

1 [Amendment to Sharing Agreement with TIHDI]

2 APPROVING AND AUTHORIZING THE TREASURE ISLAND DEVELOPMENT AUTHORITY
3 TO ENTER INTO AN AMENDMENT TO A SHARING AGREEMENT WITH THE TREASURE
4 ISLAND HOMELESS DEVELOPMENT INITIATIVE RELATED TO THE EXCHANGE OF
5 TREASURE ISLAND HOUSING UNITS WITH THE JOHN STEWART COMPANY

6 WHEREAS, On May 2, 1997, the Board of Supervisors (the "Board") passed
7 Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a
8 nonprofit public benefit corporation known as the Treasure Island Development Authority (the
9 "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction,
10 rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for
11 the public interest, convenience, welfare and common benefit of the inhabitants of the City
12 and County of San Francisco; and,

13 WHEREAS, Under the Treasure Island Conversion Act of 1997, which amended
14 Section 33492.5 of the California Health and Safety Code and added Section 2.1 to Chapter
15 1333 of the Statutes of 1968 (the "Act"), the California legislature (i) designated the Authority
16 as a redevelopment agency under California redevelopment law with authority over the Base
17 upon approval of the City's Board of Supervisors, and, (ii) with respect to those portions of the
18 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
19 administer the public trust for commerce, navigation and fisheries as to such property; and,

20 WHEREAS, There are approximately 1,000 units of housing on the Base, 904 on
21 Treasure Island and 96 on Yerba Buena Island (the "Base-Wide Housing Units"); and,

22 WHEREAS, Pursuant to the Base Closure Community Redevelopment and Homeless
23 Assistance Act of 1994, the Treasure Island Homeless Development Initiative ("TIHDI") and
24 the San Francisco Redevelopment Agency negotiated a Base Closure Homeless Assistance
25 Agreement and Option to Sublease Real Property, which was endorsed by the City's Board of

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1 Supervisors and approved by the United States Department of Housing and Urban
2 Development in connection with its consideration of the Draft Reuse Plan (as such agreement
3 is finally approved and adopted by the Authority and the City, the "TIHDI Agreement"); and,

4 WHEREAS, Under the TIHDI Agreement, TIHDI, among other things, is granted the
5 right, upon the satisfaction of certain conditions precedent, to have one or more of its member
6 organizations sublease up to 90 of the housing units on Yerba Buena Island (41 of which are
7 to remain available to the Authority for up to five years (the "41 YBI Units") and up to 285
8 housing units on Treasure Island for homeless San Franciscans, as more particularly
9 described in the TIHDI Agreement (together with the 41 YBI Units, the "TIHDI Units"); and,

10 WHEREAS, On March 17, 1999, The Authority and the John Stewart Company
11 ("JSCO"), with the prior approval of the Board, entered into a Sublease, Development,
12 Marketing and Property Management Agreement (the "JSCO Sublease"), to have up to 766 of
13 the housing units on the Base rehabilitated, marketed and leased to residential tenants and
14 managed and maintained under the terms and conditions of the JSCO Sublease; and,

15 WHEREAS, On March 1, 1999, the Authority and TIHDI, with the prior approval of the
16 Board, entered into a Sharing Agreement (the "Original Sharing Agreement"), pursuant to
17 which 112 of the TIHDI Units on Treasure Island were included as part of the leased premises
18 under the JSCO Sublease in exchange for the Authority's agreement to pay TIHDI a
19 percentage of the Authority's net revenues generated by such units; and,

20 WHEREAS, As a result of the Original Sharing Agreement, the Authority and TIHDI
21 expected that, for the term of the JSCO Sublease, TIHDI member organizations would
22 sublease 222 of the TIHDI Units for homeless and economically disadvantaged San
23 Franciscans as provided in such subleases and the TIHDI Agreement; and,

24 WHEREAS, In furtherance of the TIHDI Agreement and the Sharing Agreement, the
25 Authority has subleased the first of 122 of the Original Subleased TIHDI Units to various

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1 TIHDI member organizations, and both JSCO and TIHDI's member organizations have been
2 carrying out parallel rehabilitation, marketing and management programs regarding their
3 Housing Units under their respective subleases; and,

4 WHEREAS, In order to preserve maximum flexibility for the Authority's ability to
5 develop the Base, including its ability to address issues related to a potential exchange of the
6 Tidelands Trust off of portions of Treasure Island onto portions of Yerba Buena Island, and
7 thereby, among other things, create a net gain in low-income and TIHDI housing on the Base
8 (which gains could be realized through amendments to the TIHDI Agreement with regard to
9 replacement set-asides and contingent options in favor of TIHDI related to new housing
10 development on the Base), and in light of certain restrictions on the use of housing on Yerba
11 Buena Island set forth in the Bay Plan that inhibit the Authority's ability to give TIHDI member
12 organizations long-term sublease terms for housing on Yerba Buena Island, the Authority and
13 TIHDI have agreed that it is in their respective mutual interests to allow JSCO, for the
14 remainder of the term of the JSCO Sublease, to sublease 52 housing units on Yerba Buena
15 Island which, under the TIHDI Agreement and the Original Sharing Agreement were to have
16 been subleased to TIHDI member organizations, in exchange for allowing TIHDI member
17 organizations the right to sublease 52 housing units on Treasure Island that were originally
18 included as part of JSCO's leased premises under the JSCO Sublease; and,

19 WHEREAS, To effectuate such exchange of Housing Units with JSCO and to make
20 certain other corresponding changes to the Original Sharing Agreement, the Authority and
21 TIHDI have negotiated the terms and conditions of an amendment to the Sharing Agreement
22 in the form filed herewith with the Clerk of the Board in File No. 001357 (the "TIHDI
23 Amendment"), Now therefore, be it,

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25 ///

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1 RESOLVED, That the Board hereby approves and authorizes the Authority to enter into
2 the TIHDI Amendment and any related amendments to the Authority's master leases with the
3 United States Navy necessary to effectuate the intent of the TIHDI Amendment; and, be it

4 FURTHER RESOLVED, That the Board authorizes the Authority to enter into
5 modifications to the TIHDI Amendment (including, without limitation, the attachment or
6 modification of exhibits) that are in the best interests of the Authority and the City, do not
7 materially change the terms of the TIHDI Amendment, and are necessary and advisable to
8 effectuate the purpose and intent of this resolution.

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10 RECOMMENDED:

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12 _____
13 ANNEMARIE CONROY
14 Executive Director
15 Treasure Island Development Authority
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City and County of San Francisco

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Tails

Resolution

File Number: 001357

Date Passed:

Resolution approving and authorizing the Treasure Island Development Authority to enter into an amendment to a Sharing Agreement with the Treasure Island Homeless Development Initiative related to the exchange of Treasure Island housing units with the John Stewart Company.

August 21, 2000 Board of Supervisors — ADOPTED

Ayes: 11 - Ammiano, Becerril, Bierman, Brown, Katz, Kaufman, Leno, Newsom, Teng, Yaki, Yee

File No. 001357

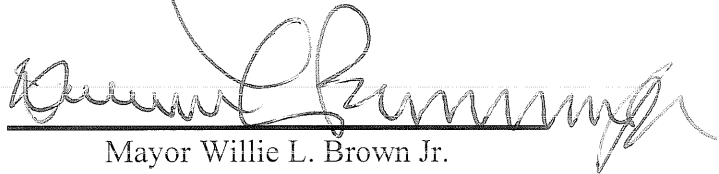
I hereby certify that the foregoing Resolution was ADOPTED on August 21, 2000 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

SEP - 1 2000

Date Approved



Mayor Willie L. Brown Jr.