

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.2**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets – Transportation Engineering

**BRIEF DESCRIPTION:**

Approving various routine traffic and parking modifications as consent calendar items per the attached resolution.

**SUMMARY:**

- Under Proposition A, the SFMTA Board of Directors has authority to adopt parking and traffic regulations changes

**ENCLOSURES:**

1. SFMTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

\_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

\_\_\_\_\_

SECRETARY \_\_\_\_\_

\_\_\_\_\_

ADOPTED RESOLUTION

BE RETURNED TO \_\_\_\_\_ Tom Folks

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## PURPOSE

To approve various routine traffic and parking modifications.

### Benefit to the SFMTA 2008 – 2012 Strategic Plan:

## GOAL

Goal 1 - Customer Focus: To provide safe, accessible, reliable, clean and environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy

Objective 1.1 - Improve safety and security across all modes of transportation

Goal 2 - System Performance: To get customers where they want to go, when they want to be there

Objective 2.4 - Reduce congestion through major corridors

Objective 2.5 - Manage parking supply to align with SFMTA and community goals

## ITEMS:

- A. ESTABLISH – NO PARKING, VEHICLES MORE THAN 6 FEET HIGH – Vallejo Street, north side, from White Street to 31 feet easterly. **PH 2/5/2010 Requested by Resident**
- B. ESTABLISH – TOW-AWAY NO PARKING ANYTIME EXCEPT MARKED POLICE VEHICLES – Williams Avenue, south side, from Newhall Street to 205 feet westerly. **PH 3/5/2010 Requested by SFPD**
- C. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Junipero Serra Boulevard, east side, from Holloway Avenue to 23 feet southerly. **PH 3/19/2010 Requested by SFMTA**
- D. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Junipero Serra Boulevard, east side, from Holloway Avenue to 23 feet northerly. **PH 3/19/2010 Requested by SFMTA**
- E. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Holloway Avenue, south side, from Junipero Serra main roadway easterly to Junipero Serra access road. **PH 3/19/2010 Requested by SFMTA**
- F. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Holloway Avenue, north side, from Junipero Serra main roadway easterly to Junipero Serra access road. **PH 3/19/2010 Requested by SFMTA**
- G. ESTABLISH – NO PARKING, VEHICLES MORE THAN 6 FEET HIGH – Hyde Street, east side, from Greenwich Street to 96 feet southerly. **PH 3/19/2010 Requested by Residents**
- H. ESTABLISH – NO U-TURN – Eucalyptus, eastbound, at Muni M-Line Crossing. **PH 3/19/2010 Requested by SFMTA**
- I. ESTABLISH – RESIDENTIAL PERMIT PARKING AREA "S" ELIGIBILITY – 65 Buena Vista Avenue East. (This would allow residents of 65 Buena Vista Avenue East to purchase Area S residential parking permits. No new signage would be installed.) **PH 3/19/2010 Requested by Residents.**



SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency has received a request, or identified a need for traffic modifications as follows:

- A. ESTABLISH – NO PARKING, VEHICLES MORE THAN 6 FEET HIGH – Vallejo Street, north side, from White Street to 31 feet easterly.
- B. ESTABLISH – TOW-AWAY NO PARKING ANYTIME EXCEPT MARKED POLICE VEHICLES – Williams Avenue, south side, from Newhall Street to 205 feet westerly.
- C. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Junipero Serra Boulevard, east side, from Holloway Avenue to 23 feet southerly.
- D. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Junipero Serra Boulevard, east side, from Holloway Avenue to 23 feet northerly.
- E. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Holloway Avenue, south side, from Junipero Serra main roadway easterly to Junipero Serra access road.
- F. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Holloway Avenue, north side, from Junipero Serra main roadway easterly to Junipero Serra access road.
- G. ESTABLISH – NO PARKING, VEHICLES MORE THAN 6 FEET HIGH – Hyde Street, east side, from Greenwich Street to 96 feet southerly.
- H. ESTABLISH – NO U-TURN – Eucalyptus, eastbound, at Muni M-Line Crossing.
- I. ESTABLISH – RESIDENTIAL PERMIT PARKING AREA "S" ELIGIBILITY – 65 Buena Vista Avenue East. (This would allow residents of 65 Buena Vista Avenue East to purchase Area S residential parking permits. No new signage would be installed.)

WHEREAS, The public has been notified about the proposed modifications and has been given the opportunity to comment on those modifications through the public hearing process; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors, upon recommendation of the Executive Director/CEO and the Director of Transportation Engineering, does hereby approve the changes.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency has received a request, or identified a need for traffic modifications as follows:

- A. ESTABLISH – NO PARKING, VEHICLES MORE THAN 6 FEET HIGH – Vallejo Street, north side, from White Street to 31 feet easterly.
- B. ESTABLISH – TOW-AWAY NO PARKING ANYTIME EXCEPT MARKED POLICE VEHICLES – Williams Avenue, south side, from Newhall Street to 205 feet westerly.
- C. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Junipero Serra Boulevard, east side, from Holloway Avenue to 23 feet southerly.
- D. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Junipero Serra Boulevard, east side, from Holloway Avenue to 23 feet northerly.
- E. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Holloway Avenue, south side, from Junipero Serra main roadway easterly to Junipero Serra access road.
- F. ESTABLISH – TOW-AWAY, NO STOPPING ANYTIME – Holloway Avenue, north side, from Junipero Serra main roadway easterly to Junipero Serra access road.
- G. ESTABLISH – NO PARKING, VEHICLES MORE THAN 6 FEET HIGH – Hyde Street, east side, from Greenwich Street to 96 feet southerly.
- H. ESTABLISH – NO U-TURN – Eucalyptus, eastbound, at Muni M-Line Crossing.
- I. ESTABLISH – RESIDENTIAL PERMIT PARKING AREA "S" ELIGIBILITY – 65 Buena Vista Avenue East. (This would allow residents of 65 Buena Vista Avenue East to purchase Area S residential parking permits. No new signage would be installed.)

WHEREAS, The public has been notified about the proposed modifications and has been given the opportunity to comment on those modifications through the public hearing process; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors, upon recommendation of the Executive Director/CEO and the Director of Transportation Engineering, does hereby approve the changes.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**THIS PRINT COVERS CALENDAR ITEM NO. : 10.**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Request that the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors adopt the updated Accessible Pedestrian Signals (APS) Request and Installation Policy.

**SUMMARY:**

- An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces.
- The current APS Request and Installation Policy includes:
  - How to request the installation of APS at an intersection & prioritization;
  - The design and installation of APS; and
  - How troubleshooting and vandalism are handled.
- The SFMTA Board adopted the current APS Request and Installation Policy on June 17, 2008, Resolution No. 08-102, stemming from a collaborative process known as Structured Negotiations identified within a Settlement Agreement with the California Council of the Blind, the LightHouse for the Blind and Visually Impaired, and the Independent Living Resource Center – SF.
- The adoption of an updated APS Request and Installation Policy is necessitated since the current Settlement Agreement will expire on June 30, 2010. SFMTA has completed APS installation at all of the intersections listed in the Claimants' Priority List and Public Request List.

**ENCLOSURES:**

1. MTAB Resolution
2. APS Request and Installation Policy with Attachments

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

BE RETURNED TO Oliver Gajda

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

Request that the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors adopt the updated Accessible Pedestrian Signals (APS) Request and Installation Policy.

### **GOAL**

Project intends to fulfill Goal 1, Objective – 1.1 and Goal 2, Objective – 2.3 of the SFMTA Strategic Plan:

Goal 1 - Customer Focus: To provide safe, accessible, reliable, clean and environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy

Objective - 1.1 - Improve safety and security across all modes of transportation

Goal 2 – To get customers where they want to go, when they want to be there.

Objective - 2.3 Fulfill bicycle and pedestrian network connectivity

### **DESCRIPTION**

APS is a state-of-the art signaling device assisting pedestrians with visual impairments by emitting a rapid ticking sound in tandem with the familiar WALK symbol displayed for sighted pedestrians. Other accessibility features include locator tones to help those with visual impairments find the devices, vibrating pushbuttons during the walk phase, and audible information such as street names when pedestrians press the pushbutton for one second or longer.

