

AGENDA ITEM 6f
Treasure Island Development Authority
City and County of San Francisco
Meeting of January 14, 2026

Subject: Resolution Approving and Authorizing the Execution of a First Amendment to the Professional Services Agreement between the Treasure Island Development Authority and One Treasure Island, to increase the annual Scope of Services and not to exceed Contract Amount for Fiscal Year 2025-2026 (Action Item)

Contact: Richard A. Rovetti, Deputy Director of Real Estate

Phone: 415-274-3365

SUMMARY

This First Amendment to the Professional Services Agreement will increase the annual contract amount to allow for the demolition of Building 450, will assist Treasure Island Community Development in securing needed additional soil stockpile space for its next phases of the development program, and provide union jobs and wages for graduates of the One Treasure Island Pre-Apprenticeship Program.

BACKGROUND

On June 11, 2025, the Treasure Island Development Authority (the “Authority”) Board of Directors approved a Professional Services Agreement (the "Agreement") with the One Treasure Island (“One Treasure Island”), to coordinate training and employment opportunities for economically-disadvantaged people. For over 30 years, One Treasure Island has assisted nonprofit organizations that provide services to homeless and other economically disadvantaged San Francisco residents. One Treasure Island was organized to utilize the resources of the former Naval Station Treasure Island to help fill gaps in the continuum of care for homeless persons and families, pursuant to the Base Closure Community Redevelopment and Homeless Assistance Act of 1994.

The existing Agreement has a budget of \$1,015,000 and a Scope of Services that includes \$300,000.00 for contract services; \$95,000.00 for Affordable Housing Financing Consultation; \$70,000.00 for Community Facilities Planning Consultation; \$300,000.00 in continued funding for the pre-apprentice training program based on deconstruction and demolition of nuisance properties / structures on Treasure Islands along with providing new workforce training component for One Treasure Islands new Community Ambassador Program; \$215,000.00 in funding for abatement and demolition of Buildings 1441 and 1443 Halibut Court, and developing hazmat abatement scope of services for these properties that will be used as training sites for the pre-apprentice training program; and \$35,000.00 for onsite Special Event Venue staffing, Special Event Site Management, and Misc. Event Preparations including equipment rentals, food /

refreshment. Special Event Venue staffing will be billed monthly based on actual hours worked and at a rate not to exceed thirty-three dollars (\$33.00) per hour.

Project Staff and One Treasure Island have negotiated a First Amendment to the Professional Services Agreement (the "First Amendment") commencing February 1, 2026 to increase annual Scope of Services to the Pre-Apprentice Program Training and Pre-Apprentice Program Abatement Budgets to \$3,515,000 to allow for the abatement and removal of Building 450 instead of funding the abatement and removal of Buildings 1441 and 1443 Halibut Court. Removing Building 450 will assist Treasure Island Community Development in securing needed additional soil stockpile space for its next phases of the development program while providing union jobs and wages for graduates of the One Treasure Island Pre-Apprenticeship Program. To date, 257 low-income San Franciscans with barriers to employment have graduated from this program to date, with an average starting wage of \$26.39 an hour.

PROFESSIONAL SERVICES AGREEMENT TERMS AND CONDITIONS

The salient terms and conditions of the proposed First Amendment to the Professional Services Agreement include the following:

Commencement Date: February 1, 2026

Term: Month-to-Month

Compensation:

Compensation of up to \$3,515,000.00 payable as follows: July 1, 2025 through June 30, 2026 twelve (12) monthly payments of \$25,000.00 totaling \$300,000.00 for contract services, excluding:

(i) Pre-apprentice training program based on deconstruction and demolition of nuisance properties / structures on Treasure Islands along with providing new workforce training component for One Treasure Islands new Community Ambassador Program– Training Budget (\$300,000.00) payable to One Treasure Island upon invoice;

(ii) Pre-apprentice training program based on deconstruction and demolition of nuisance properties / structures on Treasure Island – Abatement Budget (\$2,715,000.00) payable to One Treasure Island upon invoice;

(iii) Affordable Housing Financing Consultation (\$95,000.00) payable to One Treasure Island upon invoice;

(v) Community Facilities Planning Consultation (\$70,000.00) payable to One Treasure Island upon invoice; and

(vi) \$35,000.00 for onsite Special Event Venue staffing. Special Event Venue staffing will be billed monthly based on actual hours worked and at a rate not to exceed thirty-three dollars (\$33.00) per hour.

