AGENDA ITEM 6C
Treasure Island Development Authority
City and County of San Francisco
Meeting of November 6, 2026

Subject: Resolution Approving and Authorizing the Execution of a Fifth Amendment to Lease No. 1,359 with the TREASURE ISLAND YACHT CLUB, INC., a California non-profit corporation, to address revenue loss due to Treasure Island Marina Construction Activities. (Action Item)

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

Phone: 415-274-3365

BACKGROUND

The Treasure Island Yacht Club, Inc. ("TIYC"), a California nonprofit corporation, has been a longstanding tenant in good standing with the Treasure Island Development Authority (the "Authority") and an integral part of the Treasure Island community for approximately 60 years. TIYC is a small, community-oriented yacht club located on the first floor of the Administration Building (Building 1), adjacent to Clipper Cove. Originally established as a recreational club for United States Navy personnel, TIYC was re-established by a dedicated group of members following the closure of Naval Station Treasure Island. Today, TIYC welcomes civilian, military, and veteran members and provides recreational boating, sailing, racing, cruising, and social activities that contribute to the maritime character and recreational opportunities of Treasure Island.

On June 1, 2021, TIYC entered into a month-to-month lease agreement with the Authority (the "Original Lease") for Parcel A: Approximately 1,280 square feet of space located on the first floor of the Administration Building, Suite 133; and Parcel B: Non-exclusive use of approximately 500 square feet of land located on the northeast side of the Administration Building.

In early October 2026, demolition activities commenced at the Treasure Island Marina as part of the ongoing redevelopment of the waterfront. These construction activities have significantly affected TIYC's operations, including its ability to retain existing members, attract new members, and generate revenue through boating-related activities and programs. In particular, the disruption of marina operations and access to recreational boating opportunities in Clipper Cove has adversely affected the club's ability to offer water excursions and other maritime activities that historically supported its membership and operations.

Recognizing the significant impact of marina construction on TIYC's operations and its longstanding contributions to the Treasure Island community, the Authority and TIYC have

negotiated a Fifth Amendment to the Original Lease. The proposed amendment establishes a lease term commencing December 1, 2026, and expiring November 30, 2029 and provides for a one-year waiver of Base Rent to help offset the financial impacts associated with marina demolition and construction activities.

The proposed rent relief is intended to provide temporary financial assistance during this period of redevelopment, allowing TIYC to maintain its operations, preserve its membership base, and continue serving the Treasure Island community while marina improvements are underway. Maintaining TIYC's presence on Treasure Island supports the Authority's broader objectives of preserving community-serving organizations, promoting recreational opportunities, and sustaining the island's maritime heritage throughout the redevelopment process. TIYC's continued operations will provide opportunities for Treasure Island residents, commercial tenants, and visitors to participate in boating-related activities, educational programs, and community events.

The proposed Fifth Amendment represents a reasonable accommodation in response to construction-related disruptions and supports the continued viability of a longstanding community organization during this transitional period.

LEASE AMENDMENT TERMS AND CONDITIONS

The salient terms and conditions of the proposed Amendment include the following:

Premises:	Parcel A: approximately 1,280 square feet of space located on the First Floor of the Administration Building, Suite 133; and Parcel B: non-exclusive use of approximately 500 square feet of land located on the Northeast side of the Administration Building, Treasure Island
Location:	Administration Building, Treasure Island
Commencement Date:	December 1, 2026
Lease Expiration Date:	November 30, 2029
Lease Term:	Three (3) years
Base Rent:	**Commencement Date to November 30, 2027** The Premises will be provided to Tenant at no Base Rent in consideration of Tenant's loss of business due to construction activities. **December 1, 2027 to November 30, 2028** $2,100.00 per month or $1.64 per square foot per month **December 1, 2028 to November 30, 2029**

	$2,200.00 per month or $1.72 per square foot per month
Additional Charges:	Tenant shall pay Additional Charges in the amount of $500.00 per month to cover tenant's utility and security related expenses.
Use:	General operations of the Treasure Island Yacht Club including office, storage, parking and special events use only and for no other purpose.

PROPOSED MONTHLY BASE RENT

Under the Authority's Lease Policy, minimum base rent for Administration Building office space is $1.00 per square foot. The Authority proposes offering space at no Base Rent in consideration for business lost due to development construction activities. TIYC shall be subject to all other terms and conditions set forth in the Lease including payment of Additional Charges. Commencing December 1, 2027, TIYC will pay the monthly Base Rent as outlined above.

BUDGET IMPACT

The proposed Amendment will provide TIYC with 12 months of no Base Rent. The Authority anticipates an impact on the Authority's budget for FY 2026-2027 of approximately $24,000.00.

