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Navy and City of San Francisco Agree to Treasure Island Conveyance Terms

SAN DIEGO – Secretary of the Navy Ray Mabus and San Francisco Mayor Gavin Newsom announced today that they had reached a broad outline of terms for the conveyance of former Naval Station Treasure Island from the Navy to the city's Treasure Island Development Authority.

The terms of the agreement include a guaranteed payment to the Navy of \$55 million, followed by an interim payment of another \$50 million, plus an additional share of potential further profits. The agreement also requires the inclusion of transactional protections customary in the private sector for these types of transactions. Specifics of the deal will be worked out as quickly as possible.

"This agreement is good for the American tax payer, will create jobs in the San Francisco region and will effectively transition Treasure Island to productive civilian reuse," said Mabus.

Mayor Newsom expressed optimism that having the terms of this conceptual agreement in place would allow the city to finalize development plans and generate badly needed jobs in a difficult economic climate.

"Now that we know the basic terms of the Navy deal, we can finally begin the hard work of making sure the City's grand vision for Treasure Island can be realized," said Newsom.

For more information, please contact the BRAC Program Management Office at (619) 532-0768.

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