

Port Lease No. L-16141 Legislation Summary

May 2015, by Resolution No.15-20, the Port Commission authorized the issuance of a request for proposal (RFP) for (i) a five year lease for SWL 321, bounded by the Embarcadero, Front Street and Green Street and (ii) a three year lease with two one-year Port options to renew for SWL 323-324 surface parking lots bounded by the Embarcadero, Broadway Street and Davis Street; and (iii) interim parking at (a) Seawall Lot 322-1 bounded by Broadway Street, Front Street and Vallejo Street, (b) Pier 19½ on the Embarcadero at Greenwich Street, and (c) Pier 29½ on the Embarcadero at Chestnut Street.

The RFP sought a partnership of an established parking operator and a local business enterprise (LBE) parking operator. Port staff commenced an extensive community-based outreach program that included several organization, individuals, associations and agencies to promote the Parking RFP to the broadest possible audience.

November 2015, Port issued the Proposal Opportunity for Lease and Operation of Surface Parking Lots as described. SP+ Corporation (“SP+”), a national parking operator, and Hyde Park Management LLC (“Hyde Park”), a certified Local Business Enterprise in San Francisco formed a joint venture partnership for the lease opportunity. SP+ and Hyde Park will share proportionality in all revenue, expenses, profits, risks and capital requirements. Both will participate in the day-to-day activities of the parking operations and SP+ will provide operation and financial mentorship to Hyde Park. The partnership is anticipated to generate approximately \$3 million in annual net revenue to the Port.

March 2016, the Port Commission, by Resolution 16-12 awarded the opportunity to the SP+ Corp and Hyde Park joint venture and authorized Port staff to negotiate a lease. The Lease has been executed by the joint venture partnership and Port is now seeking Board of Supervisors Resolution approving the Lease L-16141.