On April 6, 2004, the SFMTA and the California Council of the Blind, San Francisco Light House for the Blind and Visually Impaired, Independent Living Resource Center San Francisco, and Damien Pickering, an individual, (hereafter collectively “Claimants”) entered into structured negotiations to allow a period of APS equipment testing, review of emerging, commercially-available APS technology, and establish a comprehensive APS installation and maintenance program for San Francisco. On June 19, 2007, the SFMTA Board of Directors approved an APS Settlement Agreement effective through June 30, 2010 (Resolution No. 07-100) between the City and the Claimants. As part of the Agreement, the SFMTA agreed to develop an APS Request and Installation Policy for consideration by the SFMTA Board. On June 17, 2008 the SFMTA Board approved the APS Request and Installation Policy (Resolution No. 08-102).

The adoption of an updated APS Request and Installation Policy is necessitated since the current Settlement Agreement will expire on June 30, 2010. As of December 31, 2009, APS was installed at all of the intersections listed in the Claimants’ Priority List and Public Request List.

## **PAGE 3.**

The proposed APS Request and Installation Policy includes the following components:

- Introduction
- Requests
- Prioritizing Requests
- Design and Installation of APS
- Troubleshooting and Vandalism
- Attachments

Prioritization Tool- a mechanism for scoring and prioritizing requested intersections.

Technical Specifications- define the various aspects of APS and specifies the installation and operational requirements.

Summarized suggested changes to the current APS Request and Installation Policy include:

- Requests by mail are addressed to the City Traffic Engineer.  
This proposed change will ensure that City Traffic Engineer is aware of the request, and that any follow-up can be assigned to the appropriate staff.
- Language for additional stakeholders was include to the policy  
This proposed change will ensure that if other groups become involved at a later date, the policy will not need further amending.
- Included language about additional approval within San Francisco Port jurisdiction  
This proposed change takes into consideration other San Francisco jurisdictional approvals.
- Clarified language that request timeline starts after funding has been identified.  
The current proposals language could have been interpreted to mean that the "request timeline" begins as soon as the request received and not as soon as the funding was received.
- Language requiring SFMTA Board approval for any further changes to the policy.

### **Next Steps:**

As defined in the current and proposed APS Request and Installation Policy, SFMTA will continue to work with the Lighthouse for the Blind and Visually Impaired and the California Council for the Blind to prioritize intersections from the Request List (published by SFMTA once a year in the spring) and other intersections with construction opportunities on an annual basis.

### **ALTERNATIVES CONSIDERED**

Staff's recommendation meets federal American Disability Act (ADA) guidelines and meets the spirit of the Settlement Agreement. The proposed policy continues SFMTA's partnership with stakeholders and is supported by stakeholders identified with the Settlement Agreement.



## **PAGE 4.**

### **FUNDING IMPACT**

In order to support the APS Program, the Sustainable Streets Division will allocate a minimum of 15 percent of its approved traffic signal infrastructure funding for applicable Americans with Disabilities Act improvements (ADA), such as curb ramps and APS. Staff will continue to identify grants and will continue to submit allocation requests for sales tax funding to fund APS. Also, when the SFMTA implements large capital projects that include traffic signal improvements, such as the Third Street Light Rail Project, such projects will include the consideration and identification of potential APS installation.

### **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

None required

The City Attorney has reviewed this report.

### **RECOMMENDATION**

Staff recommends that the San Francisco Municipal Transportation Agency Board of Directors adopt the updated Accessible Pedestrian Signals (APS) Request and Installation Policy

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces; and,

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) is committed to installing APS citywide, where requested; and,

WHEREAS, SFMTA developed an APS Request and Installation Policy that will guide SFMTA's efforts; and,

WHEREAS, The APS Request and Installation Policy includes information on how to request the installation of APS at an intersection, how requests will be prioritized, the design and installation of APS, and how troubleshooting and vandalism are handled; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors does hereby amend the Accessible Pedestrian Signals Request and Installation Policy to include the addition of language regarding requests by mail, inclusion of additional stakeholders, additional approvals within the jurisdiction of the Port of San Francisco, project timelines and requiring SFMTA Board approval for further changes to the policy.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation

Agency

**ENCLOSURE 2**  
**APS REQUEST & INSTALLATION POLICY**

**ACCESSIBLE PEDESTRIAN SIGNALS**  
**REQUEST & INSTALLATION POLICY**

April 20, 2010

**I. Introduction**

An Accessible Pedestrian Signal (APS) is a pedestrian pushbutton that communicates when to cross the street in a non-visual manner, such as audible tones, speech messages and vibrating surfaces. Please refer to the San Francisco Municipal Transportation Agency (SFMTA) website [\*\*www.sfmta.com/aps\*\*](http://www.sfmta.com/aps) for a current list of intersections with APS.

**II. Requests**

To request that the SFMTA install APS at an intersection, a requestor may submit the intersection, their name and contact information, and the format in which the requestor wishes to receive a response to the SFMTA online, by phone or mail as follows:

By phone:

311 or 415-701-4500

Online:

[www.sfgov.org/311](http://www.sfgov.org/311)

Or by mail:

SFMTA

Attn: City Traffic Engineer- APS Request

1 South Van Ness Avenue, 7th Floor

San Francisco, CA 94103-5417

The SFMTA will document receipt of the request. The requestor will receive notification that the request was received within 10 business days of SFMTA's receipt of the request. Notification to the requestor will include the tracking number for the request and a description of the process for assessing the intersection for APS installation. SFMTA will accommodate reasonable requests to schedule Intersection Assessments to allow requestors' participation.

Requests will be tracked using the SFMTA's Correspondence and Request Tracking software, which creates a unique identification number and logs the date of request, intersection, and requestor name and contact information.

### III. Prioritizing Requests

Intersections will be scored using the SFMTA Prioritization Tool in Attachment 1 of this policy. Within 90 calendar days of the request, SFMTA will provide the following in the requested format: i) preliminary score, ii) the relative priority of the requested intersection as compared to other requested intersections, iii) any work being planned at that intersection, iv) whether APS is likely to be installed within the next three years and v) the name and phone number of a contact person at SFMTA to answer questions about the request. The Requestor may request reconsideration of the preliminary score within 10 business days by communicating with the SFMTA contact person provided in the response.

Twice a year, in the fall and in the spring, the SFMTA will publish the Request List in order of priority. SFMTA will meet with the concerned stakeholders, including the California Council of the Blind, the Lighthouse for the Blind and Visually Impaired, and the Independent Living Resource Center – San Francisco twice per year to prioritize intersections from the Request List and other intersections with construction opportunities. The final lists will be used to request funding for design and construction of APS.

Within a reasonable period of time prior to each semi-annual meeting, SFMTA will provide a written report in an accessible format to the organizations listed here. The report will include relevant information about the City's APS program, including but not limited to new APS installations, maintenance issues, plans for additional APS installations, and possible APS funding opportunities. Between the meetings described herein, the City may seek input from the California Council of the Blind, the LightHouse for the Blind and Visually Impaired, the Independent Living Resource Center - San Francisco, and other members of the public with visual impairments about issues related to this policy.

### IV. Design & Installation of APS

The City will design and install APS at intersections in accordance with the Technical Specifications found in Attachment 2 of this policy. Installation may be completed by the SFMTA Traffic Signal Shop or through a construction contract. If an intersection is located along a State highway, installation requires prior approval from the California Department of Transportation (Caltrans). If an intersection is located within Port of San Francisco's jurisdiction (Port), installation may require a Port permit. For most intersections already equipped with pedestrian signals, SFMTA will complete installation of APS at funded locations as soon as reasonably possible and no more than 1.5 years after receiving funding for the requested location. However, for requested intersections that are part of a construction contract, APS will be installed within 3 years of obtaining funding.

**ENCLOSURE 2**  
**APS REQUEST & INSTALLATION POLICY**

**V. Troubleshooting & Vandalism**

APS will be operational during the time that the associated traffic signal is in normal operation, except during periods of maintenance or repair. If the APS malfunctions, the City will work to correct the problem as soon as possible. APS units that have been vandalized will be repaired or replaced as necessary. To report a malfunction or vandalism, contact the SFMTA Traffic Signal Shop at 415-550-2736 or 311.

