

1 [Lease Amendment - Transbay Joint Powers Authority - Continued Muni Operations -
2 Salesforce Transit Center at First and Mission Streets - Current Estimated Annual Operating
3 Charge of \$1,203,280]

4 **Resolution approving a First Amendment to the Lease Agreement with the Transbay**
5 **Joint Powers Authority for continued Muni operations at the Salesforce Transit**
6 **Center, located at First and Mission Streets, for a term effective upon approval of this**
7 **Resolution through December 31, 2050, with two ten-year extension options and a**
8 **current estimated annual operating charge of \$1,203,280; and to authorize the San**
9 **Francisco Municipal Transportation Agency's Director of Transportation to enter into**
10 **any extensions, amendments, or modifications to the Lease Amendment that do not**
11 **materially increase the obligations or liabilities to the City or materially reduce the**
12 **benefits and are necessary or advisable to effectuate the purposes of the Lease, as**
13 **modified by the Lease Amendment or this Resolution.**

14
15 WHEREAS, The Salesforce Transit Center (Transit Center), located at First and
16 Mission Streets in San Francisco, was designed and constructed as a replacement for the
17 former Transbay Terminal and as a premier transit hub connecting local and regional transit
18 providers, including Muni, AC Transit, Golden Gate Transit, Amtrak, Greyhound, and
19 WestCAT Lynx; and

20 WHEREAS, The Transit Center is a critical connection point for multiple Muni lines,
21 including the 5/5R-Fulton, 7-Haight, 38/38R-Geary, 25-Treasure Island, and 714 BART Early
22 Bird, as well as regional transit services such as AC Transit's transbay routes, Golden Gate
23 Transit buses from Marin County, WestCAT buses from Contra Costa County, Amtrak buses
24 from Emeryville, and Greyhound buses; and

1 WHEREAS, Muni operates from the Transit Center bus plaza under a Transit Center
2 Lease (Lease) dated June 15, 2018, between the City and County of San Francisco (City),
3 acting by and through the San Francisco Municipal Transportation Agency (SFMTA), and the
4 Transbay Joint Powers Authority, a joint powers authority (TJPA), which was approved by the
5 SFMTA Board of Directors under Resolution No. 180605-084, which are both on file with the
6 Clerk of the Board of Supervisors in File No. _____; and

7 WHEREAS, The Lease requires the SFMTA to pay an annual operating charge
8 (Operating Charge) equal to a proportional share of the Transit Center's excess operating
9 expenses each fiscal year based on SFMTA's exclusive use area under the Lease; and

10 WHEREAS, The current estimated annual Operating Charge of \$1,203,280 is less
11 than \$45 per square foot per year, and the SFMTA has the right to terminate the Lease if its
12 projected Operating Charge for an upcoming fiscal year exceeds \$3,000,000; and

13 WHEREAS, The Lease is currently on a month to month basis, and the SFMTA
14 wishes to enter into a First Amendment to Lease Agreement (Lease Amendment) to extend
15 the Lease term to December 31, 2050, with two 10-year extension options subject to mutual
16 approval by the SFMTA and the TJPA; a copy of the Lease Amendment is on file with the
17 Clerk of the Board of Supervisors in File No. _____; and

18 WHEREAS, The Lease Amendment will allow the SFMTA to continue Muni operations
19 at the Transit Center bus plaza, preserving its strategic role as a central hub for Muni lines,
20 improving service reliability, and strengthening multimodal connections with regional transit
21 providers; and

22 WHEREAS, On June 4, 2025, the SFMTA, under authority delegated by the Planning
23 Department, determined that the proposed Lease Amendment is not a "project" under the
24 California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of
25 Regulations Sections 15060(c) and 15378(b); and

1 WHEREAS, A copy of the CEQA determination is on file with Clerk of the Board of
2 Supervisors in File No. _____ and is incorporated herein by reference; and

3 WHEREAS, On July 15, 2025, the SFMTA Board of Directors adopted Resolution No.
4 250715-068, a copy of which is on file with the Clerk of the Board of Supervisors in File No.
5 _____, to authorize the SFMTA Director of Transportation to request the Board of
6 Supervisors to approve the Lease Amendment and to execute the Lease Amendment if
7 approved by the Board of Supervisors; now, therefore, be it

8 RESOLVED, That the Board of Supervisors of the City and County of San Francisco
9 authorizes the SFMTA Director of Transportation or their designee to execute the Lease
10 Amendment in substantially the form on file with the Clerk of the Board of Supervisors in File
11 No. _____, to perform all City obligations and exercise all City rights under the Lease, as
12 amended by the Lease Amendment, and to enter into any additions, amendments, or
13 modifications to the Lease that the SFMTA Director of Transportation, in consultation with the
14 City Attorney's Office, determines are in the best interest of the City, do not materially
15 increase the obligations or liabilities of the City or materially reduce the benefits to the City,
16 and are necessary or advisable to effectuate the Lease, as modified by the Lease
17 Amendment, and the purpose and intent of this Resolution; and be it

18 FURTHER RESOLVED, That within thirty (30) days of the Lease Amendment being
19 fully executed by all parties, the SFMTA shall provide a copy to the Clerk of the Board for
20 inclusion into the official file.