

1 [Agreement Extension - TEGSCO, LLC, dba San Francisco Auto Return - Towing and
2 Storage of Abandoned and Illegally-Parked Vehicles]

3 **Resolution approving the Second Amendment to the Amended and Restated**
4 **Agreement with TEGSCO, LLC, dba San Francisco AutoReturn, for towing, storage, and**
5 **disposal of abandoned and illegally-parked vehicles to extend the Agreement and the**
6 **License for eight months, from August 1, 2015, through March 31, 2016.**

7

8 WHEREAS, On July 31, 2005, the San Francisco Municipal Transportation Agency
9 (SFMTA) executed an agreement with San Francisco AutoReturn to manage a network of ten
10 local and Bay Area towing firms that provide towing support for the San Francisco Police
11 Department (SFPD) and the SFMTA (“the Towing Agreement”) and Appendix C to that
12 agreement, a revocable license for a long-term storage facility for towed vehicles at Pier 70
13 (“the License”); and

14 WHEREAS, In addition, San Francisco AutoReturn secured a separate license in 2005
15 with Caltrans for property on 7th Street (across from the Hall of Justice) to be used as the
16 primary storage lot for towed vehicles and the customer service center; and

17 WHEREAS, In 2010 the SFMTA Board and this Board approved an extension of the
18 Towing Agreement and the License for five years until July 31, 2015; and

19 WHEREAS, In May 2014 both Boards approved transferring the long-term storage
20 facility from Pier 70 to property at 2650 Bayshore Blvd. and replacing Appendix C to the
21 Towing Agreement (the License) with Appendix H, the license for the Bayshore site (“the
22 Bayshore License”); and

23

24

25

1 WHEREAS, The SFMTA requires an additional eight months after expiration of the
2 Towing Agreement and the Bayshore License to release a new RFP for towing services,
3 negotiate a new towing agreement; and

4 WHEREAS, In order to reimburse San Francisco AutoReturn for the rent increase of
5 \$53,621 per month that it must pay to Caltrans during the last eight months of the existing
6 lease for the 7th Street site, the SFMTA will allow San Francisco AutoReturn to offset its rent
7 of \$147,985.76 per month at the Bayshore facility by \$53,000 per month, for a total of
8 \$424,000 over the eight-month period; and

9 WHEREAS, On June 16, 2015, the SFMTA Board of Directors approved Resolution
10 No. 15-091, authorizing the Second Amendment to the Towing Agreement extending the
11 Agreement for eight months, and authorizing the First Amendment to Appendix H of the
12 Towing Agreement, the Bayshore License; and

13 WHEREAS, In November 2014, the Board of Supervisors passed Resolution No.
14 432-14 urging the SFMTA to evaluate the feasibility of waiving or otherwise mitigating towing
15 and storage fees for individual members of the public whose vehicles were towed and
16 identified by the SFPD as stolen; and

17 WHEREAS, In addition to approving extension of the Towing Agreement and the
18 License, the SFMTA Board on June 16, 2015, approved a waiver policy for owners of stolen
19 vehicles; and

20 WHEREAS, This policy will go into effect on December 1, 2015; and

21 WHEREAS, The Towing Agreement and Bayshore License amendment are on file with
22 the Clerk of the Board of Supervisors in File No. 150689; and

23 WHEREAS, The Planning Department has determined that the actions contemplated in
24 this Resolution comply with the California Environmental Quality Act (California Public
25

1 Resources Code, Sections 21000, et seq.); said determination is on file with the Clerk of the
2 Board of Supervisors in File No. 150689 and is incorporated herein by reference; and

3 WHEREAS, The Board affirms this determination; now, therefore, be it

4 RESOLVED, That the San Francisco Board of Supervisors authorizes execution of the
5 Second Amendment to the Amended and Restated Agreement and Property Use License for
6 towing, storage, and disposal of abandoned and illegally-parked vehicles with TEGSCO, LLC,
7 dba San Francisco AutoReturn, and the First Amendment to Appendix H to that Agreement,
8 the Amended and Restated Revocable License to Enter and Use Property, to extend the
9 Agreement and the License for eight months, from August 1, 2015, to March 31, 2016; and,
10 be it

11 FURTHER RESOLVED, That within 30 days of the document being fully executed by
12 all parties, the final document shall be provided to the Clerk of the Board for inclusion in the
13 official file.