

**AGENDA ITEM 6f**  
**Treasure Island Development Authority**  
**City and County of San Francisco**  
**Meeting of July 9, 2014**

**Subject:** Resolution Authorizing the Thirtieth Amendment to the Treasure Island South Waterfront Master Lease between the Authority and the United States Navy to Extend the Term (Action Item)

**Contact:** Mirian Saez, Director of Island Operations

**Phone:** (415) 274-0660

**BACKGROUND**

On September 4, 1998, the Treasure Island Development Authority (the “Authority”) entered into Lease Number N6247498RP00P99 with the United States Navy (the “South Waterfront Master Lease”). The lease premise includes certain land and structures on former Naval Station Treasure Island, including the Administration Building, Building 180, a portion of which is currently subleased to Sol Rouge/Winery SF, Hangar 2 which is currently subleased to Island Creative Management, and Hangar 3 which is used for commercial leasing. The Authority does not pay any Base Rent under the Master Lease.

The term of the Master Lease will expire on November 30, 2014. This Amendment will extend the term to November 30, 2015 on the same terms and conditions as the existing Master Lease. The enabling California State Legislation (AB 699) and the Authority's Bylaws require that subsequent to Authority Board approval, this Thirtieth Amendment is subject to approval by the San Francisco Board of Supervisors as it is an agreement with a term of 10 years or longer.

**FINANCIAL IMPACT**

There will be no financial impact on the budget for the Treasure Island Development Authority.

**RECOMMENDATION**

Project Staff recommends approval of the Thirtieth Amendment to the South Waterfront Master Lease Agreement N6247498RP00P99 to extend the term commencing December 1, 2014 and expiring on November 30, 2015.

Prepared by Peter Summerville  
for Mirian Saez, Director Island Operations

**THIRTIETH AMENDMENT  
TO LEASE AGREEMENT N6247498RP00P99  
BETWEEN  
THE UNITED STATES OF AMERICA  
AND  
TREASURE ISLAND DEVELOPMENT AUTHORITY**

THIS LEASE AMENDMENT made this \_\_\_\_\_ day of \_\_\_\_\_ 2014, by and between the UNITED STATES OF AMERICA, acting by and through the Department of the Navy, hereinafter called the "Government", and the TREASURE ISLAND DEVELOPMENT AUTHORITY, hereinafter called the "Lessee";

WHEREAS, the parties hereto, as of 4 September 1998, entered into Lease Agreement N6247498RP00P99 under the terms of which the Lessee uses certain real property for space located at the former Naval Station, Treasure Island; and

WHEREAS, the parties agree to amend the terms of the Lease Agreement.

NOW THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth; the following paragraphs to Lease N6247498RP00P99 are hereby amended to reflect the following changes;

1. Paragraph 2 TERM, delete in its entirety and the following paragraph is inserted therefore:

"The term of this Lease shall be for a period of one (1) year beginning on 1 December 2014 and ending on 30 November 2015, unless sooner terminated in accordance with the provisions of Paragraph 14, Termination."

All other terms and conditions of the Lease Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have, on the respective dates set forth above duly executed this amendment to the Lease as of the day and year first above written.

UNITED STATES OF AMERICA

TREASURE ISLAND DEVELOPMENT  
AUTHORITY

\_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_  
Title \_\_\_\_\_

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY

1 [Amendment to Navy Master Lease N6247498RP00P99]

2 **RESOLUTION AUTHORIZING THE THIRTIETH AMENDMENT TO THE TREASURE**  
3 **ISLAND SOUTH WATERFRONT MASTER LEASE BETWEEN THE AUTHORITY AND THE**  
4 **UNITED STATES NAVY TO EXTEND THE TERM**

5 **WHEREAS**, The Treasure Island Development Authority ("Authority") and the United  
6 States of America, acting by and through the Department of the Navy (the "Navy"), entered  
7 into a master lease dated September 4, 1998, for the Authority to use and rent out certain  
8 land and buildings in certain areas of Treasure Island (the "South Waterfront Master Lease")  
9 at no rent; and,

10 **WHEREAS**, The South Waterfront Master Lease enables the Authority to sublease  
11 portions of the master leased area for interim uses and generate revenues to support the  
12 interim uses and the future redevelopment of the former Naval Station Treasure Island; and,

13 **WHEREAS**, The term of the South Waterfront Master Lease expires on November 30,  
14 2014; and,

15 **WHEREAS**, The Authority wishes to extend the term of such lease for a period of one  
16 (1) year beginning on December 1, 2014 and ending on November 30, 2015, unless sooner  
17 terminated in accordance with the terms and conditions of the Master Lease; and,

18 **WHEREAS**, The Navy concurs with such extension; now, therefore, be it

19 **RESOLVED**, That the Board of Directors hereby authorizes the Director of Island  
20 Operations to enter into an amendment to the South Waterfront Master Lease in substantially  
21 the form attached hereto as Exhibit A, and be it

22 **FURTHER RESOLVED**, That the Board of Directors hereby authorizes the Director of  
23 Island Operations to enter into any additions, amendments or other modifications to the  
24 amendment that the Director of Island Operations determines in consultation with the City  
25 Attorney are in the best interests of the Authority, that do not materially increase the

1 obligations or liabilities of the Authority, that do not materially reduce the rights of the  
2 Authority, and are necessary or advisable to complete the preparation and approval of the  
3 amendment, such determination to be conclusively evidenced by the execution and delivery  
4 by the Director of Island Operations of the documents and any amendments thereto.

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6 **CERTIFICATE OF SECRETARY**  
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8 **I hereby certify that I am the duly elected and acting Secretary of the Treasure**  
9 **Island Development Authority, a California nonprofit public benefit corporation, and**  
10 **that the above Resolution was duly adopted and approved by the Board of Directors**  
11 **of the Authority at a properly noticed meeting on July 9, 2014.**  
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15 **Jean-Paul Samaha, Secretary**  
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