

1 [Lease Termination Agreement - Downtown Parking Corporation - 833 Mission Street]

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3 **Resolution authorizing the termination of the lease agreement with the Downtown**
4 **Parking Corporation and authorizing the Director of Transportation to execute a**
5 **Lease Termination Agreement for property located at 833 Mission Street that will**
6 **expire on December 31, 2012.**

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8 WHEREAS, The City and County of San Francisco (City), a municipal corporation,
9 owns the Fifth & Mission Garage (Garage) located at 833 Mission Street, San Francisco,
10 California; and

11 WHEREAS, The City of San Francisco Downtown Parking Corporation (Corporation),
12 a non-profit 501(c)2 corporation, was formed in 1955 for the sole purpose of assisting the
13 City in designing and constructing the Garage by financing the cost through the sale of
14 bonds of the Corporation secured by a lease of the Garage from the City to the Corporation;
15 and

16 WHEREAS, The City leased the Garage to the Corporation under a lease agreement
17 dated October 28, 1957, which lease was subsequently replaced with another lease
18 agreement dated April 1, 1992, and recorded on February 18, 1993 (Lease); and

19 WHEREAS, On or about June 15, 2002, the Corporation issued certain parking
20 revenue bonds (Bonds) in the amount of \$13,550,000 to refinance existing bonds issued by
21 the Corporation to finance the construction and maintenance of the premises, and the
22 indenture documents for said Bonds (Indenture) were recorded on July 16, 2002; and

23 WHEREAS, Section 2 of the Lease provides that the Lease shall terminate upon the
24 Corporation's payment of the debt incurred under the Bonds, and Article X of the Indenture
25 sets out the requirements for the discharge and defeasance (payment) of the Bonds; and

1 WHEREAS, In July 2012, the City, by and through the San Francisco Municipal
2 Transportation Agency (SFMTA), paid the remaining balance owing on the Bonds as part of
3 and as material requirement of issuing new revenue bonds that are secured in part by
4 revenues of the premises; and

5 WHEREAS, Because the Bonds issued by the Corporation have been fully paid, the
6 Corporation's Board of Directors therefore wishes to be relieved of its obligations and liability
7 as the leaseholder of the Garage; and

8 WHEREAS, The Corporation Board of Directors unanimously approved the attached
9 Lease Termination Agreement at its Board meeting on October 31, 2012; and

10 WHEREAS, Upon termination of the Lease, the SFMTA will assume existing
11 agreements with contractors, vendors and service providers deemed necessary for
12 continued operation of the Garage; and

13 WHEREAS, The termination of the Lease will result in complete oversight of the
14 Garage under the SFMTA, eliminating redundancy and Corporation oversight expenses;
15 now, therefore, be it

16 RESOLVED, That the Director of Transportation of the SFMTA is hereby authorized,
17 on behalf of the City, to execute the Lease Termination Agreement and to take all actions
18 under the Lease Termination Agreement; and, be it

19 FURTHER RESOLVED, That all actions heretofore taken by the officers of the City
20 with respect to the Lease Termination Agreement are hereby approved, confirmed and
21 ratified; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of
23 Transportation of the SFMTA to enter into any amendments or modifications to the Lease
24 Termination Agreement (including without limitation, the exhibits) that the Director of
25 Transportation determines, in consultation with the City Attorney, are in the best interest of

1 the City, do not materially increase the obligations or liabilities of the City, are necessary or
2 advisable to effectuate the purposes of the Lease Termination Agreement or this Resolution,
3 and are in compliance with all applicable laws, including the City's Charter.

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