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Tom Nolan, Director Cristina Rubke, Director

Edward D. Reiskin, Director of Transportation

March 16, 2017

Honorable Board of Supervisors City and County of San Francisco City Hall, Room 244 1 Carlton B. Goodlett Place San Francisco, California 94102

Transfer of two properties and improvements owned by the San Francisco Parking Subject:

Authority to the SFMTA

Dear Board Members:

The SFMTA is seeking your approval to transfer two properties owned by the Parking Authority of the City and County of San Francisco ("Parking Authority") to the Municipal Transportation Agency ("SFMTA"). State law restricts the Parking Authority from using its properties for any purpose other than parking. The transfer of these two properties to the SFMTA will allow the City to evaluate potential development opportunities for these facilities, while retaining needed parking, to support the City's overall goal to maximize the use of its properties.

Background

The Board of Supervisors created the Parking Authority in 1949. The Parking Authority is a State agency established under and governed by the Parking Law of 1949 (Streets and Highway Code section 32500 et seq.). As authorized by that Act, the SFMTA Board of Directors acts ex officio as the Parking Authority Commission. The SFMTA manages the Parking Authority's properties under a contract with the Parking Authority. The Charter includes the Parking Authority's revenues in the Municipal Transportation Fund and dedicates those revenues to support MUNI services.

The Parking Authority owns the following six parking garages and one lot: Lombard Garage, Moscone Garage, North Beach Garage, Performing Arts Garage and an adjacent surface lot, Polk/Bush Garage, San Francisco General Hospital Garage, and the surface lot at 2450 California Street.

Under an agreement with the Parking Authority, the SFMTA administers Parking Authority properties using funds generated by those properties. Those properties cannot be evaluated for development of non-parking purposes as long as the Parking Authority owns them, as State law restricts the Parking Authority from developing or using its properties for functions other than parking. At present, only two of the seven properties are potential candidates for the development of non-parking uses: the Moscone Garage property and the property where the Performing Arts Garage and adjacent lot are located.

This ordinance does not authorize non-parking development on either of these properties. Development proposals will be competitively solicited, and specific development proposals, if advanced, will be reviewed on a case-by-case basis, and will be subject to all required planning, environmental impact, ground lease and development agreement approval processes including MTA Board and Board of Supervisors approval.

A small parcel on which the Performing Arts Garage sits is leased to the Parking Authority by the Department of Public Works, which acquired the parcel from the State Department of Transportation (Caltrans) following the demolition of the Central Freeway. The lease for that parcel must be assigned to the SFMTA to effect the transfer of the Performing Arts Garage.

The SFMTA Board of Directors and the Parking Authority Commission each passed resolutions requesting the Board of Supervisors to approve an ordinance to effect the transfer of the Parking Authority's properties to the SFMTA. A copy of the SFMTA Board Resolutions are attached for your information. This ordinance differs from the Resolutions in that the SFMTA Board and Parking Authority Commission had recommended the simultaneous transfer of all seven of the Parking Authority properties to the SFMTA, rather than the transfer of only two properties. The SFMTA now requests that the Board of Supervisors transfer only the Moscone Center Garage and the Performing Arts Garage at this time, as these two properties are potential candidates for development of non-parking uses.

If you have any questions regarding this matter or if you would like to schedule an in-person meeting to discuss this ordinance, please contact Sonali Bose, CFO, at (415) 701-4617 or Sonali.Bose@sfmta.com.

Sincerely,

Edward D. Reiskin

Director of Transportation

Attachments

SFMTA Board of Directors Resolution No. 16-155 City and County of San Francisco Parking Authority Commission Resolution No. 16-156