

File No. 240840

Committee Item No. 8

Board Item No. 8

# COMMITTEE/BOARD OF SUPERVISORS

## AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date September 18, 2024

Board of Supervisors Meeting

Date September 24, 2024

### Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission (2)
- Award Letter
- Application
- Public Correspondence

### OTHER (Use back side if additional space is needed)

- REC-OPF Presentation 9/18/2024
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Completed by: Brent Jalipa

Date September 12, 2024

Completed by: Brent Jalipa

Date September 19, 2024

1 [Appropriation - \$30,500,000 of Certificates of Participation Refunding Proceeds and  
2 Operating Revenue - FY2024-2025]

3 **Ordinance appropriating \$30,500,000 consisting of \$29,000,000 of one or more series of**  
4 **Certificates of Participation Series 2024A proceeds and \$1,500,000 of projected parking**  
5 **revenues from operation of Music Concourse Garage in the Recreation and Parks**  
6 **Department (REC), and placing these funds on Controller’s Reserve pending the sale of**  
7 **the Certificates of Participation and acquisition of the Music Concourse Garage in**  
8 **Fiscal Year (FY) 2024-2025.**

9  
10 Note: Additions are single-underline italics Times New Roman;  
11 deletions are ~~strikothrough italics Times New Roman~~.  
12 Board amendment additions are double underlined.  
13 Board amendment deletions are ~~strikothrough normal~~.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. The sources of funding outlined below are herein appropriated to reflect the  
16 funding available in Fiscal Year 2024-2025.

17  
18  
19  
20  
21  
22  
23  
24  
25

1 **SOURCES Appropriation**

2

3

4

Fund /	Project & Activity/	Account	Description	Amount
Department ID	Authority			
16888 / 150723 COP	10041580 – 0001 /	480121	Proceeds from	\$29,000,000
S2024A / REC GGP	22862	Proceeds from	Certificates of	
General	RP Music	Refunding of Bonds	Participation	
	Concourse Garage			
	Acq / Budget and			
	Reserve			
10000 / 150723 GF	10041580 – 0002 /	435226	Music Concourse	\$900,000
Annual Account	22862	Parking Revenues	Garage Operating	
Control / REC GGP	RP Music		Revenues	
General	Concourse Garage			
	Acq / Budget			
10020 / 150723 GF	10001737 – 0003 /	435226	Music Concourse	\$600,000
Continuing Authority	22876	Parking Revenues	Garage Operating	
Control / REC GGP	RP Parks & Open		Revenues	
General	Spaces / Music			
	Concourse Parking			
<b>Total Sources Appropriation</b>				<b>\$ 30,500,000</b>

22

23 Section 2. The uses of funding outlined below are herein appropriated in FY 2024-2025 and

24 reflect the projected uses of funding for the Refunding Certificates of Participation.

25

1 **USES Appropriation**

2	Fund /	Project & Activity/	Account	Description	Amount
3	Department ID	Authority			
4	16888 / 150723 COP	10041580 – 0001 / 22862	567000	Escrow Fund	\$21,000,000
5	S2024A / REC GGP	RP Music Concourse		Deposit	
6	General	Garage Acq / Budget and			
7		Reserve			
8	16888 / 150723 COP	10041580 – 0001 / 22862	573610	Costs of	\$1,050,000
9	S2024A / REC GGP	RP Music Concourse		Issuance	
10	General	Garage Acq / Budget and			
11		Reserve			
12	16888 / 150723 COP	10041580 – 0001 / 22862	574110	Capitalized	\$1,000,000
13	S2024A / REC GGP	RP Music Concourse		Interest Fund	
14	General	Garage Acq / Budget and			
15		Reserve			
16	16888 / 150723 COP	10041580 – 0001 / 22862	573610	Underwriter's	\$240,000
17	S2024A / REC GGP	RP Music Concourse		Discount	
18	General	Garage Acq / Budget and			
19		Reserve			
20	16888 / 150723 COP	10041580 – 0001 / 22862	570000	Debt Service	\$2,450,000
21	S2024A / REC GGP	RP Music Concourse		Reserve Fund	
22	General	Garage Acq / Budget and			
23		Reserve			
24					
25					

