

1 [Approval to award a three-year lease for surface parking between the Port of San Francisco
2 and Central Parking System, Inc. (Lease No. L-14795) for Seawall Lots ("SWL") 301, and
3 SWL 314 located in the Northern Waterfront]

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4 **Resolution approving a Port Commission Lease with Central Parking System, Inc. a**
5 **Tennessee Corporation in, for certain real property located at SWL 301 bounded by**
6 **Taylor Street, Jefferson Street, and Powell Street, and SWL 314 bounded by The**
7 **Embarcadero and Bay Street, and Kearny Street the City and County of San Francisco**
8 **for a term of 3 years.**

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10 WHEREAS, California Statutes of 1968, Chapter 1333 (the "Burton Act") and the San
11 Francisco Charter Section 4.114 and B3.581 empower the San Francisco Port Commission
12 with the power and duty to use, conduct, operate, maintain, manage, regulate and control the
13 lands within Port Commission jurisdiction; and

14 WHEREAS, On October 13, 2009 the Port Commission approved Resolution No. 09-
15 13, authorizing Port staff to offer through competitive bid a three-year lease for surface
16 parking for SWLs 301 and SWL 314. These SWL lots are located in the Northern Waterfront
17 (the "Bid Opportunity"); and,

18 WHEREAS, The submittal date for the Bid Opportunity was November 18, 2009 at
19 which time the bids were publicly opened and ranked in order of highest bid. The Port
20 received requests for thirty-eight (38) bid packages. Under the terms of the Bid Opportunity,
21 the Port determined that three (3) submitted bids met the minimum qualifications for
22 experience and financial standing; and

23 WHEREAS, Based on proposing the highest minimum monthly rent, Port staff selected
24 Central Parking System, Inc. as the successful bidder; and

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1 WHEREAS, Under the proposed lease, the Port will receive rent equal to the greater
2 amount of the minimum monthly rent of \$160,916.00 or 66% of gross receipts net of the City
3 Parking Tax required by Article 9 of the San Francisco Business and Tax Regulations Code;
4 and

5 WHEREAS, The Port Commission, at its January 12, 2010 meeting pursuant to
6 Resolution No. 10-04 approved the award of a three-year lease to Central Parking System,
7 Inc. subject to the Board of Supervisors approval; and

8 WHEREAS, A copy of the form of lease is on file with the Clerk of the Board of
9 Supervisors in File No. 100081 and is hereby declared to be part of this Resolution as if fully
10 at forth herein (the "Lease"); and

11 WHEREAS, The proposed Lease will increase incremental revenue to the Port for base
12 rent by approximately \$1.27 annually or \$5 million for the three-year term. This represents a
13 177% increase over the existing leases. Port staff anticipates a corresponding increase in the
14 percentage rent paid to the Port that may increase the net return over the three-year term of
15 the lease to \$8 million; and

16 WHEREAS, San Francisco Charter Section 9.118 requires Board of Supervisors
17 approval of leases having a term of ten (10) or more years or having anticipated revenue to
18 the City of One Million Dollars (\$1,000,000.00) or more; and

19 WHEREAS, This Lease is likely to meet the One Million Dollar (\$1,000,000.00)
20 threshold; now, therefore, be it

21 RESOLVED, That the Board of Supervisors approves the Lease; and, be it

22 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
23 Director of the Port (the "Executive Director") to execute the Lease in a form approved by the
24 City Attorney and in substantially the form of the lease on file; and, be it

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1 FURTHER RESOLVED, That the Board of Supervisors authorizes the Executive
2 Director to enter into any additions, amendments or other modifications to the Lease
3 (including, without limitation, preparation and attachment of, or changes to, any or all of the
4 exhibits and ancillary agreements) that the Executive Director, in consultation with the City
5 Attorney, determines is in the best interest of the Port, do not alter the rent or the Port's
6 projected income from the Lease, do not materially increase the obligations or liabilities of the
7 Port or City or materially decrease the public benefits accruing to the Port, and are necessary
8 or advisable to complete the transactions contemplate and effectuate the purpose and intent
9 of this Resolution, such determination to be conclusively evidenced by the execution and
10 delivery by the Executive Director of any such documents; and, be it

11 FURTHER RESOLVED, That the Board of Supervisors approves, and ratifies all prior
12 actions taken by the officials, employees and agents of the Port Commission, or the City with
13 respect to the Lease.

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