Services:

One Treasure Island provides several services to the Authority including coordinating and facilitating participation of community-based homeless service organizations, operating the job broker system, as well as future development planning. One Treasure Island operates the Ship Shape building free of charge to the Island community, supports TI Children and Youth Initiatives, facilitates Affordable Housing Development Planning and Implementation Plans, and provides various consultation services related to ongoing community planning, affordable housing development. Additionally, One Treasure Island will provide onsite staffing at Island facilities. Responsibilities may include opening and closing of the venues, as well as greeting and assisting event contact with any facility related issues.

BUDGET IMPACT

The First Amendment to the Professional Services Agreement provides One Treasure Island with an amount not to exceed \$3,515,000.00 during FY 2025-2026. This amount addresses increased costs related to the removal of Building 450. Funding will come from the Authority's existing facilities maintenance account and other eligible grant sources.

RECOMMENDATION

Project Staff recommends approval of the First Amendment to the Professional Services Agreement between the Treasure Island Development Authority and One Treasure Island, a California nonprofit public benefit corporation to increase the annual Scope of Services and not to exceed Contract Amount to \$3,515,000.00 for FY 2025-2026, and authorize the Treasure Island Director or his designee to execute said First Amendment subject to the additional terms and conditions set forth above.

EXHIBIT

Exhibit A: First Amendment to the Professional Services Agreement between the Treasure Island Development Authority and the One Treasure Island

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Robert P. Beck, Treasure Island Director

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

THIS FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (this “First Amendment”), dated for reference purposes only as of February 1, 2026, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California nonprofit public benefit corporation (the “Authority”), and One Treasure Island (formerly Treasure Island Homeless Development Initiative), a California nonprofit public benefit corporation (the “Contractor”).

RECITALS

A. The Authority and the Contractor entered into that certain Professional Services Agreement dated for reference purposes as July 1, 2025 (the "Original Agreement"), to coordinate training and employment opportunities for economically disadvantaged people, as more particularly described in the Original Agreement. The term of the Original Agreement expires on June 30, 2026.

B. The Authority and the Contractor desire to amend the Original Agreement to increase the annual Scope of Services and not to exceed Contract Amount for Fiscal Year 2025-2026 on the terms and conditions set forth in this First Amendment

C. The Original Agreement and this First Amendment shall collectively be referred to as the “Agreement”. All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Authority and the Contractor hereby amend the Agreement as follows:

AGREEMENT

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference as if fully set forth herein.

2. Effective Date. The effective date of this First Amendment shall be February 1, 2026 (the “Effective Date”).

3. Services Contractor Agrees to Perform. As of the Effective Date, Section 4 of the Original Agreement shall be amended to read as follows:

"The Contractor agrees to perform the services provided for in Appendix A, “Description of Services,” attached hereto and incorporated by reference as though fully set forth herein.”

4. **Compensation.** As of the Effective Date, the Second paragraph of Section 5 of the Original Agreement shall be amended to read as follows:

"Compensation shall be made in monthly payments on or before the **Tenth** day of each month for work, as set forth in Section 4 of this Agreement, that the Treasure Island Director, in his sole discretion, concludes has been performed as of the **Final** day of the immediately preceding month. In no event shall the amount of this Agreement exceed Three Million Five Hundred and Fifteen Thousand Dollars (\$3,515,000.00). The breakdown of costs associated with this Agreement appears in Appendix B, "Calculation of Charges," attached hereto and incorporated by reference as though fully set forth herein.

No charges shall be incurred under this Agreement nor shall any payments become due to Contractor until reports, services, or both, required under this Agreement are received from Contractor and approved by the Authority as being in accordance with this Agreement. Authority may withhold payment to Contractor in any instance in which Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall Authority be liable for interest or late charges for any late payments."