1	Fund /	Project & Activity/ Authority	Account	Description	Amount
2	Department ID				
3	16888 / 150723 COP	10041580 – 0001 / 22862	573610	Reserve for	\$2,260,000
4	S2024A / REC GGP	RP Music Concourse Garage		Market	
5	General	Acq / Budget and Reserve		Uncertainty	
6	16888 / 150723 COP	10041580 – 0001 / 22862	567000	Reserve for	\$1,000,000
7	S2024A / REC GGP	RP Music Concourse Garage		Market	
8	General	Acq / Budget and Reserve		Uncertainty	
9	10000 / 150723 GF Annual	10041580 – 0002/ 22862	570000	COP 2024A Debt	\$820,000
10	Account Control / REC	RP Music Concourse Garage		Service	
11	GGP General	Acq / Budget			
12	10000 / 150723 GF Annual	10041580 – 0002 / 22862	581170	RM Work Order	\$80,000
13	Account Control / REC	RP Music Concourse Garage		for Property	
14	GGP General	Acq / Budget		Insurance	
15	10020 / 150723 GF	10001737 – 0003 / 22876	567000	Music Concourse	\$300,000
16	Continuing Authority	RP Parks & Open Spaces /		Garage	
17	Control / REC GGP	RP Garage Revenue		Operating	
18	General			Reserve	
19	10020 / 150723 GF	10001737 – 0084 / 22876	567000	Golden Gate	\$300,000
20	Continuing Authority	RP Parks & Open Spaces /		Park Operations	
21	Control / REC GGP	RP Garage Revenue			
22	General				
23					
24	<b>Total Uses Appropriation</b>				<b>\$ 30,500,000</b>
25					

1           Section 3. The Controller is authorized to record transfers between funds and adjust the  
2 accounting treatment of sources and uses appropriated in this ordinance as necessary to  
3 conform with Generally Accepted Accounting Principles and other laws.

4  
5           Section 4. To the extent that debt service is required in Fiscal Year 2024-25 on previously  
6 issued certificates of participation prior to the refunding herein, the Controller is authorized to  
7 transfer funds as needed to maintain existing debt service.

8  
9           Section 5. The uses of funding outlined above for \$30,500,000 are herein placed on  
10 Controller's Reserve pending sale of the Refunding Certificates of Participation in one or more  
11 series and completion of the Music Concourse Garage acquisition.

12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

APPROVED AS TO FORM:  
DAVID CHIU, City Attorney

FUNDS AVAILABLE:  
GREG WAGNER, Controller

By: \_\_\_\_\_  
          /s/  
ANNE PEARSON  
Deputy City Attorney

By: \_\_\_\_\_  
          /s/  
GREG WAGNER  
Controller

<b>Items 8 &amp; 9</b> <b>Files 24-0840 &amp; 24-0815</b>	<b>Department:</b> Municipal Transportation Agency (MTA) Recreation and Parks Department (REC)
--	--

**EXECUTIVE SUMMARY**

**Legislative Objectives**

- **File 24-840** is a proposed ordinance that would appropriate \$30.5 million, including \$29.0 million in Certificates of Participation Series 2024A proceeds and \$1.5 million in projected parking revenues from Music Concourse Garage operations, in the Recreation and Parks Department and place these funds on Controller’s Reserve pending sale of the COPs and acquisition of the garage in FY 2024-25.
- **File 24-0815** is a proposed resolution that would approve a second amendment to the contract between the City and IMCO Parking, LLC to add the Music Concourse Garage to the scope of work and to increase the not to exceed amount from \$180 million to \$207 million, an increase of \$27 million, with no change to the contract term.

**Key Points**

- In September 2024, the Board of Supervisors authorized the sale of up to \$29 million in Certificates of Participation (COPs) to finance the City’s acquisition of the Music Concourse Garage, an underground parking facility in Golden Gate Park with 800 parking spaces.
- The San Francisco Municipal Transportation Authority (SFMTA) plans to manage the garage on behalf of the Recreation and Parks Department (REC). SFMTA operates 21 city-owned garages and lots and contracts out management of the garages to two parking operators. SFMTA seeks to add the Music Concourse Garage to the IMCO Parking contract, rather than the LAZ Parking contract because IMCO Parking is affiliated with Imperial Parking, the current operator. REC would receive net revenues from the garage operations and would reimburse SFMTA for administrative costs to oversee garage operations.

**Fiscal Impact**

- The proposed increase of \$27 million to the not to exceed amount of the IMCO contract includes parking tax collected by SFMTA and paid to the Treasurer-Tax Collector’s Office by the operator and a 20 percent contingency in the event that garage utilization increases.
- The proposed ordinance would appropriate \$29.0 million in COPs proceeds for various uses associated with the City’s acquisition of the garage and \$1.5 million in garage operating revenues for debt service, garage reserves, and Golden Gate Park operations.