RECOMMENDATION

The Authority Staff recommends that the Authority Board of Directors approve the proposed Fifth Amendment to Lease No. 1,359 with the TREASURE ISLAND YACHT CLUB, INC., a California non-profit corporation, and authorize the Executive Director or her designee to execute said amendment to address business loss due to construction activities and subject to the additional terms and conditions set forth above.

EXHIBIT

EXHIBIT A – Fifth Amendment to Lease No. 1,359 with the TREASURE ISLAND YACHT CLUB, INC., a California non-profit corporation

Prepared by: Richard A. Rovetti, Deputy Director of Real Estate
For: Sheela Jivan, Executive Director

[TREASURE ISLAND YACHT CLUB, INC., a California non-profit corporation]

Resolution Approving and Authorizing the Execution of a Fifth Amendment to Lease No. 1,359 with the TREASURE ISLAND YACHT CLUB, INC., a California non-profit corporation, to address revenue loss due to Treasure Island Marina Construction Activities.

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

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

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 the Base for the public interest, convenience, welfare and common benefit of the inhabitants of the City and County of San Francisco; and,

WHEREAS, Under the Treasure Island Conversion Act of 1997 (the “Act”), 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 California Legislature (i) designated the Authority as a redevelopment agency under California redevelopment law 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, On February 6, 1998, the Board of Supervisors adopted Resolution No. 43-98 approving the designation of the Authority as a redevelopment agency for Treasure Island and Yerba Buena Island; and,

WHEREAS, On January 24, 2012, the Board of Supervisors rescinded designation of the Authority as the redevelopment agency for Treasure Island under California Community Redevelopment Law in Resolution No. 11-12; although such rescission does not affect Authority's status as the Local Reuse Authority for Treasure Island or the Tidelands Trust trustee for the portions of Treasure Island subject to the Tidelands Trust, or any other powers or authority of the Authority; and,

WHEREAS, The Treasure Island Yacht Club, Inc. ("TIYC"), a California nonprofit corporation, has been a longstanding tenant in good standing with the Treasure Island Development Authority (the "Authority") and an integral part of the Treasure Island community for approximately 60 years; and,

WHEREAS, TIYC is a small, community-oriented yacht club located on the first floor of the Administration Building (Building 1), adjacent to Clipper Cove; and,

WHEREAS, Originally established as a recreational club for United States Navy personnel, TIYC was re-established by a dedicated group of members following the closure of Naval Station Treasure Island, and today, TIYC welcomes civilian, military, and veteran members and provides recreational boating, sailing, racing, cruising, and social activities that contribute to the maritime character and recreational opportunities of Treasure Island; and,

WHEREAS, On June 1, 2021, TIYC entered into a month-to-month lease agreement with the Authority (the "Original Lease") for Parcel A: Approximately 1,280 square feet of space located on the first floor of the Administration Building, Suite 133; and Parcel B: Non-

exclusive use of approximately 500 square feet of land located on the northeast side of the Administration Building; and,

WHEREAS, In early October 2026, demolition activities commenced at the Treasure Island Marina as part of the ongoing redevelopment of the waterfront, and these construction activities have significantly affected TIYC's operations, including its ability to retain existing members, attract new members, and generate revenue through boating-related activities and programs; and

WHEREAS, Recognizing the significant impact of marina construction on TIYC's operations and its longstanding contributions to the Treasure Island community, the Authority and TIYC have negotiated a Fifth Amendment to the Original Lease that establishes a term commencing December 1, 2026, and expiring November 30, 2029 and provides for a one-year waiver of Base Rent to help offset the financial impacts associated with marina demolition and construction activities; and,

WHEREAS, The proposed rent relief is intended to provide temporary financial assistance during this period of redevelopment, allowing TIYC to maintain its operations, preserve its membership base, and continue serving the Treasure Island community while marina improvements are underway; and,

WHEREAS, Maintaining TIYC's presence on Treasure Island supports the Authority's broader objectives of preserving community-serving organizations, promoting recreational opportunities, and sustaining the island's maritime heritage throughout the redevelopment process, and TIYC's continued operations will provide opportunities for Treasure Island residents, commercial tenants, and visitors to participate in boating-related activities, educational programs, and community events; now, therefore be it

RESOLVED, That the Board of Directors hereby approves the proposed Fifth Amendment to Lease No. 1,359 with the TREASURE ISLAND YACHT CLUB, INC., a

California non-profit corporation , to address revenue loss due to Treasure Island Marina Construction Activities, and authorizes the Treasure Island Executive Director or her designee to execute said Amendment in substantially the form attached hereto as Exhibit A; and be it

FURTHER RESOLVED, That the Board of Directors hereby finds that (i) entering into the Amendment will serve the goals of the Authority and the public interests of the City, and (ii) the terms and conditions of the Amendment are economically reasonable; and be it