5. **Counterparts.** This First Amendment may be executed in counterparts with the same force and effect as if the parties had executed one instrument, and each such counterpart shall constitute an original hereof.

6. **Full Force and Effect.** Except as specifically amended herein, the terms and conditions of the Sublease shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Authority and the Contractor have executed this First Amendment to Agreement at San Francisco, California, as of the date first above written.

AUTHORITY:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Robert P. Beck
Treasure Island Director

CONTRACTOR:

**One Treasure Island
a California nonprofit corporation**

By: _____

Its: _____

APPROVED AS TO FORM:

DAVID CHIU, City Attorney

By: _____
Deputy City Attorney

Amendment Prepared By: Richard A. Rovetti, Deputy Director of Real Estate _____
(initial)

Appendix “A”

Scope of Services Contract Year 2025-2026

Description of Services

TASK ONE

One Treasure Island (“Contractor”) shall provide all labor, materials, and equipment necessary to:

- Coordinate and facilitate the participation of community-based homeless service organizations activities with all public and private agencies operating on former naval base Treasure Island in the current implementation of the One Treasure Island agreement.

Specifically:

- Operate the Job Broker System and construction jobs program for island employers to fulfill hiring objectives outlined in their leases and/or contracts with the Treasure Island Development Authority
- Coordinate participation of members of One Treasure Island where appropriate and when requested by TIDA
- Operate the Sherry Williams Community Center (SWCC) formerly the “Ship Shape” as a Community Center
- Provide third-party consultant support of planning efforts to integrate community facilities needs in the new development, including parks and open space planning

One Treasure Island (“Contractor”) shall provide all labor, materials, and equipment necessary to:

- Coordinate and facilitate the participation and implementation of community-based service organizations in the long term development of Treasure Island

Specifically:

- Participate in the development of the affordable housing component of the proposed development plan as specified in the One Treasure Island agreement
- Implement community serving and development components, Job Broker and First Source compliance and economic development opportunities as indicated in the One Treasure Island Agreement and Jobs and Equal Opportunity Program (“JEOP”)
- As per JEOP, Developer shall provide funding to Authority upon request for the exclusive purposes of funding the One Treasure Island Job Broker Program and the job training and workforce development for all Construction Work and all for permanent workforce development (the “Job Broker Program Subsidy”)
- Provide expertise in affordable housing financing, programming and planning
- Operate a pre-apprenticeship training program by remediating, demolition, and/or deconstructing nuisance buildings on Treasure Island

Appendix B Calculation of Charges

One Treasure Island 2025-2026	Income
TIDA Contract Income	500,000
<ul style="list-style-type: none"> • One Treasure Island Services contract (300,000) • Community Facilities Planning (70,000) • Affordable Housing Financing Consultation (95,000) • Event Site Management and Misc. Event Preparations – equipment rentals and related procurements (35,000) 	
Treasure Island Community Development Payment (TICD)	
Pre Apprenticeship Program Training	300,000
Pre Apprenticeship Program Abatement Budget (TIDA)	2,715,000
	Total: 3,515,000
Foundation Income	
Total Foundation Income	290,000
Corporate Income	
Total Corporate Income	40,000
Donations	250,000
Other Income	494,726
Total Other Income	
Total Income	4,589,726
Expenses	
Personnel	
Total Personnel & Benefits	1,189,391
Non-Personnel Expenses	
Prof Fees/Contracts	
Total Prof Fees/Contracts	
(includes building remediation as part of Pre-apprenticeship program)	
Program & Non-Personnel Expenses	963,000
Parks and Affordable Housing Projects	397,500
Operating Expenses	280,875
Total Expenses	2,831,266