**Policy Consideration**

- Operating the Music Concourse Garage is more expensive compared to other City-owned garages because the Music Concourse Garage does not have remote-monitoring capabilities, resulting in greater on-site staffing costs compared to other garages. SFMTA will evaluate potential cost-saving options for the garage following the acquisition.

**Recommendation**

- Approve the proposed resolution and the proposed ordinance.

**MANDATE STATEMENT**

City Charter Section 9.118(b) states that any contract entered into by a department, board or commission that (1) has a term of more than ten years, (2) requires expenditures of \$10 million or more, or (3) requires a modification of more than \$500,000 is subject to Board of Supervisors approval.

City Charter Section 9.105 states that amendments to the Annual Appropriations Ordinance, after the Controller certifies the availability of funds, are subject to Board of Supervisors approval by ordinance.

**BACKGROUND**

**City Acquisition of Music Concourse Garage**

The Recreation and Parks Department (REC) plans to acquire the Music Concourse Garage, an underground parking facility located in Golden Gate Park with 800 parking spaces, from the current operator in Fall 2024. Under an existing ground lease, the Music Concourse Community Partnership (MCCP), a nonprofit, constructed and currently operates the garage. Under the terms of the lease, ownership of the garage will transfer to REC when the construction debt is fully repaid. On September 10, 2024, the Board of Supervisors authorized the sale of up to \$29 million in Certificates of Participation (COPs) to finance the City’s acquisition of the Music Concourse Garage, through repayment of the outstanding construction debt (File 24-0723).<sup>1</sup>

MCCP currently contracts with Imperial Parking, LLC to operate the facility. The San Francisco Municipal Transportation Authority (SFMTA) plans to manage the garage on behalf of REC once it is acquired. SFMTA is seeking approval to add the Music Concourse Garage to an existing contract with IMCO Parking, LLC, a joint venture of Imperial Parking and Convenient Parking.

**IMCO Parking Contract**

SFMTA operates 21 city-owned garages and lots and contracts out management of the garages to two parking operators, selected through a competitive process. LAZ Parking California, LLC, manages “Group A” garages, and IMCO Parking LLC manages “Group B” garages. In November 2022, the Board of Supervisors approved a contract with IMCO Parking, LLC for the management of 11 garages and one lot operated by the SFMTA for a term of five years, with two two-year options to extend and a not to exceed amount of \$180 million (File 22-1094). The contract term began February 1, 2023 and ends January 31, 2028 and may be extended through January 2032 if both extensions are exercised. In July 2023, SFMTA administratively approved the First Amendment to the contract to remove Convenient Parking, a joint venture member of IMCO

---

<sup>1</sup> The property is being transferred under the terms of the existing lease (through repayment of the outstanding debt) rather than through a new purchase agreement



Parking, from the approved list of subcontractors. The remaining approved subcontractors include Men at Work LA Concrete Inc. and Marina Securities Services Inc.

SFMTA seeks to add the Music Concourse Garage to the IMCO Parking contract, rather than the LAZ Parking contract because IMCO Parking is affiliated with Imperial Parking, the current operator. Therefore, transferring operations to IMCO Parking is not anticipated to cause any disruptions to garage operations.

**DETAILS OF PROPOSED LEGISLATION**

**File 24-0815** is a proposed resolution that would approve a second amendment to the contract between the City and IMCO Parking, LLC to add the Music Concourse Garage to the scope of work and to increase the not to exceed amount from \$180 million to \$207 million, an increase of \$27 million, with no change to the contract term.

**File 24-840** is a proposed ordinance that would appropriate \$30.5 million, including \$29.0 million in Certificates of Participation Series 2024A proceeds and \$1.5 million in projected parking revenues from Music Concourse Garage operations, in the Recreation and Parks Department and place these funds on Controller’s Reserve pending sale of the COPs and acquisition of the garage in FY 2024-25.

**IMCO Parking Contract (File 24-0815)**

According to SFMTA staff, MTA anticipates working with REC to consider extension of operating hours into the evenings for special events, but no other operational changes are anticipated currently. Garage staffing includes 2.0 FTE during open hours with support from middle and upper management staff, as needed.

*Management Fee, Expenses Reimbursement, and Net Revenues*

Under the existing contract, SFMTA pays a flat management fee of \$10,000 per month to IMCO, with five percent escalation in Years 6 and 8 (if the contract is extended), as well as reimbursement for all expenses. The proposed second amendment would increase the management fee to \$11,600, an increase of \$1,600 per month, and provides for reimbursement of operating expenses for the Music Concourse Garage. IMCO would collect parking tax from customers as a portion of parking fees and make tax payments to the Treasurer-Tax Collector.