**VI. Modifications to this Policy**

SFMTA will notify concerned stakeholders, including the California Council of the Blind, the LightHouse for the Blind and Visually Impaired, and the Independent Living Resource Center –SF in writing of any proposed additions or amendments to this policy, and of any plans to rescind this policy. Such notice will be given at least 60 calendar days in advance of any such action to allow these organizations to discuss the proposed additions, amendments or rescission with SFMTA prior to the modification or rescission taking effect. Any such addition, amendment, or proposed rescission of this policy will be heard and approved by the SFMTA Board.

**VII. Attachments**

Attachment 1 – Prioritization Tool

Attachment 2 – Technical Specifications

**ENCLOSURE 2**  
**Attachment 1- APS SAFETY & ACCESS TOOL**

**City and County of San Francisco**  
**APS Safety & Access Tool**

**Cover Sheet**

Location of Intersection or Crosswalk:
Evaluator Name:
Date Evaluation Completed:

**Total score**

=

**crosswalk worksheet score**

+

**intersection worksheet score**

**Directions to Evaluator:**

- Score all crosswalks and select the highest scoring crosswalk. The following variables typically affect the crosswalk score most:
  - crosswalk width - max 5 points
  - skewed crosswalk -- max 7 points
  - leading pedestrian interval -- max 8 points
  - timed for crossing to median island -- max 8 points
  - off-peak traffic presence (max 6 points )
- Please check off the answers that best describe the circumstances at the crosswalk being studied and total up the scores as directed on the following pages.

Please refer to National Cooperative Highway Research Program (NCHRP) Project 3-62: *Guidelines for Accessible Pedestrian Signals 2006*. This set of guidelines explains in detail the meaning of each variable being evaluated. The San Francisco Safety & Access Tool was developed based on the original tool created for the NCHRP.

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

**City and County of San Francisco**  
**APS Safety & Access Tool**

*Revised April 27, 2007*

<b>Intersection Worksheet</b>
<i>Location:</i>

Metric	Points (circle all that apply)	Comments
<b>Configuration: (circle one)</b>		
4-leg	0	
4-leg offset	3	
3-leg (T or Y)	3	
5-leg	8	
Midblock location	14	
<b>Signalization (circle one)</b>		
Pre-timed	0	
Actuated (semi or fully)	2	
Split Phasing	6	
Exclusive pedestrian phase	8	
<b>Transit Facilities within a block (1/8 mile) of the intersection - all legs (circle one)</b>		
No transit facilities	0	
Single bus route	1	
Multiple bus routes	3	
Transit mall/rail station	5	

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

Metric	Points (circle all that apply)	Comments
<b>Distance to Program for Visually Impaired (circle one)</b>		
>1300 ft	0	
<1300 ft	6	approx. 4 blocks
<650 ft	8	approx. 2 blocks
<300 ft	10	approx. 1 block
<b>Distance to City Public Programs (circle one)</b>		
>1300 ft	0	
<1300 ft	6	approx. 4 blocks
<650 ft	8	approx. 2 blocks
<300 ft	10	approx. 1 block
<b>Distance to Other Major Pedestrian Attraction (circle one)</b>		
>1300 ft	0	
<1300 ft	3	approx. 4 blocks
<650 ft	4	approx. 2 blocks
<300 ft	5	approx. 1 block
<b>Intersection Worksheet Score:</b>		



**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

**Crosswalk Worksheet**

*Location of Crosswalk:*

Metric	Points
<b>Crosswalk Length (circle one)</b>	
<40 ft	0
40-59 ft	1
60-79 ft	2
80-99 ft	3
100-119 ft	4
>=120 ft	5
<b>Speed Limit (circle one)</b>	
<20 mph	0
25 mph	1
30 mph	2
35 mph	3
40 mph	4
>=45 mph	5
<b>Approach/Crosswalk Geometrics (circle all that apply)</b>	
Skewed crosswalk	7
Curb radius>25 ft (either corner)	1
Apex (Diagonal) curb ramp (either ramp)	2
Channelized right turn island	2
Islands or medians (Painted, raised or cut-through)	1
Transverse (cross) slope on crosswalk	1
<b>Pedestrian Signal Control (circle all that apply)</b>	
Timed for crossing to median island	8
Push button actuation required for WALK signal	8
Leading Pedestrian Interval (LPI) with parallel street green	8
Non-concurrent WALK interval	4
<b>Vehicle Signal Control (circle all that apply)</b>	
Protected right turn phase/right turn overlap (on parallel street)	7
Leading protected left-turn phase (on parallel street)	3
Right-turn-on-red permitted (on parallel street)	2
Channelized right turn lane under signal control	8

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

<b>Metric</b>	<b>Points</b>
<b>Off-Peak Traffic Presence - at least 2 vehicles present on parallel street (circle one)</b>	
Constant (>90% of cycles)	1
Heavy (70-80% of cycles)	2
Moderate (50-60% of cycles)	3
Light (30-40% of cycles)	4
Occasional (<30% of cycles)	5
None (i.e., no through lanes present to create surge noise - e.g., stem of T-intersection)	6
<b>Distance to Alternative APS Crosswalk (circle one)</b>	
<300 ft	0
<650 ft	2
<1300 ft change to >=650 ft	4
<2600 ft	0
>=2600 ft	0
Other Crosswalk level issues:	
<b>Pedestrian pushbutton location - either corner (circle all that apply)</b>	
Located >10 ft from curb	3
Located > 5 ft from curb	3
<b>Requests for APS (circle one)</b>	
No requests	0
1 or more individual requests	6

A. Crosswalk Worksheet Score	
B. Intersection Worksheet Score	
C. Total Crosswalk Score = (A + B)	

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

**Location:**

**Sketch of Intersection: Label crosswalks as A, B, C, D, etc.**

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

Key Definitions

1. Facilities that Serve the Blind:

The following are facilities or programs in San Francisco that serve the blind and visually impaired. This list should be referred to when scoring intersections for APS.

Blind San Franciscans, Inc. 1591 Jackson Street, Suite 8, San Francisco, CA 94109 (415) 563-4896	Lighthouse for the Blind 214 Van Ness Avenue San Francisco, CA 94102 (425) 431-1381
Department of Rehabilitation 301 Howard Street, Suite 700 San Francisco, CA 94105-6604 (415) 904-7100 (VOICE & TTY)	Independent Living Resource Center 649 Mission Street, 3rd Floor, San Francisco, CA 94105-4128 (415) 543-6222
National Association for the Visually Handicapped 3201 Balboa Street San Francisco, CA 94121 (415) 221-3201	San Francisco Public Library: Library for the Blind and Print Disabled 100 Larkin Street, Civic Center San Francisco, CA 94102 (415) 557-4253
Bay Area Association of Disabled Sailors South Beach Harbor - Berths B61, B63 Embarcadero at Townsend	

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

2. Distance to City public programs:

The City is committed to providing an accessible path of travel to facilities where the City operates services, programs or activities open to the public. The closer the intersection is to a City service, program or activity open to the public, the more points it will receive.

Examples City public programs include but are not limited to:

- City hospitals or clinics
- City parks and recreational centers
- Branch libraries
- Civic buildings (such as City Hall)

The Mayor's Office of Disability is responsible for providing the list of sites that meet this definition.

3. Distance to Other Major Pedestrian Attractions:

The intent of this variable in the San Francisco Safety & Access tool is to serve as a surrogate measure for pedestrian usage at the intersection without having to make pedestrian counts, which are time and resource intensive activities. The closer the intersection is to one of these types of pedestrian attractions the higher points it will receive on this variable.

Examples of major pedestrian attractions include but are not limited to:

- Major shopping areas
- Major cultural venues
- Educational campuses
- State or Federal recreational areas
- Medical facilities
- Senior Centers

4. Phase:

A term used to describe a group of intersection movements that are controlled by a particular signal light. For example, the northbound through lanes could be a single phase or be grouped with north to west left turn lanes. If the northbound through lanes and the north to west left turn lanes are grouped together, they are considered a single phase because they are commanded by the same signal lights. If they are not grouped together, the north to west turn lane is one phase and the northbound through lanes is another phase, and commanded by two different sets of signal lights.

**ENCLOSURE 2**  
**Attachment 1 - APS SAFETY & ACCESS TOOL**

**5. Split Phase:**

Split phase is a term used to define the two separate phases for the side streets at an intersection. For a split phase, the left turn and through movements for each direction go through at the same time for the cross streets. Each approach is considered a phase and the through and left turn movements will have green at the same time. This is normally used for side streets where the side streets intersect a main street.

