

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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