Similar to other REC parking facilities managed by SFMTA, REC would receive net revenues from the garage operations and would reimburse SFMTA for administrative costs to oversee garage operations. However, SFMTA would waive reimbursement of administrative costs for the first two years of operations. SFMTA would apply the same policies to the Concourse Garage as other city-owned garages, including the demand-responsive pricing policy.

*Performance Management*

The proposed contract does not have quantitative performance measures. According to SFMTA staff, SFMTA staff assess the effectiveness of the service on a qualitative basis, such as whether the vendors are effective partners in implementing parking policies and providing parking

operation services. SFMTA staff meets with IMCO monthly to review financials, operations, and policy issues, and discuss any performance issues during those meetings. SFMTA staff reports that there have been no performance issues under the existing contract.

**Appropriation (File 24-0840)**

The sources and uses of the proposed appropriation of \$30.5 to REC in FY 2024-25 is shown in Exhibit 1 below. As we detailed in July 2024 report on the COP authorization (File 24-0723), in the subsequent fiscal years, the garage will generate \$1.46 million per year in net revenues, after paying for garage operation and COP debt service.

**Exhibit 1: Sources and Uses of Proposed Appropriation, FY 2024-25**

<b>Fund</b>	<b>16888 COP S2024A</b>	<b>10000 GF Annual Account</b>	<b>10020 GF Continuing Authority</b>	<b>Total</b>
<u>Sources</u>				
Proceeds from COPs	\$29,000,000			\$29,000,000
Garage Operating Revenues		900,000	600,000	1,500,000
<b>Total Sources</b>	<b>\$29,000,000</b>	<b>\$900,000</b>	<b>\$600,000</b>	<b>\$30,500,000</b>
<u>Uses</u>				
Escrow Fund Deposit	21,000,000			21,000,000
Costs of Issuance	1,050,000			1,050,000
Capitalized Interest Fund	1,000,000			1,000,000
Underwriter's Discount	240,000			240,000
Debt Service Reserve Fund	2,450,000			2,450,000
Reserve for Market Uncertainty	3,260,000			3,260,000
COP 2024A Debt Service		820,000		820,000
Risk Management Work Order for Property Insurance		80,000		80,000
Garage Operating Reserve			300,000	300,000
Golden Gate Park Operations			300,000	300,000
<b>Total Uses</b>	<b>\$29,000,000</b>	<b>\$900,000</b>	<b>\$600,000</b>	<b>30,500,000</b>

Source: Proposed Ordinance

**FISCAL IMPACT**

**Appropriation of \$30.5 Million in COPs Proceeds and Garage Operating Revenues**

As shown in Exhibit 1 above, the proposed appropriation ordinance would appropriate \$30.5 million in COPs proceeds and garage operating revenues to REC in FY 2024-25. The proposed ordinance would appropriate \$29.0 million in COPs proceeds for various uses associated with the City’s acquisition of the Music Concourse Garage and related debt issuance costs, including an escrow fund deposit of \$21 million, costs of issuance, capitalized interest, and reserves for debt service and market uncertainty. The ordinance would also appropriate \$1.5 million in garage

operating revenues to the General Fund in REC, including \$900,000 in the Annual Account (Fund 10000) for debt service associated with the COPs and property insurance and \$600,000 in the Continuing Authority Fund (Fund 10020) for operating reserves and Golden Gate Park Operations. According to REC staff, this reflects estimated garage operating revenues, debt service, and reserves for approximately six months. REC will determine future annual budget allocations during the FY 2025-26 budget process.

Appropriations to the General Fund Continuing Authority Fund will be automatically carried forward to future fiscal years if unspent. According to REC staff, the garage reserve will be used for potential maintenance needs within the garage, such as concrete repair, and the Golden Gate Park Operations funding will be used for any operations, maintenance, or future improvements within Golden Gate Park.

**IMCO Contract Not to Exceed Amount**

The proposed second amendment would increase the not to exceed amount by \$27 million for a total not to exceed amount of \$207 million to add the Music Concourse Garage to the scope of services for the IMCO contract. The not to exceed contract amount includes parking tax collected by SFMTA and paid to the Treasurer-Tax Collector’s Office by the operators. Estimated annual expenditures are shown in Exhibit 2 below.