**6. Pre-timed or Fixed Timed**

Fixed time is referred to the signal timing which has a fixed sequence of red, yellow and green time for each movement within a given cycle length. This is different from actuated timing where there is vehicle detection involved in deciding green timing for each cycle. In fixed timing, the amount of red, yellow and green time for each movement does not change and is fixed irrespective of the change in traffic.

**7. Traffic Actuated Timing:**

Actuated Traffic Responsive Timing is a term used to describe how the intersection is timed to serve traffic. The intersection must contain vehicle detection devices for the computer at this intersection to “sense” the presence of cars. The amount of the green time allotted to each phase is variable depending upon the number of vehicles present at each of the phases. Each phase is given a minimum and maximum amount of green time and determines the green time by the number of vehicles that pass through the detection zones.

**8. Push button actuation required**

Pedestrian actuation required means that the pedestrian must press the push button to bring up the pedestrian signal indications and to provide sufficient time for the pedestrian to cross the street.

**ENCLOSURE 2**  
**Attachment 2 - TECHNICAL SPECIFICATIONS**

**1. Definitions.**

1.1. Accessible Pedestrian Signal, or APS means, for the purpose of this Agreement, a Pushbutton-Integrated device that communicates information about Pedestrian Timing in a non-visual manner, such as audible tones, speech messages, and vibrating surfaces, and has the following features to the extent that they are available from an APS vendor: (1) a Pushbutton Locator Tone; (2) a pushbutton actuation tone and light in response to the button push to indicate that the button has been pressed; (3) an Audible Walk Indication; (4) a Vibrotactile Walk Indication; (5) automatic volume adjustment in response to ambient sound; (6) a tactile arrow; (7) a Pushbutton Information Message; (8) street name in Braille and Large Print; and (9) a Pushbutton with a 2” minimum diameter.

1.2. Audible Beaconing means the use of a permanently fixed sound source to provide directional orientation and crossing alignment information to pedestrians with visual impairments or blindness.

1.3. Audible Walk Indication means an audible method of indicating the Walk Interval, either through a Rapid Tick or Speech Message. When a Speech Message is the Audible Walk Indication, it shall follow the following model: “[Street name]. Walk sign is on to cross [Street Name].”

1.4. Control Surface means the vertical surface on which the pushbutton is located.

1.5. Intersection means a location with one or more pedestrian crosswalks, including mid-block crossings, and with one or more Visual Pedestrian Signals associated with the crosswalks.

1.6. Pedestrian Change Interval means the portion of the Pedestrian Timing during which the flashing upraised hand, symbolizing “Don’t Walk,” is displayed, signaling that pedestrians should finish crossing the street.

1.7. Pedestrian Timing means the cycle of the time allotted in the signal cycle to allow a pedestrian to cross the street. Pedestrian Timing consists of: (i) the Walk Interval and (ii) the Pedestrian Change Interval.

1.8. Pushbutton Information Message means the information delivered audibly when the pushbutton is pressed and held for one second or more during the flashing or steady “Don’t Walk” indicator. The Pushbutton Information Message shall follow the model “Wait to cross [Street name] at [cross street name].” Information on unusual intersection signalization or geometry may be provided following the crosswalk identification message. No other types of information may be provided.

1.9. Pushbutton-Integrated Accessible Pedestrian Signal means an Accessible Pedestrian Signal in which all audible and vibrotactile information is provided from the pushbutton housing. The Pushbutton-Integrated APS may also activate an overhead speaker where Audible Beaconing is provided, as set forth in section 2.6 below.

1.10. Pushbutton Locator Tone means a repeating sound that informs approaching pedestrians of the APS. Pushbutton Locator Tones shall be easily locatable, shall

**ENCLOSURE 2**  
**Attachment 2 - TECHNICAL SPECIFICATIONS**

have duration of 0.15 seconds or less, and shall repeat at one-second intervals while the visual flashing and steady “Don’t Walk” message appears on the Visual Pedestrian Signal.

1.11. Rapid Tick means a ticking sound that repeats at the rate of ten ticks per second.

1.12. Speech Message means a spoken instruction that provides information to the pedestrian with visual impairments or blindness about the street crossing location and Walk Interval. When a Speech Message is the Audible Walk Indication, it shall follow the following model: “[Street Name]. Walk sign is on to cross [Street Name].”

1.13. Vibrotactile Walk Indication means a tactile arrow that contrasts with the background, is oriented in the direction of travel on the associated crosswalk, and vibrates throughout the Walk Interval, indicating that the Walk Interval is on.

1.14. Visual Pedestrian Signal means a signal that provides information about Pedestrian Timing in a visual manner.

1.15. Walk Indication means a method of informing the pedestrian that the Walk Interval has begun.

1.16. Walk Interval means the portion of the Pedestrian Timing during which the walking person, symbolizing “Walk,” is displayed, signaling that pedestrians are permitted to start to cross the street.

**2. Installation and Operational Requirements.**

**2.1. Walk Indication and Pushbutton Information Message.**

2.1.1. When Pushbutton-Integrated APS serving separate crosswalks are installed on two separate poles on a single street corner or other locations with pedestrian crosswalks separated by at least 10 feet at the same crossing, the Audible Walk Indication shall be a Rapid Tick.

2.1.2. When Pushbutton-Integrated APS serving separate crosswalks are installed on the same pole, the Audible Walk Indication shall be a Speech Message.

2.1.3. Where the Visual Pedestrian Signal is a fixed time signal (i.e., does not require pedestrian activation), the Accessible Pedestrian Signal shall also be a fixed timed signal.

2.1.4. Except as provided in sections 2.1.5 and 2.1.6 herein, the Audible and Vibrotactile Walk Indications shall be repeated for the entire duration of the Walk Interval.

2.1.5. This paragraph applies only to a situation in which a pedestrian signal (i) is used to assist pedestrians crossing a minor street that intersects a major street; (ii)



**ENCLOSURE 2**  
**Attachment 2 - TECHNICAL SPECIFICATIONS**

stays in a rest-in-walk status; and (iii) only changes to “Don’t Walk” when a pedestrian pushes the button to cross the major street, or a vehicle activates the signal to cross the major street. In such situations, and where technology provided by the City’s APS vendors provide the option, when the duration of the rest-in-walk status is longer than 7 seconds, the Audible Walk Indication will terminate after 7 seconds but the Vibrotactile Walk Indication will stay on throughout the rest-in-walk status.

2.1.6. Alternatively, if technology provided by the City’s APS vendors permits, when the duration of the rest-in-walk status is longer than 7 seconds, the Audible and Vibrotactile Walk Indications will terminate after 7 seconds. These non-visual Walk Indications will be re-activated during the rest-in-walk status whenever a pedestrian pushes the button to cross the minor street and there is sufficient time remaining in the pedestrian phase for the Pedestrian Change Interval.

2.2. Volume Settings.

2.2.1. The Pushbutton Locator Tone and Walk Indication emitting from the Pushbutton Housing shall be audible, under varying conditions of ambient sound, 6 feet to 12 feet from the pushbutton, or to the building line of the nearest building, whichever is less. When the pushbutton is pressed and held for one second or more during the flashing or steady “Don’t Walk” phase, the volume of the Walk Indicator and Locator Tone will be increased for a maximum of two cycles. Under such circumstances, the volume of the Locator Tone shall be increased during the Pedestrian Change Interval only.

2.2.2. Volume shall be increased for one, or if available from the vendor, two Pedestrian Timing cycles following a button press of one second or more.

**ENCLOSURE 2**  
**Attachment 2 - TECHNICAL SPECIFICATIONS**

2.3. APS Control Surface and Pole Placement.

2.3.1. Where two or more APS serving two or more crosswalks are installed on a single street corner or other pedestrian crossing location, they shall be installed such that the APS Control Surfaces and associated speakers are separated by a horizontal distance of at least 10 feet unless it is structurally impracticable or technically infeasible to do so. If the City believes that the APS Control Surfaces and associated speakers cannot be placed ten feet apart because of structural impracticability or technical infeasibility, it shall provide Claimants with the factual basis for the City's position in writing, including the identity of the intersection where the poles are located. The City shall also inform Claimants whether the APS will be installed on a single pole or on two poles separated by less than 10 feet (and, if the latter, the distance between the two APS Control Surfaces and the distance between the associated speakers). The City shall also inform Claimants of the means by which it will ensure that these APS provide unambiguous information regarding which crosswalk is in the Walk Interval, including the Speech Message(s) to be used, if any. The APS pushbutton shall be located approximately 42 inches above the adjacent walking surface.

