

1 [Sublease Amendment - Swords to Plowshares, Inc. - 1441 and 1443 Chinook Court]

2 **Resolution authorizing the execution of a Second Amendment to Sublease between**
3 **the Treasure Island Development Authority and Swords to Plowshares, Inc., for**
4 **premises located at 1441 and 1443 Chinook Court.**

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6 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
7 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
8 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
9 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
10 conversion of former Naval Station Treasure Island (the "Base") for the public interest,
11 convenience, welfare and common benefit of the inhabitants of the City and County of San
12 Francisco (the "City"); 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) authorized the Board of
16 Supervisors to designate the Authority as a redevelopment agency under California
17 Community Redevelopment Law ("CRL") with authority over the Base upon approval of the
18 City's Board of Supervisors, and, (ii) with respect to those portions of the Base which are
19 subject to the Tidelands Trust, vested in the Authority the authority to administer the public
20 trust for commerce, navigation and fisheries as to such property; and,

21 WHEREAS, The Board of Supervisors approved the designation of the Authority as a
22 redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated
23 February 6, 1998, however, the Authority is not exercising any of its redevelopment powers
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1 under CRL in connection with the reuse and development of the Base, and no redevelopment
2 project area or redevelopment plan has been adopted for the Base; and,

3 WHEREAS, Between 1996 and 1999, the City and the Authority negotiated a series of
4 agreements that provided the basis for the housing programs on Treasure Island, and on
5 September 1, 1999, the US Navy and the Authority entered into Navy Lease No.
6 N6247499RP00B19, the Treasure Island Housing Lease; and,

7 WHEREAS, Pursuant to the Base Closure Community Redevelopment and Homeless
8 Assistance Act of 1994, the Treasure Island Homeless Development Initiative (“TIHDI”) and
9 the City negotiated a Base Closure Homeless Assistance Agreement and Option to Sublease
10 Real Property (the “TIHDI Agreement”), which was endorsed by the City’s Board of
11 Supervisors and approved by the United States Department of Housing and Urban
12 Development in connection with the City’s Homeless Assistance Submission and Reuse Plan
13 for the Base; and,

14 WHEREAS, Under the TIHDI Agreement, TIHDI among other things was granted the
15 right, upon the satisfaction of certain conditions precedent, to have one or more of its member
16 organizations sublease certain housing units on the Base, as more particularly described in
17 the TIHDI Agreement; and,

18 WHEREAS, Swords to Plowshares, Inc., a California nonprofit corporation (“Swords to
19 Plowshares ”), and a member organization of TIHDI, provides direct assistance to veterans
20 by providing emergency, transitional supportive and permanent supportive housing for
21 homeless veterans, crisis intervention and counseling for veterans with mental health
22 concerns ranging from post traumatic stress disorder through addiction and recovery,
23 vocational training including support in passing the California General Education Development
24 Test (GED), as well as obtaining an Associates of Art degree from local community colleges,
25 and job training and placement to veterans nationwide; and,

1 WHEREAS, In furtherance of the Homeless Assistance Submission and the TIHDI
2 Agreement, on September 1, 1999, the Authority and Swords to Plowshares entered into a
3 Sublease for twenty four (24) residential units and related premises, as authorized by Board of
4 Supervisors Resolution No. 149-99, and on April 11, 2007, the Authority Board approved and
5 executed a First Amendment to Sublease to Increase Utility Rates from \$236.87 to \$255.00
6 per unit per month, as authorized by Board of Supervisors Resolution No. 394-07; and,

7 WHEREAS, In 1997, the Haight Ashbury Free Clinics, Inc. ("HAFCI"), a TIHDI member
8 organization, subleased from the Authority three (3) six-plex buildings located at 1440, 1441
9 and 1443 Chinook Ct., as authorized by Board of Supervisors Resolution No. 149-99, and
10 occupied these buildings until summer of 2010 when they lost their funding from the
11 Department of Public Health and vacated the premises in December 2010; and,

12 WHEREAS, In January 2011, after HAFCI vacated the premises, TIHDI conducted a
13 walk through and physical needs assessment to determine the extent of the renovation
14 necessary to reoccupy these units, and surveyed its members to see who had the need,
15 capacity and resources to renovate and occupy the units in a timely fashion; and,

16 WHEREAS, Swords to Plowshares indicated an interest in occupying some of the units
17 and submitted a proposal to TIHDI, and based on their program, capacity and financial plan
18 as well as their strong track record of providing transitional housing on Treasure Island, was
19 approved by TIHDI to move forward with obtaining 1441 and 1443 Chinook Ct. through a
20 sublease amendment with the Authority; and,

21 WHEREAS, Under the proposed Second Amendment, Swords to Plowshares is
22 requesting to expand their premises to include 1441 and 1443 Chinook Ct., and increase the
23 Common Area Maintenance Charges to \$1,720.08 per month; and,

24 WHEREAS, This Second Amendment was approved by the Authority Board of Directors at its
25 September 14, 2011 meeting; and,

1 WHEREAS, Because the cumulative term of the Sublease exceeds ten (10) years, the
 2 Authority is requesting that the Board of Supervisors approve the Second Amendment to
 3 Sublease, as required by the Authority's Bylaws; now, therefore, be it

4 RESOLVED, That the Board of Supervisors hereby approves the Second Amendment
 5 to Sublease with Swords to Plowshares, Inc., a California nonprofit corporation, to expand
 6 their premises to include 1441 and 1443 Chinook Court and increase the Common Area
 7 Maintenance Charges to \$1,720.08 per month, and authorizes the Director of Island
 8 Operations or her designee to execute said Second Amendment substantially the form filed
 9 with the Clerk of the Board of Supervisors in File No. 111242, and any additions, amendments
 10 or other modifications to such Second Amendment (including, without limitation, its exhibits)
 11 that the Director of Island Operations of the Authority or her designee determines, in
 12 consultation with the City Attorney, are in the best interests of the Authority and do not
 13 otherwise materially increase the obligations or liabilities of the Authority, and are necessary
 14 or advisable to effectuate the purpose and intent of this resolution.