

**Treasure Island Development Authority  
City and County of San Francisco**

**Resolution approving and authorizing the Treasure Island Development Authority to enter into a modification of the Cooperative Agreement with the United States Navy to extend the Term from October 1, 2015 until the earlier of (i) the termination of the Conveyance Agreement executed between the Navy and Authority, or (ii) the date that all parcels at the former Naval Station Treasure Island are conveyed.**

**SUMMARY OF PROPOSED ACTION:**

This item seeks approval and authorization to extend the Cooperative Agreement between the Treasure Island Development Authority (the “Authority”) and the U.S. Navy (the “Navy”) from October 1, 2015 until the earlier of (i) the termination of the Conveyance Agreement executed between the Navy and Authority, or (ii) the date that all parcels at the former Naval Station Treasure Island are conveyed.

**BACKGROUND:**

With the approval of the Board of Supervisors, the City and the Authority entered into a Cooperative Agreement with the United States Navy, and numerous modifications to the Cooperative Agreement, under which the City (initially) and the Authority (subsequently) agreed to assume certain responsibilities for (i) operation and maintenance for the water, waste water, storm water, electric and gas utility systems on former Naval Station Treasure Island, (ii) security and public health and safety services, (iii) grounds and street maintenance and repair, and (iv) property management and caretaker services. The Cooperative Agreement is renewed yearly.

On July 2, 2014 the Authority and the Navy executed the Economic Development Conveyance Memorandum of Agreement (the “Conveyance Agreement”), approved by the Board of Supervisors in Board of Supervisors Resolution 212-14 adopted June 24, 2014. The Conveyance Agreement sets the terms and conditions for the transfer of the property from the Navy to the Authority, including the conveyance schedule for the on-Island Transfer Parcels.

On May 29, 2015 property comprising the first Transfer Parcel on former Naval Station Treasure Island was accepted by the Authority from the Navy. In consideration of the eventual future transfer to the Authority of the remaining parcels still governed by the Cooperative Agreement, the Navy proposes to modify the current year-to-year term of the Cooperative Agreement to instead now extend the term of the Cooperative Agreement from October 1, 2015 until the earlier of (i) the termination of the Conveyance Agreement executed between the Navy and Caretaker, or (ii) the date that all parcels at the former Naval Station Treasure Island are conveyed.

The Authority's Board of Directors approved this Cooperative Agreement Modification at its July 8th, 2015 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 Cooperative Agreement has exceeded ten years, the Director of Island Operations requests approval of the Cooperative Agreement modification from the Board of Supervisors to extend the term from October 1, 2015 until the earlier of (i) the termination of the Conveyance Agreement executed between the Navy and Authority, or (ii) the date that all parcels at the former Naval Station Treasure Island are conveyed.

**RECOMMENDATION:**

Approve the modification to the Cooperative Agreement between the Authority and the United States Navy to extend the term from October 1, 2015 until the earlier of (i) the termination of the Conveyance Agreement executed between the Navy and Authority, or (ii) the date that all parcels at the former Naval Station Treasure Island are conveyed.

Robert Beck, Treasure Island Director