2.3.2. All APS Control Surfaces shall be placed so that the Control Surface is within five feet of the extended crosswalk lines, and not more than 10 feet from the edge of the curb unless the curb ramp is longer than 10 feet. The Control Surface of the Accessible Pedestrian Signals shall be oriented to be parallel to the crosswalk to be used. In addition, the poles on which Accessible Pedestrian Signals are placed in new or altered Intersections where new poles are installed, where feasible shall be located 10 inches or less to a level, firm, stable, slip-resistant, all-weather surface no less than 36 inches by 48 inches and on an accessible route to the curb ramp. (All dimensions are horizontally measured.)

2.4. Number of Accessible Pedestrian Signals Per Intersection.

If one crosswalk at an Intersection is to be equipped with an Accessible Pedestrian Signal, each crosswalk in that intersection that has a Visual Pedestrian Signal shall be equipped with Accessible Pedestrian Signals for each Visual Pedestrian Signal associated with the crosswalk.

2.4.1. Where transit stops are located along a median or traffic island, Pushbutton Integrated APS shall be installed in the median or traffic island where an existing pedestrian pushbutton is installed.

2.5. Hours of Operation of Accessible Pedestrian Signals.

2.5.1. If the City receives complaints from the community regarding noise levels emitting from an Accessible Pedestrian Signal at night, the City shall evaluate the APS and make any required adjustments to ensure the APS' volume setting complies with Section 2.2, above. If complaints continue after such adjustments are made, and the signal is a fixed-time signal, the City may elect to change the signal to a pedestrian actuated signal. On reasonable request from Claimants, the City shall inform Claimants of any Intersections that have been the subject of noise complaints.

**ENCLOSURE 2**  
**Attachment 2 - TECHNICAL SPECIFICATIONS**

2.5.2. The APS shall be deactivated when the associated vehicular signal is in flashing mode.

2.6. Audible Beaconing.

The parties recognize that some, but not all Intersections may be appropriate for Audible Beaconing. The City will consider the use of Audible Beaconing when the function is included in commercially available APS equipment.

2.7. Text Requirements.

Raised characters, text, symbols, pictorial symbol signs and Braille where provided shall conform to the requirements of the California Building Code, Section 1117B.5.2, 1117B.5.3, 1117B.5.4, 1117B.5.5, 1117B.5.6,. Color coded textured horizontal bands shall be provided in accordance with 1117B.5.9.

THIS PRINT COVERS CALENDAR ITEM NO.: 10.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Requesting that the Board of Supervisors hold a public hearing to consider adoption of a Resolution of Necessity for the acquisition of the real property at 266-286 4<sup>th</sup> Street, San Francisco, for its fair market value, and if the Board of Supervisors adopts such Resolution of Necessity, authorizing the Executive Director/CEO to take such actions that are consistent with the City's Charter and all applicable law to acquire the property.

**SUMMARY:**

- The SFMTA needs to acquire the real property at 266-286 4<sup>th</sup> Street, San Francisco, Assessor's Block 3733, Lot 093 (the Property), which is owned by Convenience Retailers LLC (Owner), to construct and operate the Central Subway Project (the Project).
- The acquisition is necessary for the Project, as the Central Subway Moscone Station and associated tunnels will be located at the Property.
- The SFMTA has obtained an appraisal of the Property from a licensed real estate appraiser, which concluded that the fair market value is \$3,800,000. The SFMTA also obtained a review appraisal from another licensed appraiser, which concurred with the first appraiser's valuation of the Property. The Federal Transit Administration (FTA) concurred with the fair market value determination.
- The SFMTA mailed an offer to the Owner to purchase the Property for \$3,800,000. The SFMTA is in discussions with the Owner to negotiate the purchase of the Property.
- If the SFMTA and Owner are not able to agree to the purchase of the Property, the SFMTA will request that the Board of Supervisors consider holding a public hearing to consider adopting a Resolution of Necessity to acquire the Property through eminent domain.

**ENCLOSURES:**

1. Resolution
2. Project Budget & Financial Plan

**APPROVALS:**

DIRECTOR OF DIVISION PREPARING  
CALENDAR ITEM: \_\_\_\_\_

DATE: \_\_\_\_\_

FINANCE (IF APPLICABLE): \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO: \_\_\_\_\_

SECRETARY: \_\_\_\_\_

ADOPTED RESOLUTION TO BE RETURNED TO: Jason Gallegos, Real Estate Section, FIT

ASSIGNED SFMTAB CALENDAR DATE \_\_\_\_\_

## **PAGE 2**

### **PURPOSE**

The proposed resolution authorizes the Executive Director/CEO to request that the Board of Supervisors hold a hearing to consider adopting a Resolution of Necessity to acquire the Property through eminent domain for its appraised fair market value.

### **GOAL**

The Property is needed for the construction and operation of the Project's Moscone Station and related tunnels. The Project, a critical transportation improvement linking neighborhoods in the southeastern part of San Francisco with retail and employment centers in downtown and Chinatown, is consistent with the SFMTA Strategic Plan in the following goals and objectives:

Goal 1: Customer Focus - to provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy

Objective 1.3 Reduce emissions as required by the SFMTA Clean Air Plan

Objective 1.4 Improve accessibility across transit service

Objective 1.5 Increase percentage of trip using more sustainable modes

Goal 2 – System Performance - to get customers where they want to go, when they want to be there

Objective 2.2 Ensure efficient transit connectivity and span of service

Objective 2.4 Reduce congestion through major corridors

Goal 3 – External Affairs/Community Relations - to improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure the SFMTA is a leader in the industry

Objective 3.1 Improve economic vitality by growing relationships with businesses, community, and stakeholder groups

Objective 3.2 Pursue internal and external customer satisfaction through proactive outreach and heightened communication conduits

Objective 3.3 Provide a working environment that fosters a high standard of performance, recognition for contributions, innovations, mutual respect and a healthy quality of life

Objective 3.4 Enhance proactive participation and cooperatively strive for improved regional transportation

Goal 4 – Financial Capacity - to ensure financial stability and effective resource utilization

Objective 4.2 Ensure efficient and effective use of resources

### **DESCRIPTION**

#### **Background:**

The Project is the second phase of the SFMTA's Third Street Light Rail Project, and will add 1.67 miles of light rail track north from the northern end of the new Third Street Light Rail at Fourth and King Streets to a terminal in Chinatown. The Project will serve regional destinations, including Chinatown (the most densely populated area of the country that is not currently served by modern rail transportation), Union Square, Moscone Convention Center, Yerba Buena, SoMa and AT&T Park. The Project will also connect BART

and Caltrain (the Bay Area's two largest regional commuter rail services), serve a low auto ownership population of transit customers, increase transit use and reduce travel time, reduce air and noise pollution, and provide congestion relief. The public interest and necessity require the construction and operation of the Project to achieve such benefits.

The Project will have three subway stations and connecting subsurface tunnels to provide direct rail service to the Financial District and Chinatown. The Project's proposed Moscone Station and related tunnels would be located at the Property. The Project has been planned and located in a manner that will be most compatible with the greatest public good and the least private injury.

A draft Supplemental Environmental Impact Statement, /Environmental Impact Report was issued for the Project on October 17, 2007. The San Francisco Planning Commission certified the Final SEIS/SEIR as accurate and in compliance with CEQA, NEPA and Chapter 31 of the San Francisco Administrative Code on August 7, 2008. On August 19, 2008, the SFMTA Board of Directors adopted Resolution No. 08-150, adopting CEQA Findings, a Statement of Overriding Considerations for the Project, and the Mitigation Monitoring and Reporting Plan for the Project. On September 16, 2008, the Board of Supervisors unanimously rejected an appeal of the Planning Commission's certification of the SEIS/SEIR. A notice of determination was filed on September 18, 2008. The Record of Decision was issued by the FTA on November 26, 2008. None of the circumstances in which further environmental review would be required under CEQA or NEPA are present.

#### **Current Status of the Project:**

The Project team has completed the preliminary engineering work. On January 7, 2010, the FTA issued its approval for the Project to enter into Final Design. Project construction is scheduled to begin in 2010, and the start of revenue operation is scheduled for 2018.

