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

WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97, authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit corporation known as the Treasure Island Development Authority (the "Authority") to act as a single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and conversion of former Naval Station Treasure Island (the "Base") for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco (the "City"); 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 "Act"), the California legislature (i) authorized the Board of Supervisors to designate the Authority as a redevelopment agency under California Community Redevelopment Law ("CRL") with authority over 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; and,

WHEREAS, The Board of Supervisors approved the designation of the Authority as a redevelopment agency with powers over Treasure Island in Resolution No. 43-98, dated February 6, 1998, however, the Authority is not exercising any of its redevelopment powers

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under CRL in connection with the reuse and development of the Base, and no redevelopment
project area or redevelopment plan has been adopted for the Base; and,

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

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

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

WHEREAS, Swords to Plowshares, Inc., a California nonprofit corporation ("Swords to
Plowshares"), and a member organization of TIHDI, provides direct assistance to veterans
by providing emergency, transitional supportive and permanent supportive housing for
homeless veterans, crisis intervention and counseling for veterans with mental health
concerns ranging from post traumatic stress disorder through addiction and recovery,
vocational training including support in passing the California General Education Development
Test (GED), as well as obtaining an Associates of Art degree from local community colleges,
and job training and placement to veterans nationwide; and,
WHEREAS, In furtherance of the Homeless Assistance Submission and the TIHDI Agreement, on September 1, 1999, the Authority and Swords to Plowshares entered into a Sublease for twenty four (24) residential units and related premises, as authorized by Board of Supervisors Resolution No. 149-99, and on April 11, 2007, the Authority Board approved and executed a First Amendment to Sublease to Increase Utility Rates from $236.87 to $255.00 per unit per month, as authorized by Board of Supervisors Resolution No. 394-07; and,

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

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

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

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

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

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

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

January 11, 2012 Budget and Finance Committee - RECOMMENDED

January 24, 2012 Board of Supervisors - ADOPTED
Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

I hereby certify that the foregoing Resolution was ADOPTED on 1/24/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved
2/1/12