Compensation of up to \$3,515,000.00 payable as follows: July 1, 2025 through June 30, 2026 twelve (12) monthly payments of \$25,000.00 totaling \$300,000.00 for contract services, excluding: (i) Pre-apprentice training program based on deconstruction and demolition of nuisance properties / structures on Treasure Islands along with providing new workforce training component for One Treasure Islands new Community Ambassador Program– Training Budget (\$300,000.00) payable to One Treasure Island upon invoice; (ii) Funding for abatement and demolition Building 450 – Abatement Budget (\$2,715,000.00) payable to One Treasure Island upon invoice; (iii) Affordable Housing Consultation (\$95,000.00) payable to One Treasure Island upon invoice; (iv) Community Planning Consultation (\$70,000.00) payable to One Treasure Island upon invoice; and (v) \$35,000.00 for onsite Special Event Venue staffing, Special Event Site Management, and Misc. Event Preparations including equipment rentals, food / refreshment. Special Event Venue staffing will be billed monthly based on actual hours worked and at a rate not to exceed thirty-three dollars (\$33.00) per hour. Special Event Site Management and Misc. Event Preparations including equipment rentals, food / refreshment and other related procurements payable upon monthly invoice.

1 [First Amendment to the Professional Services Agreement - One Treasure Island]

2 **Resolution Approving and Authorizing the Execution of a First Amendment to the**
3 **Professional Services Agreement between the Treasure Island Development Authority**
4 **and One Treasure Island, to increase the annual Scope of Services and not to exceed**
5 **Contract Amount for Fiscal Year 2025-2026.**

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

9 WHEREAS, The Base was selected for closure and disposition by the Base
10 Realignment and Closure Commission in 1993, acting under Public Law 101-510, and its
11 subsequent amendments; and,

12 WHEREAS, On May 2, 1997, the Board of Supervisors passed Resolution No. 380-97,
13 authorizing the Mayor's Treasure Island Project Office to establish a nonprofit public benefit
14 corporation known as the Treasure Island Development Authority (the "Authority") to act as a
15 single entity focused on the planning, redevelopment, reconstruction, rehabilitation, reuse and
16 conversion of the Base for the public interest, convenience, welfare and common benefit of
17 the inhabitants of the City and County of San Francisco; and,

18 WHEREAS, Under the Treasure Island Conversion Act of 1997 (the "Act"), which
19 amended Section 33492.5 of the California Health and Safety Code and added Section 2.1 to
20 Chapter 1333 of the Statutes of 1968, the California Legislature (i) designated the Authority as
21 a redevelopment agency under California redevelopment law with authority over the Base
22 upon approval of the City's Board of Supervisors, and (ii) with respect to those portions of the
23 Base which are subject to the Tidelands Trust, vested in the Authority the authority to
24 administer the public trust for commerce, navigation and fisheries as to such property; and,
25

1
2 WHEREAS, The Board of Supervisors approved the designation of the Authority as a
3 redevelopment agency for Treasure Island in 1997; and,

4 WHEREAS, The City and County of San Francisco, as the predecessor Local Reuse
5 Authority for the Base, negotiated a proposed Base Closure Homeless Assistance Agreement
6 and Option to Lease Real Property (the "Homeless Assistance Agreement") with the One
7 Treasure Island ("One Treasure Island"), a consortium of nonprofit corporations organized to
8 utilize the available resources of the Base to help fill gaps in the continuum of care for
9 homeless persons and families, pursuant to the Base Closure Community Redevelopment
10 and Homeless Assistance Act of 1994; and,

11 WHEREAS, The Authority's purchasing policy and procedures authorize non-
12 competitive negotiations for contracts in furtherance of the Homeless Assistance Agreement;
13 and,

14 WHEREAS, The Authority has supported One Treasure Island pursuant to the Base
15 Closure Community Redevelopment and Homeless Assistance Act of 1994 by contracting
16 with One Treasure Island for the performance of services related to (i) the coordination and
17 facilitation of community-based homeless service organizations in Treasure Island community
18 activities; (ii) participation in the development process to support development plans which
19 implement the executed One Treasure Island Agreement; (iii) development of housing units
20 allocated to One Treasure Island under the One Treasure Island Agreement; (iv) develop and
21 implement pre-apprentice training program based on deconstruction of nuisance properties /
22 structures on Treasure Islands (v) operation of a job broker system and economic self-
23 sufficiency programs for Island residents; and (vi) implement community serving and
24 development components, Job Broker and First Source compliance and economic
25