#### **Acquisition of the Property:**

The Property, a gas station situated on a 14,797 square foot lot, is located adjacent to the Project's Right of Way, and the SFMTA needs to acquire a fee simple interest in the Property to construct and operate the future Central Subway Moscone Station and related Project tunnels.

On June 15, 2009, the SFMTA obtained an independent real property appraisal, which determined the fair market value of the fee simple interest in the Property to be \$3,800,000. The SFMTA also obtained a review appraisal of the Property by another licensed appraiser, which concurred with the valuation determined by the first appraiser. The FTA has also concurred with the fair market value determination.

The SFMTA sent a letter offering to purchase the Property from the Owner for \$3,800,000 on January 7, 2010. The offer was conditioned on the negotiation of a purchase agreement and environmental assessments determining whether the Property would require any environmental remediation since required remediation would reduce the value of the Property. The offer also notified the Owner of its rights to obtain its own independent appraisal of the fair market value of the Property. As required under state law, the SFMTA agreed to reimburse the Owner up to \$5,000 for such an independent appraisal if it met FTA appraisal requirements.

In response, the Owner requested additional information regarding FTA appraisal requirements. On March 1, 2010, the SFMTA sent a second letter to the Owner, outlining the FTA appraisal process and asking the Owner to submit its independent appraisal and respond to the City's initial purchase offer by April 1, 2010. The SFMTA intends to continue discussions with the Owner to negotiate in good faith in hopes of reaching an agreement for the purchase of the Property.

The SFMTA must acquire the Property by a certain date (Project Acquisition Date) to avoid construction delays for the Project's future Moscone Station and associated tunnels. If the SFMTA and the Owner do not agree to the purchase of the Property by the Project Acquisition Date, it will affect the SFMTA's ability to construct the station and related tunnels and cause overall Project delays.

If the SFMTA and Owner do not timely agree to the purchase of the Property, the SFMTA could proceed with eminent domain proceedings and acquire possession of the Property by the Project Acquisition Date. If the SFMTA and Owner reach an agreement that allows the SFMTA to purchase the Property by the Project Acquisition Date, the SFMTA will suspend the request to the Board of Supervisors to consider an eminent domain action and purchase the Property in lieu of such action.

### **ALTERNATIVES CONSIDERED**

The alternative to purchasing the Property is to proceed with eminent domain if the SFMTA and the Owner are unable to negotiate a purchase agreement.

### **FUNDING IMPACT**

The acquisition of the Property will be funded by a combination of federal, state and local money. The Project Budget & Financial Plan is set forth in Enclosure 2.

### **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Board of Supervisors must approve a Resolution of Necessity to acquire the Property by eminent domain.

The City Attorney's Office has reviewed this calendar item.

### **RECOMMENDATION**

It is recommended that the SFMTA Board of Directors approve a resolution authorizing the Executive Director/CEO to request that the Board of Supervisors hold a public hearing to consider a Resolution of Necessity to acquire the Property by eminent domain for the Central Subway Project, while the SFMTA continues negotiations for the purchase of the Property.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency ("SFMTA") intends to construct the Central Subway Project ("Project") to provide rail service to the Financial District and Chinatown; and,

WHEREAS, The Project is the second phase of the SFMTA's Third Street Light Rail Project and the Project will add 1.67 miles of light rail track north from the northern end of the new Third Street Light Rail at Fourth and King Streets to a terminal in Chinatown, serve regional destinations, including Chinatown (the most densely populated area of the country that is not currently served by modern rail transportation), Union Square, Moscone Convention Center, Yerba Buena, SoMa and AT&T Park, connect BART and Caltrain (the Bay Area's two largest regional commuter rail services), serve a low auto ownership population of transit customers, increase transit use and reduce travel time, reduce air and noise pollution, and provide congestion relief; and,

WHEREAS, The public interest and necessity require the construction and operation of the Project to achieve such benefits; and,

WHEREAS, The Project will include three subway stations and connecting subsurface tunnels to provide direct rail service to the Financial District and Chinatown, and the Project has been planned and located in a manner that will be most compatible with the greatest public good and the least private injury; and,

WHEREAS, The Final Environmental Impact Statement / Environmental Impact Report ("SEIS/SEIR") for the Project was certified by the San Francisco Planning Commission on August 7, 2008 and a Record of Decision was issued by the Federal Transit Administration on November 26, 2008; and,

WHEREAS, There have been no substantial changes proposed for the Project which will require major revisions to the SEIS/SEIR or that would result in significant environmental impacts that were not evaluated in the SEIS/SEIR; no substantial changes have occurred with respect to the circumstances under which the Project is being undertaken which will require major revisions in the SEIS/SEIR; and no new information has become available which was not known and could not have been known at the time the SEIS/SEIR was certified as complete and that would result in significant environmental impacts not evaluated in the SEIS/SEIR; and,

WHEREAS, To construct and operate the Project's Moscone Station and related tunnels, the SFMTA needs to acquire a fee simple interest in real property comprised of approximately 14,797 square feet and located at 266-286 4<sup>th</sup> Street, and identified by Assessor's Parcel No. Block 3733, Lot 093 ("Property"), which is owned by Convenience Retailers LLC ("Owner"); and,

WHEREAS, The Project will assist the SFMTA in meeting the objectives of Goal No. 1 of the Strategic Plan (to provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First policy), of Goal No. 2 (to improve transit reliability), of Goal No. 3 (to improve economic vitality through improved regional transportation), and of Goal No. 4 (to ensure the efficient and effective use of resources); and,



WHEREAS, The acquisition and use of the Property for construction and operation of the Project is necessary and the most compatible with the surrounding area; and,

WHEREAS, The Project has been planned and located in a manner that will be most compatible with the greatest public good and interest and the least private injury; and,

WHEREAS, The SFMTA has limited any potential private injury by seeking to acquire the Property; and,

WHEREAS, The SFMTA has obtained an appraisal dated as of June 15, 2009, which determined that the fair market value of the Property is \$3,800,000; and,

WHEREAS, The SFMTA also obtained a review appraisal of the Property that concurred that its fair market value is \$3,800,000; and,

WHEREAS, The SFMTA mailed an offer to the Owner on January 7, 2010, to purchase the Property for \$3,800,000, subject to the negotiation of a purchase agreement, and the SFMTA is in discussions with the Owner to negotiate the purchase of the Property; and,

WHEREAS, If the SFMTA and Owner do not agree to the purchase of the Property by a specific date (the "Acquisition Date"), it would delay the construction of the Project and cause Project delays; and,

WHEREAS, Funding for the acquisition of the Property, either by purchase or by eminent domain, will be furnished from federal, state and local sources; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors requests the Board of Supervisors to consider adoption of a Resolution of Necessity for the acquisition of the Property at 266-286 4<sup>th</sup> Street, San Francisco, Assessor's Block 3733, Lot 093, which is owned by Convenience Retailers LLC, and comprised of approximately 14,797 square feet for its fair market value; and if the Board of Supervisors adopts such Resolution of Necessity, authorizes the Executive Director/CEO to take such actions that are consistent with the City's Charter and all applicable law, to proceed to acquire the Property.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

---

Secretary, Municipal Transportation Agency Board

## CENTRAL SUBWAY

San Francisco Municipal Railway

Project Budget and Financial Plan

<b>Cost</b>	<b>(\$Million)</b>
Conceptual and Preliminary Engineering	59.41
Program Management & Construction Management	132.78
Final Design	85.94
Construction Contracts	986.68
Vehicles	26.39
Contingency	160.26
Right-of-Way	34.84
Other Professional Services	92.00
<b>Total Central Subway Cost</b>	<b>\$ 1,578.30</b>

<b>Funding</b>	<b>(\$Millions)</b>
Federal 5309 New Starts	942.20
State RTIP Grant	88.00
CMAQ	6.03
State TCRP Grant	14.00
Proposition 1B-2006 MTC Share	100.00
Proposition 1B-MTA Share	100.00
Proposition Additional 1B-MTA Share	40.00
Proposition K Sales Tax Funds	123.98
Option Local and Regional Sources	164.09
<b>Total Central Subway Funding</b>	<b>\$ 1,578.30</b>

THIS PRINT COVERS CALENDAR ITEM NO.:

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Requesting that the Board of Supervisors hold a public hearing to consider adoption of a Resolution of Necessity for the acquisition of the real property at 933-949 Stockton Street, San Francisco, for its fair market value, and if the Board of Supervisors adopts such Resolution of Necessity, authorizing the Executive Director/CEO to take such actions that are consistent with the City's Charter and all applicable law to acquire the Property.