**Exhibit 2: Projected Annual Contract Expenditures**

<b>Contract Year</b>	<b>Operating Expenses</b>	<b>Parking Tax</b>	<b>Total</b>
Year 2 (6 months)	\$850,000*	\$546,825	\$1,396,825
Year 3	1,545,000	1,312,380	2,857,380
Year 4	1,591,350	1,312,380	2,903,730
Year 5	1,639,091	1,312,380	2,951,471
Year 6 (1st Option)	1,688,263	1,312,380	3,000,643
Year 7	1,738,911	1,312,380	3,051,291
Year 8 (2nd Option)	1,791,078	1,312,380	3,103,458
Year 9	1,844,811	1,312,380	3,157,191
<b>Total</b>	<b>\$12,688,504</b>	<b>\$9,733,485</b>	<b>\$22,421,989</b>

Note: Operating Expenses include IMCO management fees and reimbursement of IMCO operating expenses.

Source: Years 2-6 from SFMTA Financial Model and Years 7-9 estimated based on SFTMA assumptions in the financial model. The five-year financial model assumes that parking revenues and expenses are consistent with FY 2023-24 levels, with 3% annual increases to operating expenses and no changes to parking tax.

\*Includes \$100,000 in one-time equipment upgrades

As noted above, garage revenue will cover COP debt service and the cost of operating the garage.

**Contract Spending Authority**

The SFMTA calculated the increased not to exceed amount based on estimated annual expenditures of \$3.6 million multiplied by the 7.5 remaining years in the agreement for a total of \$27.0 million. According to a financial model of garage expenses and revenues prepared by SFMTA, projected annual expenses are closer to \$3.0 million per year, including parking tax paid

to the Treasurer-Tax Collector’s Office, for a total of approximately \$22.4 million over the remaining term of the agreement. SFMTA staff report that the difference between the increase in the not to exceed amount and projected expenses in the financial model provides a contingency of approximately 20 percent in the event that garage utilization increases, which will result in increased parking tax collected under the contract and increases in expenses due to more wear and tear on the equipment or the need for additional staffing and supplies.

**SFMTA Cost Recovery and Estimated Garage Net Revenues**

As noted above, SFMTA would waive reimbursement of administrative costs for the first two years of operations of the Music Concourse Garage. Starting in the third year of operations (Year 4 of the contract), REC would reimburse SFMTA \$190,962 annually with estimated three percent annual increases according to the financial model prepared by the SFMTA.

Net revenues following debt service payment are estimated to be at least \$1.4 million annually, or approximately \$12.2 million over the remaining 7.5-year term of the proposed contract, as shown in Exhibit 3 below. Net revenues will accrue to the General Fund and support REC operations.

**Exhibit 3: Estimated Garage Net Revenues**

Contract Year	Total Revenues	IMCO Contract	Non-Operating Expenses	Debt Service	Total Expenses	Net Revenues
Year 2 (6 months)	\$3,280,950	\$1,396,825	\$263,218	\$870,000	\$2,530,043	750,908
Year 3	6,561,900	2,857,380	6,628	1,740,000	4,604,008	1,957,892
Year 4	6,561,900	2,903,730	197,789	1,740,000	4,841,519	1,720,381
Year 5	6,561,900	2,951,471	203,723	1,740,000	4,895,194	1,666,706
Year 6 (1st Option)	6,561,900	3,000,643	209,834	1,740,000	4,950,477	1,611,423
Year 7	6,561,900	3,051,291	216,129	1,740,000	5,007,420	1,554,480
Year 8 (2nd Option)	6,561,900	3,103,458	222,613	1,740,000	5,066,071	1,495,829
Year 9	6,561,900	3,157,191	229,291	1,740,000	5,126,482	1,435,418
<b>Total</b>	<b>\$49,214,250</b>	<b>\$22,421,989</b>	<b>\$1,549,225</b>	<b>\$13,050,000</b>	<b>\$37,021,213</b>	<b>\$12,193,037</b>

Source: Years 2-6 from SFMTA Financial Model and Years 7-9 estimated based on SFMTA assumptions in the financial model. The five-year financial model assumes that parking revenues and expenses are consistent with FY 2023-24 levels, with 3% annual increases to operating expenses and no changes to parking tax.

