Resolution approving a lease agreement between the Municipal Transportation Agency and the City of San Francisco Uptown Parking Corporation for the Sutter Stockton Public Parking Garage with an initial term of 10 years for a base rent of $1 and with two 5 year options for a base rent of $1 for each option.

WHEREAS, The City and County of San Francisco (City), a municipal corporation, owns the Sutter Stockton Garage (Garage) located at 444 Stockton Street, San Francisco, California; and

WHEREAS, The City of San Francisco Uptown Parking Corporation (Corporation), a non-profit 501(c)2 corporation, was formed in 1956 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 May 5, 1959, which lease was subsequently amended and extended in March 1973 for facilitate the expansion of the garage then amended and extended in April 2001 with a termination date of 2035 or sooner if bonds issued by the Corporation are paid (Lease); and

WHEREAS, On April 1, 2001, the Corporation issued certain parking revenue bonds ("the Bonds") in the amount of $19,000,000 to finance the renovation of the Union Square Garage and Plaza, and the indenture documents for said Bonds ("the Indenture") were recorded on the about May 16, 2001; and

WHEREAS, Section 26 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), refinanced 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 requiring the Corporation to vacate the premises, the Corporation’s Board of Directors therefore wish to enter into a new lease and renew its obligations and liability as the leaseholder of the Garage; and

WHEREAS, The Corporation Board of Directors unanimously approved a lease amendment extending the agreement on a month-to-month basis until a new lease can be approved at its Board meeting on June 18, 2012; and

WHEREAS, The SFMTA negotiated new terms and conditions with the Corporation that includes best practices and other required changes related to bond financing, capital improvements and SFMTA operating procedures; and

WHEREAS, The proposed term of the lease is 10-years with two 5-year options to extend; and

WHEREAS, On December 4, 2012, the SFMTA Board of Directors passed a resolution authorizing the Director of Transportation to execute the Lease Agreement and to forward to the Board of Supervisors for final approval; now, therefore, be it

RESOLVED, That the Board of Supervisors approves the Lease Agreement between the City and County of San Francisco and the Uptown Parking Corporation for the Sutter Stockton Garage for an initial term of 10-years with two 5-years options to extend.
Resolution approving a lease agreement between the Municipal Transportation Agency and the City of San Francisco Uptown Parking Corporation for the Sutter Stockton Public Parking Garage with an initial term of 10 years for a base rent of $1 and two 5-year options for a base rent of $1 for each option.

January 16, 2013 Budget and Finance Committee - CONTINUED

February 13, 2013 Budget and Finance Committee - AMENDED, AN AMENDMENT OF THE WHOLE BEARING NEW TITLE

February 13, 2013 Budget and Finance Committee - REFERRED WITHOUT RECOMMENDATION AS AMENDED

February 26, 2013 Board of Supervisors - ADOPTED

Ayes: 9 - Breed, Campos, Chiu, Cohen, Farrell, Kim, Mar, Wiener and Yee
Noes: 2 - Avalos and Chu

I hereby certify that the foregoing Resolution was ADOPTED on 2/26/2013 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor

Date Approved 3/5/13