

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

Resolution approving Amendments to the Treasure Island Development Authority Bylaws to allow the Authority Board of Directors to authorize contracts with a value of up to Ten Million Dollars (\$10,000,000), consistent with City departments under Charter Section 9.118, before requiring Board of Supervisors approval and to update the Authority's principal office address.

SUMMARY OF PROPOSED ACTION:

This item seeks approval and authorization to amend the Treasure Island Development Authority (the "Authority") Bylaws (the "Authority Bylaws") to allow the Authority's Board to approve contracts for expenditures up to \$10,000,000 without Board of Supervisors approval, consistent with City departments under Charter section 9.118, and to amend the Authority's office address.

BACKGROUND:

On February 25, 1998 the Authority Bylaws were established by action of the Authority Board. The Authority Bylaws have been subsequently been amended and restated three times: in May 1998 to set the number of Directors serving on the Authority Board; in April 2004, to assign the member of the Board of Supervisors in whose Supervisorial District Treasure and Yerba Buena Islands are located to serve on the Authority Board as a non-voting, ex-officio Director, and in April 2012 to allow members of the Authority Board to participate in the City and County of San Francisco Health Service System and to make other updates to the Conflict of Interest and other provisions of the Bylaws(as amended, the "Authority Bylaws").

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

Under the provision of the Act, Sec. 5(f) reads "Prior to the Board of Supervisor's approval of a redevelopment plan for the property, any contract to which the Authority is a party worth more than one million dollars (\$1,000,000) or with a term of 10 or more years shall require the approval of the Board of Supervisors of the City and County of San Francisco."

After adoption of a redevelopment plan, the Authority would have become a redevelopment agency, and its contracts would not have been subject to Board of Supervisors approval. As a result of the dissolution of California Redevelopment Law in 2011, a Redevelopment Plan was never and will not be adopted for the Treasure Island.

Under Section 9.118 of the City Charter, Board of Supervisors approval is required for any City contract with anticipated expenditures in excess of ten million dollars (\$10,000,000) or with anticipated revenues in excess of one million dollars (\$1,000,000). The proposed amendment simply conforms the Authority's contracting power to Charter section 9.118, consistent with all City departments.

This amendment will streamline the Authority's contracting process and make it consistent with other City departments. The additional amendment is to update the Authority's principal office address.

The proposed amendments to the Treasure Island Development Authority Bylaws are as follows:

Amendment Adjusting the Authorized Contracting Limits of the Treasure Island Development Authority Board

Article V, Section 2 is proposed to be amended as follows (added text is displayed in **italics**):

Article V-Section 2. Specific Powers

Purchase, sell, lease, exchange, transfer, assign, pledge, develop or otherwise acquire or dispose of property located on, comprising of or necessary for the operation of the Base, and approve and enter into agreements or contracts affecting the Base, including without limitation, contracts for the procurement of goods and services (including, without limitation, construction or maintenance contracts), purchase and sale agreements, option agreements, development agreements, leases, permits, grants of easements, management agreements, joint venture or partnership agreements, and agreements with the federal government of the United States of America, the State of California, the City, or any other governmental or quasi-governmental entity (collectively, "Agreements"), and, to the extent required by the Treasure Island Act and the City's Charter, recommend such Agreements to the Mayor and the Board of Supervisors for their respective approval, provided, such Agreements shall be subject to the terms and conditions of Sections 12B and 12C of the San Francisco Administrative Code, and provided further that, any Agreements having a term in excess of ten (10) years, **anticipated expenditures of ten million dollars (\$10,000,000) or more**, or anticipated revenues of one million dollars (\$1,000,000) or more shall be subject to the additional approval of the Board of Supervisors, by resolution.

Amendment Correcting the Address of Treasure Island Development Authority Offices

The numbering of addresses on Avenue of the Palms was revised several years ago and the proposed changes reflect the current street address of the Building 1, the correct room

number for the Authority's offices in Building 1, and corrects a misspelling in the Article title.

Article II, Section 1 of the Bylaws is proposed to be amended as follows (added text is displayed in **underlined bold italics** and deletions are ~~struck through~~):

Article II - Section 1. **Principal Principle** Office

The Principal office for the transaction of the activities and affairs of the Authority ("Principal Office") shall be located within the City and County of San Francisco. The Principal Office is located at: The Treasure Island Project Office, **One Avenue of the Palms, Suite 241** ~~401 Palm Avenue, Building 1, Room 237~~, Treasure Island, San Francisco, California 94130, or at such other place as may from time to time be designated by the Board of Directors of the Authority ("Board").

These proposed amendments were approved and adopted in the Fourth Amended and Restated Bylaws of the Treasure Island Development Authority (the "Fourth Amended Bylaws") by the Authority Board of Directors by Resolution No. 17-35-10/11 at its October 11, 2017 meeting.

RECOMMENDATION:

Approve the Fourth Amended and Restated Bylaws of the Treasure Island Development Authority.

Robert Beck, Treasure Island Director