Note: Non-operating expenses include SFMTA administrative costs, miscellaneous costs, and one-time costs of \$260,000 in Year 2 associated with the City’s acquisition of the site and winddown of the non-profit

**POLICY CONSIDERATION**

The proposed IMCO contract amendment is more expensive per parking space compared to the existing agreement for other City-owned garages. Even with the recommended reduction in the not to exceed amount to reflect estimated expenses, the estimated monthly cost per space for the Music Concourse Garage (\$326) is 37 percent greater than other City-owned garages covered

under the existing contract (\$239).<sup>2</sup> According to SFMTA staff, operating the Music Concourse Garage is more expensive compared to other City-owned garages because the Music Concourse Garage does not have remote-monitoring capabilities, resulting in greater on-site staffing costs compared to other garages. All other City-owned garages are equipped with High Definition cameras connected to a remote command center, which allows one to two staff to monitor many facilities at once and reduces costs for staffing on-site. According to SFMTA staff, SFMTA will evaluate potential cost saving options for the Music Concourse Garage once SFMTA takes control of garage operations.

## RECOMMENDATION

Approve the proposed resolution (File 24-0815) and the proposed ordinance (File 24-0840).

---

<sup>2</sup> Without the recommended reduction, the estimated monthly cost per space for the Music Concourse Garage (\$375) is 57 percent greater than other City-owned garages.

# Golden Gate Park Music Concourse Garage



Budget & Finance Committee  
September 18, 2024



# Proposed Financing – Sources and Uses

## Sources:

Not-to-Exceed Par Amount	29,000,000
Prior Reserve Fund	1,100,000
<b>Total Sources</b>	<b>30,100,000</b>

## Uses:

### Project Funds

First Republic Debt Payoff	21,600,000
Museum Loan Payoff	500,000
Capitalized Interest	1,000,000
Debt Service Reserve Fund	2,450,000

### Delivery Date Expenses

Cost of Issuance	1,050,000
Underwriter's Discount	240,000

**Total Projected Uses** **26,840,000**

Plus: Reserve for Market Uncertainty 3,260,000

**Total Uses (including Prior Reserve Fund)** **30,100,000**



# Proposed FY24-25 Operations Sources and Uses

## Sources:

Annual Garage Parking Revenue	1,500,000
<b>Total Sources</b>	<b>1,500,000</b>

## Uses:

Certificate of Participation - Debt Service	820,000
Property/Business Interruption Insurance	80,000
Music Concourse Garage Maintenance - Reserve	300,000
Golden Gate Park Operations	300,000
<b>Total Uses</b>	<b>1,500,000</b>





**Thank You!**



**From:** [Trejo, Sara \(MYR\)](#)  
**To:** [BOS Legislation, \(BOS\)](#)  
**Cc:** [Paulino, Tom \(MYR\)](#); [Trivedi, Vishal \(CON\)](#); [Ng, Beverly \(REC\)](#); [Chang, Alex \(REC\)](#); [Guerra, Antonio \(REC\)](#); [PEARSON, ANNE \(CAT\)](#)  
**Subject:** Mayor -- Ordinance -- Certificates of Participation - Music Concourse Garage  
**Date:** Tuesday, September 3, 2024 2:18:08 PM  
**Attachments:** [Appropriation - COP Series 2024A Music Concourse Garage and Operating Revenues \\$30,500,000 CON Approval.pdf](#)  
[Appropriation - COP Series 2024A Music Concourse Garage and Operating Revenues \\$30,500,000.docx](#)  
[Appropriation - COP Series 2024A Music Concourse Garage and Operating Revenues \\$30,500,000.pdf](#)  
[Appropriation - COP Series 2024A Music Concourse Garage and Operating Revenues \\$30,500,000 CAT Approval.pdf](#)

---

Hello Clerks,

Attached is an Ordinance appropriating \$30,500,000 consisting of \$29,000,000 of one or more series of Certificates of Participation Series 2024A proceeds and \$1,500,000 of projected parking revenues from operation of Music Concourse Garage in the Recreation and Parks Department (REC) and placing these funds on Controller's Reserve pending the sale of the Certificates of Participation and acquisition of the Music Concourse Garage in Fiscal Year (FY) 2024-25.

For your awareness, this appropriation is related to [File #240723](#) should you need to reference supporting documents regarding the Certificates of Participation transaction.

Furthermore, we are asking to waive the 30-day hold so that the financing schedule can be met. This would enable the department to acquire the Music Concourse Parking Garage by the end of 2024 using Certificates of Participation. While this aligns with the current financing plan advised by external consultants, the waiver will help complete the acquisition as soon as possible to start generating revenue for the City.

Best regards,

**Sara Trejo**

Legislative Aide

Office of the Mayor

City and County of San Francisco