1 development opportunities as indicated in the One Treasure Island Agreement and Jobs and
2 Equal Opportunity Program ("JEOP") (collectively, the "Services");

3 WHEREAS, As per JEOP, Treasure Island Community Development ("TICD") shall
4 provide funding to Authority upon request for the exclusive purposes of funding the One
5 Treasure Island Job Broker Program and the job training and workforce development for all
6 Construction Work and all for permanent workforce development (the "Job Broker Program
7 Subsidy"); and,

8 WHEREAS, On June 11, 2025, the Authority Board of Directors approved a
9 Professional Services Agreement with the One Treasure Island with an annual not to exceed
10 budget of \$1,015,000 and a Scope of Services that includes \$300,000.00 for contract
11 services; \$95,000.00 for Affordable Housing Financing Consultation; \$70,000.00 for
12 Community Facilities Planning Consultation; \$300,000.00 in continued funding for the pre-
13 apprentice training program based on deconstruction and demolition of nuisance properties /
14 structures on Treasure Islands along with providing new workforce training component for
15 One Treasure Islands new Community Ambassador Program; \$215,000.00 in funding for
16 abatement and demolition of Buildings 1441 and 1443 Halibut Court, and developing hazmat
17 abatement scope of services for these properties that will be used as training sites for the pre-
18 apprentice training program; and \$35,000.00 for onsite Special Event Venue staffing, Special
19 Event Site Management, and Misc. Event Preparations including equipment rentals, food /
20 refreshment, and is billed monthly based on actual hours worked and at a rate not to exceed
21 \$33.00 per hour; and,

22 WHEREAS, Project Staff and One Treasure Island have negotiated a First Amendment
23 to the Professional Services Agreement (the "First Amendment") commencing February 1,
24 2026 to increase annual Scope of Services to the Pre-Apprentice Program Training and Pre-
25 Apprentice Program Abatement Budgets to \$3,515,000 to allow for the abatement and

1 removal of Building 450 instead of funding the abatement and removal of Buildings 1441 and
2 1443 Halibut Court, and removing Building 450 will assist Treasure Island Community
3 Development in securing needed additional soil stockpile space for its next phases of the
4 development program while providing union jobs and wages for graduates of the One
5 Treasure Island Pre-Apprenticeship Program; and,

6 WHEREAS, Project Staff anticipates commencement of removal / demolition of
7 Building 450 in first quarter of 2026; and,

8 WHEREAS, Funding will come from the Authority's existing facilities maintenance
9 account and other eligible grant sources; and be it

10
11 RESOLVED, That the Authority hereby authorizes the Treasure Island Director or his
12 designee to execute the First Amendment to the Professional Services Agreement (the "First
13 Amendment") with One Treasure Island effective February 1, 2026, and expiring on June 30,
14 2026, for an amount not to exceed Three Million Five Hundred and Fifteen Thousand
15 (\$3,515,000.00), in substantially the form attached hereto as Exhibit A; and be it

16 FURTHER RESOLVED, That the Board of Directors hereby authorizes the Treasure
17 Island Director or his designee to enter into any additions, amendments or other modifications
18 to the First Amendment that the Treasure Island Director or his designee determines in
19 consultation with the City Attorney are in the best interests of the Authority, that do not
20 materially increase the obligations or liabilities of the Authority, that do not materially reduce
21 the rights of the Authority, and are necessary or advisable to complete the preparation and
22 approval of the First Amendment, such determination to be conclusively evidenced by the
23 execution and delivery by the Treasure Island Director or his designee of the documents and
24 any amendments thereto.
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4 I hereby certify that I am the duly elected Secretary of the Treasure Island
5 Development Authority, a California nonprofit public benefit corporation, and that the
6 above Resolution was duly adopted and approved by the Board of Directors of the
7 Authority at a properly noticed meeting on January 14, 2026.

Mark Dunlop, Secretary