[Endorsement of Term Sheet with the Treasure Island Homeless Development Initiative]

Resolution endorsing the Term Sheet for the Amended and Restated Base Closure Homeless Assistance Agreement with the Treasure Island Homeless Development Initiative.

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

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

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

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

WHEREAS, The Homeless Assistance Act requires the LRA to prepare (i) a proposed legally binding agreement that provides for the use of buildings, property and other resources on and off the Base to assist homeless persons in the community, which will become effective
after completion of environmental review under the California Environmental Quality Act ("CEQA") and the National Environmental Policy Act ("NEPA"); (ii) information regarding how the draft Reuse Plan for the Base addresses homelessness in the community; and (iii) a summary of public comments regarding the above-mentioned documents (collectively, the "Homeless Assistance Submission"); and,

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

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

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

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

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

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

WHEREAS, In 1997, the Base closed and the Authority was created to replace the City as the LRA and to serve as a single entity responsible for the redevelopment of the Property; and,

WHEREAS, 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 "Conversion Act"), the California Legislature (i) designated the Authority as a redevelopment agency under California Community Redevelopment Law with authority over the Property, and (ii) with respect to those portions of the Property that are subject to the public trust for commerce, navigation and fisheries (the "Tidelands Trust"), vested the authority to administer the Tidelands Trust as to such property in the Authority in accordance with the terms of the Conversion Act; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency with powers over the Property under the Conversion Act in Resolution No. 43-98, dated February 6, 1998; and,
WHEREAS, Under the Conversion Act and the Authority's Articles of Incorporation and Bylaws, the Authority, acting by and through its Board of Directors (the "Authority Board"), has the power, subject to applicable laws, to sell, lease, exchange, transfer, convey or otherwise grant interests in or rights to use or occupy all or any portion of the Property; and,

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

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

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

WHEREAS, The Authority is negotiating an Economic Development Conveyance Memorandum of Agreement with the Navy, subject to completion of necessary environmental

Mayor Newsom, Supervisors Daly, Chiu, Duffy
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review under CEQA and NEPA, for the transfer of the Property to the Authority as the designated LRA; and,

WHEREAS, Because environmental review is pending, the 1996 TIHDI Agreement has not been executed; however, the Authority and TIHDI have implemented significant policies of the 1996 TIHDI Agreement through (i) interim subleases between the Authority and TIHDI or TIHDI Member Organizations for TIHDI administrative space, the childcare center and 250 existing housing units on Treasure Island, (ii) contracts between the Authority and TIHDI Member Organizations for landscaping, janitorial and other services, (iii) the creation of the TIHDI Job Broker Program, and (iv) the formation of a joint venture among TIHDI, Toolworks (a TIHDI Member Organization) and Wine Valley Catering to manage the Authority's special events venues at the Property; and,

WHEREAS, The Authority and TIHDI have worked collaboratively to prepare a Term Sheet for the Amended and Restated Base Closure Homeless Assistance Agreement (the "TIHDI Term Sheet"), a copy of which is on file with the Clerk of the Board of Supervisors in File No. 100428, which is hereby declared to be a part of this resolution as if set forth fully herein; and,

WHEREAS, The TIHDI Term Sheet will become the basis for the parties' negotiation of an amendment and restatement of the 1996 TIHDI Agreement (the "Amended and Restated TIHDI Agreement") that will outline TIHDI's participation in the redevelopment project via housing, economic development and support components and, among other things, reflect the updated land use plan, development program and financing plan described in the Updated Development Plan and other terms to be negotiated between the Authority and TIHDI; and,
WHEREAS, The proposed TIHDI Term Sheet is consistent with the proposed
development program and economic assumptions included in the Updated Development Plan
and TIHDI's current interim uses and activities on the Property; and,

WHEREAS, The TIHDI Term Sheet was presented to the TICAB at a duly noticed
public meeting on April 6, 2010, and on __April 6__, 2010, the TICAB voted 15 to 0
to endorse the TIHDI Term Sheet; and,

WHEREAS, The TIHDI Term Sheet was presented to the Authority Board at a duly
noticed public meeting on April 7, 2010, and on __April 7__, 2010, the Authority Board
voted 7 to 0 to endorse the TIHDI Term Sheet; and,

WHEREAS, The TIHDI Term Sheet is not a binding agreement that commits the
Authority or the City to proceed with the approval or implementation of the Project, but it
outlines the terms on which the Authority, the City, and TIHDI will negotiate in good faith to
reach agreement on the final Amended and Restated TIHDI Agreement; and,

WHEREAS, The Project, as ultimately proposed by the Authority, the City, TIHDI and
TICD, will be subject to a process of thorough public review and input and all necessary and
applicable approvals; that process must include environmental review under CEQA and, if
applicable, NEPA, before the Authority or the City may consider approving the Project; the
Project will require discretionary approvals by a number of government bodies after public
hearings and environmental review, including by the Authority Board and the City's Board of
Supervisors; and,

WHEREAS, Nothing in this resolution commits, or shall be deemed to commit, the
Authority, the City, or any other public agency to approve or implement any project, and they
may not do so, until environmental review of the project as required under CEQA and, if
applicable, NEPA, has been completed; accordingly, the references to "the Project" (or the
like) in this resolution mean a proposed project subject to future environmental review and
consideration by the Authority, the City, and other public agencies; further, the Authority, the
City, and any other public agency with jurisdiction over any part of the Project each shall have
the absolute discretion before approving the Project to: (i) make such modifications to the
Project as may be necessary to mitigate significant environmental impacts; (ii) select other
feasible alternatives to avoid or substantially reduce significant environmental impacts; (iii)
require the implementation of specific measures to mitigate any specific impacts of the
Project; (iv) balance the benefits of the Project against any significant environmental impacts
before taking final action if such significant impacts cannot otherwise be avoided; or (v)
determine whether or not to proceed with the Project; now, therefore, be it

RESOLVED, That the Board of Supervisors hereby endorses the TIHDI Term Sheet
and urges City and Authority staff, including the Planning Department and the Office of
Economic and Workforce Development, to continue environmental review and planning for the
Project and the negotiation of the Amended and Restated TIHDI Agreement and other
transaction documents consistent with the TIHDI Term Sheet; and, be it

FURTHER RESOLVED, That any and all actions taken by City and Authority staff
consistent with the intent of this resolution are hereby ratified and approved.
Resolution endorsing the Term Sheet for the Amended and Restated Base Closure Homeless Assistance Agreement with the Treasure Island Homeless Development Initiative.

May 18, 2010 Board of Supervisors - ADOPTED

Ayes: 11 - Alioto-Pier, Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi

File No. 100428

I hereby certify that the foregoing Resolution was ADOPTED on 5/18/2010 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Gavin Newsom

Date Approved: 5/27/2010