the proposed TIHDI Agreement, which 33433 Report includes a summary  
14 describing the cost of the TIHDI Agreement to the Authority, and other information required by  
15 said Section 33433, and the 33433 Report together with the TIHDI Agreement was made  
16 available to the public for inspection; and

17 WHEREAS, Notice of a public hearing of the Board of Supervisors was published in the  
18 \_\_\_\_\_ on \_\_\_\_\_, 2011 and \_\_\_\_\_,  
19 2011, as required by law; and

20 WHEREAS, On \_\_\_\_\_, 2011, the Board of Supervisors held a  
21 public hearing to consider the transfer of certain affordable housing sites to TIHDI or TIHDI  
22 Member Organizations in accordance with the TIHDI Agreement; and

23 WHEREAS, The Authority's organizational documents require the Authority to obtain  
24 approval from the Board of Supervisors prior to entering into contracts with a term of more  
25 than 10 years or \$1 million or more in anticipated revenue; and

1           WHEREAS, The TIHDI Agreement is anticipated to have a term in excess of 10 years;  
2 and

3           WHEREAS, Concurrently with this Resolution, the Board of Supervisors has adopted  
4 Resolution No. \_\_\_\_\_, adopting findings under CEQA, including the adoption of a  
5 mitigation monitoring and reporting program and a statement of overriding considerations in  
6 connection with the development of the Project, which resolution is on file with the Clerk of the  
7 Board of Supervisors in File No. \_\_\_\_\_, and incorporated herein by reference;  
8 now, therefore, be it

9           RESOLVED, That the Board of Supervisors hereby finds and determines that approval  
10 and implementation of the TIHDI Agreement, and the transfer of portions of the Property to  
11 TIHDI and TIHDI Member Organizations for the development of affordable housing, as  
12 provided in the TIHDI Agreement, will assist in the elimination of blight and will provide  
13 housing for low or moderate income persons, and is consistent with the Five-Year  
14 Implementation Plan for the Treasure Island/Yerba Buena Island Redevelopment Project Area  
15 pursuant to Health and Safety Code Section 33490, and the Board of Supervisors further finds  
16 and determines that the consideration is not less than the fair reuse value at the use and with  
17 the covenants and conditions and development costs authorized by the TIHDI Agreement,  
18 which findings are based upon the facts and information contained in the Authority's 33433  
19 Report and other evidence and testimony presented at the public hearing on the TIHDI  
20 Agreement; and, be it

21           FURTHER RESOLVED, That the Board of Supervisors hereby finds and determines  
22 that the transfer of portions of the Property, as provided in the TIHDI Agreement, is  
23 specifically authorized by Health and Safety Code Section 33334.2 which, among other  
24 things, provides that a redevelopment agency may donate real property to private or public  
25 persons or entities for the construction of affordable housing; and, be it

1 FURTHER RESOLVED, That the Board of Supervisors hereby approves the TIHDI  
2 Agreement and authorizes the Director of Redevelopment for the Authority ("Redevelopment  
3 Director") to execute, deliver and perform the TIHDI Agreement substantially in the form in the  
4 Board of Supervisors' file; and, be it

5 FURTHER RESOLVED, That the Board of Supervisors authorizes and urges the  
6 Redevelopment Director, prior to execution of the TIHDI Agreement, to make changes and  
7 take any and all steps, including but not limited to, the attachment of exhibits and the making  
8 of corrections, as the Redevelopment Director determines, in consultation with the City  
9 Attorney, are necessary or appropriate to consummate the TIHDI Agreement in accordance  
10 with this Resolution; provided, however, that such changes and steps do not materially  
11 decrease the benefits to or materially increase the obligations or liabilities of the Authority or  
12 the City, and are in compliance with all applicable laws; and, be it

13 FURTHER RESOLVED, That all actions heretofore taken by the Authority and the City  
14 and their officers, employees, and agents with respect to the TIHDI Agreement are hereby  
15 approved, confirmed and ratified; and, be it

16 FURTHER RESOLVED, That the Board of Supervisors authorizes and urges all  
17 officers, employees, and agents of the Authority and the City to take any and all steps as they  
18 deem necessary or appropriate, to the extent permitted by applicable law, in order to  
19 consummate the TIHDI Agreement in accordance with this Resolution, including execution of  
20 subsequent documents and acceptance of real property from the Navy, or to otherwise  
21 effectuate the purpose and intent of this Resolution and the Authority's performance under the  
22 TIHDI Agreement; and, be it

23 FURTHER RESOLVED, That the Board of Supervisors authorizes the Redevelopment  
24 Director to enter into any amendments or modifications to the TIHDI Agreement that the  
25 Redevelopment Director determines, in consultation with the City Attorney, are in the best



1 interest of the Authority and the City, do not materially decrease the benefits to or materially  
2 increase the obligations or liabilities of the Authority and the City, and are in compliance with  
3 all applicable laws.

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