

1 [Management Agreement Amendment - LAZ Parking California, LLC - Management of
2 Parking Garages and Lots - Not to Exceed \$189,000,000]

3 **Resolution approving the second contract amendment with LAZ Parking California,**
4 **LLC, and the City and County of San Francisco, by and through the San Francisco**
5 **Municipal Transportation Agency, for the management of two off-street parking**
6 **facilities under the jurisdiction of the Port of San Francisco, located at Triangle Lot and**
7 **Seawall 321, for an increased amount not to exceed \$9,000,000 for a total contract**
8 **amount not to exceed \$189,000,000 effective on March 1, 2026, with no changes to the**
9 **term of February 1, 2023, through January 31, 2032.**

10
11 WHEREAS, The Port of San Francisco (Port) manages a large portfolio of paid
12 parking, both on-street parking meters and off-street parking facilities; and

13 WHEREAS, Port has for many years collaborated with San Francisco Municipal
14 Transportation Agency (SFMTA) to manage paid parking on-street (e.g. along the
15 Embarcadero), on-street parking meters on Port property are managed and operated by
16 SFMTA and its contracted vendors, and Port reimburses SFMTA for vendor and staff costs
17 related to management of Port's on-street parking; and

18 WHEREAS, Port has determined that its existing vendor contracts for management of
19 certain off-street parking facilities are no longer meeting Port's needs, and Port therefore
20 approached SFMTA to expand the existing parking-management relationship to include
21 certain off-street parking facilities; and,

22 WHEREAS, Port and SFMTA staff completed a detailed operational review of off-street
23 parking facilities under Port jurisdiction and then created an operational plan for how SFMTA
24 could manage paid parking at a designated group of off-street parking facilities, the
25 operational plan was agreed to, and the terms and conditions of SFMTA's management of

1 these facilities was included within an updated Memorandum of Understanding (MOU) that
2 details SFMTA's operation and management of both on-street and off-street paid parking for
3 Port; and,

4 WHEREAS, Within the group of Port off-street parking facilities that SFMTA has agreed
5 to manage are four facilities that require more detailed and sophisticated oversight; Port and
6 SFMTA agree that these four facilities would benefit from being managed by a professional
7 parking operations company, and the new Port-SFMTA MOU authorizes SFMTA to contract
8 out the day-to-day management of these four off-street parking facilities – Triangle Lot,
9 Seawall 321, Pier 30-32, and Pier 70 – to SFMTA-contracted parking operators; and,

10 WHEREAS, SFMTA's existing Group A parking-management contract with LAZ
11 Parking California, LLC (LAZ) contains specific terms and conditions by which the SFMTA
12 may add or delete parking garages from the contract scope of work. Pursuant to these
13 existing contract terms, it is proposed to add two off-street parking facilities – Triangle Lot and
14 Seawall 21 – under Port jurisdiction to the LAZ Group A contract; and,

15 WHEREAS, The management fee paid to LAZ would be increased by \$492 per month,
16 which is calculated using the rate of \$2.00 for each parking space that the SFMTA adds to the
17 Group A garages, as provided in the LAZ Contract. LAZ would also be reimbursed for
18 approved expenses it incurs in operating the two new facilities, which will be approximately
19 \$127,000 per month, for a total amount not to exceed \$9,000,000 over the remaining 71
20 months of the LAZ Contract term; and,

21 WHEREAS, Port will reimburse the SFMTA's administrative costs incurred in providing
22 oversight to LAZ's management of the Port off-street facilities and their revenues, in the same
23 manner as SFMTA oversees the management and operations of Port on-street parking
24 meters, and,

1 WHEREAS, Board of Supervisors' approval of the Second Amendment is required
2 under Charter, Section 9.118, because the original value of the LAZ Contract was greater
3 than \$10,000,000 and value of the proposed Amendment exceeds \$500,000; and,

4 WHEREAS, On October 25, 2025, the SFMTA, under authority delegated by the
5 Planning Department, determined that the amendment of the LAZ Contract and LAZ's
6 management of the Garage under that Amendment is not a "project" under the California
7 Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations,
8 Sections 15060(c) and 15378(b); now, therefore be it

9 RESOLVED, That the Board of Supervisors authorizes the Municipal Transportation
10 Agency to execute the Second Amendment to Contract No. SFMTA-2021-64/1 with LAZ
11 Parking California, LLC, to add operations and management of the Triangle Lot and Seawall
12 321 to the scope of work of that contract and to increase the amount of that contract
13 \$9,000,000 to compensate LAZ Parking California, LLC, additional management fees and to
14 reimburse approved operating expenses for the Triangle Lot and Seawall 321 as provided in
15 the Contract, for an amended total contract amount not to exceed \$189,000,000, effective on
16 March 1, 2026; and be it

17 FURTHER RESOLVED, That the Municipal Transportation agency, in consultation with
18 the City Attorney, is authorized to correct the Second Amendment and other documents
19 (without altering substantive provisions of the contract) and to take other actions as necessary
20 to implement and effect the purposes of this Resolution and the Second Amendment to
21 Contract No. SFMTA-2021-64/1; and, be it

22 FURTHER RESOLVED, That within thirty (30) days of the agreement being fully
23 executed by all parties, the Municipal Transportation Agency shall provide the final agreement
24 to the Clerk of the Board for inclusion into the official file.
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