**SUMMARY:**

- The SFMTA needs to acquire the real property at 933-949 Stockton Street, San Francisco, Assessor's Block 0211, Lot 001 (Property), which is owned by Norman P. Chan, Inc. (Owner) and improved with a mixed use building with commercial and residential rental units, to construct and operate the Central Subway Project (Project).
- The acquisition is necessary for the Project, as the Central Subway Chinatown Station and associated tunnels will be located at the Property.
- The SFMTA has obtained an appraisal of the Property from a licensed real estate appraiser, which concluded that the fair market value is \$6,530,000. The SFMTA also obtained a review appraisal from another licensed appraiser, which concurred with the first appraiser's valuation of the Property. The Federal Transit Administration (FTA) concurred with the fair market value determination.
- The SFMTA mailed an offer to the Owner to purchase the Property for \$6,530,000. The SFMTA is in discussions with the Owner's agent to negotiate the purchase of the Property.
- If the SFMTA and Owner are not able to agree to the purchase of the Property, the SFMTA will request that the Board of Supervisors consider holding a public hearing to consider adopting a Resolution of Necessity to acquire the Property through eminent domain.

**ENCLOSURES:**

1. Resolution
2. Project Budget & Financial Plan

**APPROVALS:**

DIRECTOR OF DIVISION PREPARING  
CALENDAR ITEM:

DATE:

FINANCE (IF APPLICABLE):

EXECUTIVE DIRECTOR/CEO:

SECRETARY:

ADOPTED RESOLUTION TO BE RETURNED TO: Jason Gallegos, Real Estate Section, FIT

ASSIGNED SFMTAB CALENDAR DATE \_\_\_\_\_

## **PAGE 2**

### **PURPOSE**

The proposed resolution authorizes the Executive Director/CEO to request that the Board of Supervisors hold a hearing to consider adopting a Resolution of Necessity to acquire the Property through eminent domain for its appraised fair market value.

### **GOAL**

The Property is needed for the construction and operation of the Project's Chinatown Station and related tunnels. The Project, a critical transportation improvement linking neighborhoods in the southeastern part of San Francisco with retail and employment centers in downtown and Chinatown, is consistent with the SFMTA Strategic Plan in the following goals and objectives:

Goal 1: Customer Focus - to provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First Policy

Objective 1.3 Reduce emissions as required by the SFMTA Clean Air Plan

Objective 1.4 Improve accessibility across transit service

Objective 1.5 Increase percentage of trip using more sustainable modes

Goal 2 – System Performance - to get customers where they want to go, when they want to be there

Objective 2.2 Ensure efficient transit connectivity and span of service

Objective 2.4 Reduce congestion through major corridors

Goal 3 – External Affairs/Community Relations - to improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure the SFMTA is a leader in the industry

Objective 3.1 Improve economic vitality by growing relationships with businesses, community, and stakeholder groups

Objective 3.2 Pursue internal and external customer satisfaction through proactive outreach and heightened communication conduits

Objective 3.3 Provide a working environment that fosters a high standard of performance, recognition for contributions, innovations, mutual respect and a healthy quality of life

Objective 3.4 Enhance proactive participation and cooperatively strive for improved regional transportation

Goal 4 – Financial Capacity - to ensure financial stability and effective resource utilization

Objective 4.2 Ensure efficient and effective use of resources

### **DESCRIPTION**

#### **Background:**

The Project is the second phase of the SFMTA's Third Street Light Rail Project, and will add 1.67 miles of light rail track north from the northern end of the new Third Street Light Rail at Fourth and King Streets to a terminal in Chinatown. The Project will serve regional destinations, including Chinatown (the most densely populated area of the country that is not currently served by modern rail transportation), Union Square,

## **PAGE 3**

Moscone Convention Center, Yerba Buena, SoMa and AT&T Park. The Project will also connect BART and Caltrain (the Bay Area's two largest regional commuter rail services), serve a low auto ownership population of transit customers, increase transit use and reduce travel time, reduce air and noise pollution, and provide congestion relief. The public interest and necessity require the construction and operation of the Project to achieve such benefits.

The Project will have three subway stations and connecting subsurface tunnels to provide direct rail service to the Financial District and Chinatown. The Project's proposed Chinatown Station and related tunnels would be located at the Property. The Project has been planned and located in a manner that will be most compatible with the greatest public good and the least private injury.

A draft Supplemental Environmental Impact Statement, /Environmental Impact Report was issued for the Project on October 17, 2007. The San Francisco Planning Commission certified the Final SEIS/SEIR as accurate and in compliance with CEQA, NEPA and Chapter 31 of the San Francisco Administrative Code on August 7, 2008. On August 19, 2008, the SFMTA Board of Directors adopted Resolution No. 08-150, adopting CEQA Findings, a Statement of Overriding Considerations for the Project, and the Mitigation Monitoring and Reporting Plan for the Project. On September 16, 2008, the Board of Supervisors unanimously rejected an appeal of the Planning Commission's certification of the SEIS/SEIR. A notice of determination was filed on September 18, 2008. The Record of Decision was issued by the FTA on November 26, 2008. None of the circumstances in which further environmental review would be required under CEQA or NEPA are present.

### **Current Status of the Project:**

The Project team has completed the preliminary engineering work. On January 7, 2010, the FTA issued its approval for the Project to enter into Final Design. Project construction is scheduled to begin in 2010, and the start of revenue operation is scheduled for 2018.

### **Acquisition of the Property:**

The Property consists of an approximately 10,053 square foot lot, which is improved with an approximately 18,956 square foot building with residential rental units located over ground floor commercial rental units. The Property is situated adjacent to the Project's Right of Way. The SFMTA needs to acquire a fee simple interest in the Property to construct and operate the future Central Subway Chinatown Station and related Project tunnels.

On May 14, 2009, the SFMTA obtained an independent real property appraisal which determined the fair market value of the fee simple interest in the Property to be \$6,530,000. The SFMTA also obtained a review appraisal of the Property by another licensed appraiser, which concurred with the valuation determined by the first appraiser. The FTA has also concurred with the fair market value determination.

The SFMTA sent a letter offering to purchase the Property from the Owner for \$6,530,000 on December 23, 2009. The offer was conditioned on the negotiation of a purchase agreement and environmental assessments determining whether the Property would require any environmental remediation since required remediation would reduce the value of the Property. The offer also notified the Owner of its rights to obtain its own independent appraisal of the fair market value of the Property. As required under state law, the SFMTA

## **PAGE 4**

agreed to reimburse the Owner up to \$5,000 for such an independent appraisal if it met FTA appraisal requirements.

In response, the Owner requested additional information regarding FTA appraisal requirements. On February 18, 2010, the SFMTA sent a second letter to the Owner, outlining the FTA appraisal process and asking the Owner to submit its independent appraisal and respond to the City's initial purchase offer by March 20, 2010. The SFMTA and the Owner's agent continue to meet and negotiate in good faith in hopes of reaching an agreement for the purchase of the Property.

The SFMTA must acquire the Property by a certain date (the Project Acquisition Date) to avoid construction delays for the Project's future Chinatown Station and associated tunnels. If the SFMTA and the Owner do not agree to the purchase of the Property by the Project Acquisition Date, it will affect the SFMTA's ability to construct the station and related tunnels and cause overall Project delays.

If the SFMTA and Owner do not timely agree to the purchase of the Property, the SFMTA could proceed with eminent domain proceedings and acquire possession of the Property by the Project Acquisition Date. If the SFMTA and Owner reach an agreement that allows the SFMTA to purchase the Property by the Project Acquisition Date, the SFMTA will suspend the request to the Board of Supervisors to consider an eminent domain action and purchase the Property in lieu of such action.

## **ALTERNATIVES CONSIDERED**

The alternative to purchasing the Property is to proceed with eminent domain if the SFMTA and the Owner are unable to negotiate a purchase agreement.

## **FUNDING IMPACT**

The acquisition of the Property will be funded by a combination of federal, state and local money. The Project Budget & Financial Plan is set forth in Enclosure 2.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Board of Supervisors must approve a Resolution of Necessity to acquire the Property by eminent domain.

