

1 [Agreement Amendment - Retroactive - Clear Channel Outdoor, Inc - Transit Shelter  
2 Advertising - Reduce Minimum Annual Guarantee Payments]

3 **Resolution retroactively approving the First Amendment to the Transit Shelter**  
4 **Advertising Agreement between the City and County of San Francisco, through the**  
5 **Municipal Transportation Agency and Port, and Clear Channel Outdoor, Inc., to reduce**  
6 **the minimum annual guarantee payments, as well as administrative and marketing**  
7 **payments, from May 1, 2020, through June 30, 2022, due to the impacts from the**  
8 **COVID-19 pandemic.**

9  
10 WHEREAS, The Transit Shelter Advertising Agreement (Agreement) between the City  
11 and County of San Francisco (City), through its Municipal Transportation Agency (SFMTA)  
12 and the Port of San Francisco, and Clear Channel Outdoor, Inc. (Clear Channel) began on  
13 December 10, 2007, and continues for a term of 15 years, plus one five-year option to extend  
14 at the City’s sole discretion; and

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

19 WHEREAS, The proposed First Amendment (Amendment) to the Clear Channel  
20 contract provides for reductions in Minimum Annual Guarantee (MAG) payments from May 1,  
21 2020, through June 30, 2022, and in administrative and marketing payments; and

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

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

4           WHEREAS, The SFMTA believes that Clear Channel has performed satisfactorily in  
5 fulfilling the requirements of the Agreement; and

6           WHEREAS, The SFMTA, under authority from the Planning Department, has  
7 determined that the First Amendment to the Transit Shelter Advertising Agreement with Clear  
8 Channel is not a “project” under the California Environmental Quality Act (CEQA) pursuant to  
9 Title 14 of the California Code of Regulations, Sections 15060(c) and 15378(b); and

10          WHEREAS, The Agreement, the proposed First Amendment to the Agreement, and the  
11 CEQA determination are on file with the Clerk of the Board of Supervisors in File No. \_\_\_\_ and  
12 are incorporated herein by reference; and

13          WHEREAS, On March 2, 2021, the SFMTA Board of Directors adopted Resolution No.  
14 210302-027, authorizing the Director of Transportation to execute the First Amendment to the  
15 Transit Shelter Advertising Agreement with Clear Channel Outdoor, Inc., to reduce the  
16 minimum annual guarantee payments, as well as administrative and marketing payments,  
17 from May 1, 2020, through June 30, 2022, due to the impacts from the COVID-19 pandemic;  
18 and

19          WHEREAS, On April 27, 2021, the Port Commission adopted Resolution No. 21-22,  
20 approving the First Amendment to the Agreement; now, therefore, be it

21          RESOLVED, That the Board of Supervisors approves the First Amendment to the  
22 Transit Shelter Advertising Agreement with Clear Channel Outdoor, Inc., to reduce the  
23 minimum annual guarantee payments, as well as administrative and marketing payments,  
24 from May 1, 2020, through June 30, 2022, due to the impacts from the COVID-19 pandemic;  
25 and, be it

1           FURTHER RESOLVED, That within 30 days after execution of the First Amendment,  
2 the final document shall be provided to the Clerk of the Board for inclusion in the official file.

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