[Lease Termination of Real Property - Uptown Parking Corporation - Sutter Stockton Garage]

Resolution authorizing the termination of the lease agreement between the City and County of San Francisco and the Uptown Parking Corporation for the Sutter Stockton Garage and authorizing the Director of Transportation to execute a Lease Termination Agreement.

WHEREAS, The City and County of San Francisco (City), a municipal corporation, owns the Sutter Stockton Garage (Garage) located at 444 Stockton Street; and

WHEREAS, The City of San Francisco Uptown Parking Corporation (Corporation), a non-profit 501(c)(2) corporation, was formed in 1956 for the sole purpose of assisting the City with design and construction of the Garage by financing the cost through the sale of bonds of the Corporation secured by a lease of the Garage from the City to the Corporation; and

WHEREAS, The City leased the Garage to the Corporation under a lease agreement dated May 5, 1959, which lease was subsequently replaced with another lease agreement dated February 26, 2013; and

WHEREAS, In the four years since execution of the 2013 lease, the way the city oversees its garage operations has evolved; and

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) has added additional staff with detailed technical knowledge and also streamlined its contracting and oversight policies and procedures, which allows the overall garage portfolio to be managed more efficiently; and

WHEREAS, Given recent changes, the SFMTA has determined that the Corporation's Board of Directors has fulfilled its duties, that leasing the Sutter Stockton

Garage to the Corporation is no longer in the best financial interest of the City, and the members of the Corporation's Board of Directors should therefore be relieved of their obligations and liability as the leaseholder of the Garage; and

WHEREAS, To initiate the termination of the lease, the Corporation's Board of Directors unanimously approved the Lease Termination Agreement at its Board meeting on November 1, 2017; and

WHEREAS, Upon termination of the Lease, the SFMTA will assume existing agreements with contractors, vendors and service providers deemed necessary for continued operation of the Garage; and

WHEREAS, The termination of the Lease will result in complete oversight of the Garage and retail tenants under the SFMTA, eliminating redundancy and Corporation oversight expenses; now, therefore, be it

RESOLVED, That the Director of Transportation of the SFMTA is hereby authorized, on behalf of the City, to execute the termination of the lease agreement between the Uptown Parking Corporation and the City and County of San Francisco; and be it

FURTHER RESOLVED, That all actions heretofore taken by the officers of the City with respect to the Lease Termination Agreement are hereby approved, confirmed and ratified; and, be it

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Transportation of the SFMTA to enter into any amendments or modifications to the Lease Termination Agreement (including without limitation, the exhibits) that the Director of Transportation determines, in consultation with the City Attorney, are in the best interest of the City, do not materially increase the obligations or liabilities of the City, are necessary or advisable to effectuate the purposes of the Lease Termination Agreement or this Resolution, and are in compliance with all applicable laws, including the City's Charter.



City and County of San Francisco **Tails**

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Resolution

File Number:

180057

Date Passed: March 13, 2018

Resolution authorizing the termination of the lease agreement between the City and County of San Francisco and the Uptown Parking Corporation for the Sutter Stockton Garage and authorizing the Director of Transportation to execute a Lease Termination Agreement.

March 01, 2018 Budget and Finance Sub-Committee - RECOMMENDED

March 13, 2018 Board of Supervisors - ADOPTED

Ayes: 11 - Breed, Cohen, Fewer, Kim, Peskin, Ronen, Safai, Sheehy, Stefani, Tang and Yee

File No. 180057

I hereby certify that the foregoing Resolution was ADOPTED on 3/13/2018 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Mark E. Farrell Mayor