

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 210302-027

WHEREAS, The Transit Shelter Advertising Agreement (Agreement) between the City and Clear Channel Outdoor, Inc. (Clear Channel) began on December 10, 2007, and continues for a term of 15 years, plus one five-year option to extend at the City's sole discretion; and

WHEREAS, Due to the impacts from the COVID-19 pandemic, which have had, and continue to have, an unprecedented and material adverse effect on Clear Channel's ability to generate revenue from advertising, Clear Channel approached the SFMTA for reductions in certain payments due to the City under the Agreement; and

WHEREAS, The proposed First Amendment (Amendment) to the Clear Channel contract provides for reductions in Minimum Annual Guarantee (MAG) payments from May 1, 2020 through June 30, 2022, and in administrative and marketing payments; and

WHEREAS, By entering into the Amendment, the SFMTA will help to ensure that the SFMTA and the City will receive reduced, but still substantial, financial benefits during fiscal years 2021 and 2022, plus all of the other benefits provided in the Agreement; and

WHEREAS, The Amendment will also help Clear Channel to survive and preserve jobs, as well as continuing its critical services for the SFMTA and its customers, including maintaining the transit shelters, boarding platforms, and advertising kiosks; and

WHEREAS, Clear Channel has performed satisfactorily in fulfilling the requirements of the Agreement; and

WHEREAS, On February 10, 2021, the SFMTA, under authority delegated by the Planning Department, determined that the First Amendment to the Transit Shelter Advertising Agreement with Clear Channel Outdoor, Inc., is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference; and

WHEREAS, If approved by the SFMTA Board, the Amendment will be submitted to the Port Commission and Board of Supervisors for final approval; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute the First Amendment to the Transit Shelter Advertising Agreement with Clear Channel Outdoor, Inc., to reduce the minimum annual guarantee payments, as well as administrative and marketing payments, from May 1, 2020 through June 30, 2022, due to the impacts from the COVID-19 pandemic; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors recommends this matter to the Port Commission and the Board of Supervisors for its approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of March 2, 2021.

Caroline Celaya

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency