

1 [Lease Amendment - Lease No. 97-0081 - Rent Credit for BART's Next Generation Fare
2 Gates Replacement Project - Not to Exceed \$3,150,000]

3 **Resolution approving Amendment No. 3 to Lease No. 97-0081 Lease, Use, and**
4 **Operating Agreement for BART Station and Related Facilities and Grant of Easement at**
5 **San Francisco International for a rent credit in support of San Francisco Bay Area**
6 **Rapid Transit District's (BART) Next Generation Fare Gates Replacement Project, in an**
7 **amount not to exceed \$3,150,000 with no changes to the term of June 22, 2003, through**
8 **June 21, 2053.**

9
10 WHEREAS, On April 1, 1997, by Resolution No. 97-0081, the Airport Commission
11 awarded Lease No. 97-0081 for the Lease, Use, and Operating Agreement for the BART
12 Station and Related Facilities and Grant of Easement at San Francisco International Airport
13 (SFO or Airport), by and between the City and County of San Francisco as landlord (City), and
14 BART San Francisco Bay Area Rapid Transit District (BART), as tenant for the operation of
15 the Airport BART station (Lease); and

16 WHEREAS, On June 27, 1997, by Resolution No. 621-97, the Board of Supervisors
17 approved the Lease; and

18 WHEREAS, On May 4, 2010, by Resolution No. 10-0169, the Commission approved
19 the First Amendment to the Lease; and

20 WHEREAS, On September 14, 2010, by Resolution No. 431-10, the Board of
21 Supervisors approved the First Amendment to Lease, a copy of which is on file with the Clerk
22 of the Board in File No. 100900; and

23 WHEREAS, On February 1, 2019, the City and BART entered into a Second Lease
24 Amendment, administratively modifying the Lease to update certain schedules to the Lease,
25 which did not require formal approval by the Commission or Board of Supervisors; and

1 WHEREAS, The Lease term is 50 years, which will expire on June 21, 2053, with a
2 current Annual Payment of \$2,500,000; and

3 WHEREAS, BART is undertaking the installation of Next Generation Fare Gates at
4 stations throughout its network (the Project); and

5 WHEREAS, The Airport supports the Project at the Airport, as it will enhance the
6 Airport passenger experience and reinforce security measures at the Airport; and

7 WHEREAS, Following up on discussions between BART Staff and Airport staff
8 regarding the Project and the desire of the parties to prioritize the installation of the Project at
9 the Airport in advance of the 2024 holiday season, on October 10, 2024, the Airport Director
10 and the General Manager of BART executed a letter of intent pursuant to which Airport staff
11 agreed to seek approval of the Commission and the Board of Supervisors for the City to enter
12 into a lease amendment providing for a rent credit to BART under the Lease for its actual
13 costs, fees and expenses incurred in connection with the Project, in the maximum not to
14 exceed amount of up to \$3,150,000; and

15 WHEREAS, The Lease Amendment provides for an abatement of BART's obligation to
16 make monthly payments of Annual Rent to the City only upon completion of the Project and
17 final review and approval by Airport Staff of all invoices, receipts and other documentation
18 evidencing the total costs and expenses of the Project, so that a final rent credit amount may
19 be determined; and

20 WHEREAS, On November 19, 2024, by Resolution No. 24-0240, the Airport
21 Commission approved Lease Amendment No. 3; and

22 WHEREAS, A copy of Lease Amendment No. 3 is on file with the Clerk of the Board of
23 Supervisors in File No. 250021, which is hereby declared to be part of this resolution as if set
24 forth fully herein; now, therefore, be it

1 RESOLVED, That the Board of Supervisors hereby approves Amendment No. 3 to
2 Lease No. 97-0081 Lease, Use, and Operating Agreement for BART Station and Related
3 Facilities and Grant of Easement at San Francisco International for a Rent Credit Amount Not
4 to Exceed \$3,150,000.00; and, be it

5 FURTHER RESOLVED, That within thirty (30) days of the contract being fully executed
6 by all parties, the Airport Commission shall provide a copy of the final lease amendment to the
7 Clerk of the Board for inclusion into the official file.

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City and County of San Francisco

Tails Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 250021

Date Passed: February 11, 2025

Resolution approving Amendment No. 3 to Lease No. 97-0081 Lease, Use, and Operating Agreement for BART Station and Related Facilities and Grant of Easement at San Francisco International for a rent credit in support of the San Francisco Bay Area Rapid Transit District's (BART) Next Generation Fare Gates Replacement Project, in an amount not to exceed \$3,150,000 with no changes to the term of June 22, 2003, through June 21, 2053.

February 05, 2025 Budget and Finance Committee - RECOMMENDED

February 11, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250021

I hereby certify that the foregoing
Resolution was ADOPTED on 2/11/2025 by
the Board of Supervisors of the City and
County of San Francisco.



Angela Calvillo
Clerk of the Board



Daniel Lurie
Mayor

2/14/25

Date Approved