FURTHER RESOLVED, That the Board of Directors hereby authorizes the Treasure Island Director or his designee to enter into any additions, amendments or other modifications to the Agreement that the Treasure Island Executive Director or her designee determines in consultation with the City Attorney are in the best interests of the Authority, that do not materially increase the obligations or liabilities of the Authority, that do not materially reduce the rights of the Authority, and are necessary or advisable to complete the preparation and approval of the Agreement, such determination to be conclusively evidenced by the execution and delivery by the Treasure Island Executive Director or her designee of the documents and any amendments thereto.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected Secretary of the Treasure Island Development Authority, a California nonprofit public benefit corporation, and that the above Resolution was duly adopted and approved by the Board of Directors of the Authority at a properly noticed meeting on November 6, 2026.

_____

Mark Dunlop, Secretary

FIFTH AMENDMENT TO LEASE NO. 1,359

THIS FIFTH AMENDMENT TO LEASE (this "Fifth Amendment"), dated for reference purposes only as of December 1, 2026, is by and between the TREASURE ISLAND DEVELOPMENT AUTHORITY, a California non-profit public benefit corporation ("Landlord"), and TREASURE ISLAND YACHT CLUB, INC., a California non-profit corporation ("Tenant").

RECITALS

A. Landlord and Tenant entered into that certain Lease dated for reference purposes as of June 1, 2021 (the "Original Lease"), for Parcel A: approximately one thousand two hundred and eighty (1,280) square feet of space located on the First Floor of the Administration Building, Suite 133; and Parcel B: non-exclusive use of approximately five hundred (500) square feet of land located on the Northeast side of the Administration Building, Treasure Island, San Francisco, California, as more particularly described in the Original Lease.

B. Landlord and Tenant entered into that certain First Amendment to Lease dated for reference purposes as of December 1, 2022 (the "First Amendment"), that certain Second Amendment to Lease dated for reference purposes as of December 1, 2023 (the "Second Amendment"), that certain Third Amendment to Lease dated for reference purposes as of December 1, 2024 (the "Third Amendment"), and that certain Fourth Amendment to Lease dated for reference purposes as of December 1, 2025 (the "Fourth Amendment") to extend the Term, increase the Base Rent, Additional Charges, and Security Deposit.

C. Landlord and Tenant desire to amend the Lease to extend the Term, adjust the Base Rent and increase Additional Charges on the terms and conditions set forth in this Fifth Amendment.

D. The Original Lease, First Amendment, Second Amendment, Third Amendment, Fourth Amendment, and this Fifth Amendment shall collectively be referred to as the "Lease". All capitalized terms used herein but not otherwise defined shall have the meaning given to them in the Lease.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the Landlord and Tenant hereby amend the Lease 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 Fifth Amendment shall be December 1, 2026 (the "Effective Date").

3. **Term.** As of the Effective Date, the Term described in the Basic Lease Information of the Lease shall be amended to read as follows:

"Commencement date: June 1, 2021
Expiration date: November 30, 2029

Notwithstanding anything in this Lease to the contrary, either Landlord or Tenant, in its sole discretion, may terminate this Lease for any reason upon delivery of not less than thirty (30) days' prior written notice to the other party."

4. **Base Rent.** As of the Effective Date, the Base Rent described in the Basic Lease Information of the Lease shall be amended to read as follows:

"**Commencement Date to November 30, 2027**
The Premises will be provided to Tenant at no Base Rent in consideration of Tenant's loss of business due to construction activities.

December 1, 2027 to November 30, 2028
Two Thousand and One Hundred Dollars ($2,100.00) per month or $1.64 per square foot per month

December 1, 2028 to November 30, 2029
Two Thousand and Two Hundred Dollars ($2,200.00) per month or $1.72 per square foot per month"

5. **Additional Charges.** As of the Effective Date, the Additional Charges described in the Basic Lease Information of the Lease shall be amended to read as follows:

"Five Hundred Dollars ($500.00) per month per month to cover tenant's utility and security related expenses"

6. **Counterparts**. This Fifth 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.

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

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IN WITNESS WHEREOF, Landlord and Tenant have executed this Fifth Amendment to Lease at San Francisco, California, as of the date first above written.

LANDLORD:

TREASURE ISLAND DEVELOPMENT AUTHORITY

By: _____
Sheela Jivan
Treasure Island Director

TENANT:

TREASURE ISLAND YACHT CLUB, INC.,
a California non-profit corporation

By: _____

Its: _____

APPROVED AS TO FORM:

DAVID CHIU, City Attorney

By: _____
Heidi J. Gewertz
Deputy City Attorney

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