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

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

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

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

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

WHEREAS, Section 2 of the Lease provides that the Lease shall terminate upon the Corporation's payment of the debt incurred under the Bonds, and Article X of the Indenture sets out the requirements for the discharge and defeasance (payment) of the Bonds; and
WHEREAS, In July 2012, the City, by and through the San Francisco Municipal Transportation Agency (SFMTA), paid the remaining balance owing on the Bonds as part of and as material requirement of issuing new revenue bonds that are secured in part by revenues of the premises; and

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

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

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

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

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

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

FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of Transportation of the SFMTA to enter into any amendments or modifications to the Lease Termination Agreement (including without limitation, the exhibits) that the Director of Transportation determines, in consultation with the City Attorney, are in the best interest of
the City, do not materially increase the obligations or liabilities of the City, are necessary or
advisable to effectuate the purposes of the Lease Termination Agreement or this Resolution,
and are in compliance with all applicable laws, including the City's Charter.
Resolution authorizing the termination of the lease agreement with the Downtown Parking Corporation and authorizing the Director of Transportation to execute a Lease Termination Agreement for property located at 833 Mission Street that will expire on December 31, 2012.

December 05, 2012 Budget and Finance Committee - RECOMMENDED

December 11, 2012 Board of Supervisors - ADOPTED
Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Olague and Wiener

I hereby certify that the foregoing Resolution was ADOPTED on 12/11/2012 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Date Approved 12/18/2012

File No. 121138