The City Attorney's Office has reviewed this calendar item.

## **RECOMMENDATION**

It is recommended that the SFMTA Board of Directors approve a resolution authorizing the Executive Director/CEO to request that the Board of Supervisors hold a public hearing to consider a Resolution of Necessity to acquire the Property by eminent domain for the Central Subway Project, while the SFMTA continues negotiations for the purchase of the Property.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The San Francisco Municipal Transportation Agency ("SFMTA") intends to construct the Central Subway Project ("Project") to provide rail service to the Financial District and Chinatown; and,

WHEREAS, The Project is the second phase of the SFMTA's Third Street Light Rail Project and the Project will add 1.67 miles of light rail track north from the northern end of the new Third Street Light Rail at Fourth and King Streets to a terminal in Chinatown, serve regional destinations, including Chinatown (the most densely populated area of the country that is not currently served by modern rail transportation), Union Square, Moscone Convention Center, Yerba Buena, SoMa and AT&T Park, connect BART and Caltrain (the Bay Area's two largest regional commuter rail services), serve a low auto ownership population of transit customers, increase transit use and reduce travel time, reduce air and noise pollution, and provide congestion relief; and,

WHEREAS, The public interest and necessity require the construction and operation of the Project to achieve such benefits; and,

WHEREAS, The Project will include three subway stations and connecting subsurface tunnels to provide direct rail service to the Financial District and Chinatown, and the Project has been planned and located in a manner that will be most compatible with the greatest public good and the least private injury; and,

WHEREAS, The Final Environmental Impact Statement / Environmental Impact Report ("SEIS/SEIR") for the Project was certified by the San Francisco Planning Commission on August 7, 2008 and a Record of Decision was issued by the Federal Transit Administration on November 26, 2008; and,

WHEREAS, There have been no substantial changes proposed for the Project which will require major revisions to the SEIS/SEIR or that would result in significant environmental impacts that were not evaluated in the SEIS/SEIR; no substantial changes have occurred with respect to the circumstances under which the Project is being undertaken which will require major revisions in the SEIS/SEIR; and no new information has become available which was not known and could not have been known at the time the SEIS/SEIR was certified as complete and that would result in significant environmental impacts not evaluated in the SEIS/SEIR; and

WHEREAS, To construct and operate the Project's Chinatown Station and related tunnels, the SFMTA needs to acquire a fee simple interest in real property located at 933-949 Stockton Street, Assessor's Parcel No. Block 0211, Lot 001 (the "Property"), which is owned by Norman P. Chan, Inc. ("Owner") and comprised of an approximately 10,053 square foot lot that is improved with an approximately 18,956 square foot building with residential and commercial rental units; and,

WHEREAS, The Project will assist the SFMTA in meeting the objectives of Goal No. 1 of the Strategic Plan (to provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First policy), of Goal No. 2 (to improve transit reliability), of

Goal No. 3 (to improve economic vitality through improved regional transportation), and of Goal No. 4 (to ensure the efficient and effective use of resources); and,

WHEREAS, The acquisition and use of the Property for construction and operation of the Project is necessary and the most compatible with the surrounding area; and,

WHEREAS, The Project has been planned and located in a manner that will be most compatible with the greatest public good and interest and the least private injury; and,

WHEREAS, The SFMTA has limited any potential private injury by seeking to acquire the Property; and,

WHEREAS, The SFMTA has obtained an appraisal dated as of May 14, 2009, which determined that the fair market value of the Property is \$6,530,000; and,

WHEREAS, The SFMTA also obtained a review appraisal of the Property that concurred that its fair market value is \$6,530,000; and,

WHEREAS, The SFMTA mailed an offer to the Owner on December 23, 2000, to purchase the Property for \$6,530,000 subject to the negotiation of a purchase agreement, and the SFMTA is in discussions with the Owner to negotiate the purchase of the Property; and,

WHEREAS, If the SFMTA and Owner do not agree to the purchase of the Property by a specific date (the "Acquisition Date"), it would delay the construction of the Project and cause Project delays; and,

WHEREAS, Funding for the acquisition of the Property, either by purchase or by eminent domain, will be furnished from federal, state and local sources; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors requests the Board of Supervisors to consider adoption of a Resolution of Necessity for the acquisition of the Property at 933-949 Stockton Street, San Francisco, Assessor's Block 0211, Lot 001, which is owned by Norman P. Chan, Inc., and comprised of an approximately 10,053 square foot lot that is improved with an approximately 18,956 square foot building with residential and commercial rental units, for its fair market value, and if the Board of Supervisors adopts such Resolution of Necessity, authorizes the Executive Director/CEO to take such actions that are consistent with the City's Charter and all applicable law, to proceed to acquire the Property.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

---

Secretary, Municipal Transportation Agency Board



ENCLOSURE 2  
THIRD STREET LIGHT RAIL PROJECT  
CENTRAL SUBWAY

San Francisco Municipal Railway

Project Budget and Financial Plan

<b>Cost</b>	<b>(\$Million)</b>
Conceptual and Preliminary Engineering	59.41
Program Management & Construction Management	132.78
Final Design	85.94
Construction Contracts	986.68
Vehicles	26.39
Contingency	160.26
Right-of-Way	34.84
Other Professional Services	92.00
<b>Total Central Subway Cost</b>	<b>\$ 1,578.30</b>

<b>Funding</b>	<b>(\$Millions)</b>
Federal 5309 New Starts	942.20
State RTIP Grant	88.00
CMAQ	6.03
State TCRP Grant	14.00
Proposition 1B-2006 MTC Share	100.00
Proposition 1B-MTA Share	100.00
Proposition Additional 1B-MTA Share	40.00
Proposition K Sales Tax Funds	123.98
Option Local and Regional Sources	164.09
<b>Total Central Subway Funding</b>	<b>\$ 1,578.30</b>

**THIS PRINT COVERS CALENDAR ITEM NO.**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Authorizing the Executive Director/CEO to execute a First Amendment to the Agreement for the Purchase and Sale of Real Property (Amendment) between the City and County of San Francisco (City) and the San Francisco Redevelopment Agency (RDA), to facilitate the redevelopment of property that is under SFMTA jurisdiction and currently used as a bus loop.

- The City owns real property at the intersection of Phelan Avenue and Ocean Avenue, commonly known as Assessor's Block 3180, Lot 1 (City Property), a portion of which is under SFMTA jurisdiction (the Bus Loop Property).
- The Balboa Park Station Area Plan (the Plan) contemplates redeveloping the Bus Loop Property into a Transit Oriented Development hub surrounded by mixed-use affordable housing and a public open space plaza (the Proposed Development).
- The SFMTA uses a portion of the Bus Loop Property (the Housing Parcel) for bus loop operations and, if sufficient funding is secured to relocate the bus loop, SFMTA will sell the Housing Parcel to the RDA to facilitate the Proposed Development.
- On November 17, 2009, the SFMTA Board of Directors authorized the Executive Director/CEO to execute an Agreement for the Purchase and Sale of Property (the Original Agreement) for the sale of Housing Parcel to Agency for an amount not to exceed \$4,350,000 (the Original Purchase Price).
- The Amendment would amend the Original Agreement to grant the RDA a pedestrian access easement and fire apparatus access easement over a portion of the remaining Bus Loop Property, at no cost, if it is required for the building permit needed to build a mixed-use affordable housing project on the Housing Parcel (the Project).
- The Amendment would also amend the Original Agreement to reduce the Original Purchase Price if the Housing Parcel is comprised of less than 20,676 buildable square feet.

**ENCLOSURES:**

1. Resolution
2. First Amendment to Agreement for the Purchase and Sale of Real Property
3. Pedestrian Access Easement Agreement
4. Emergency Fire Apparatus Access Easement Agreement

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION Jason Gallegos

BE RETURNED TO **ASSIGNED MTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2**

### **PURPOSE**

Authorize the Executive Director/CEO of the SFMTA to execute the Amendment to amend the Original Agreement by (1) agreeing to grant the RDA a pedestrian access easement and an emergency fire apparatus access easement over a portion of the remaining Bus Loop Property at no cost if the RDA purchases the Housing Parcel and the easements are required under the building permit needed to construct the Project, and (2) reducing the Original Purchase Price if the Housing Parcel is comprised of less than 20,676 buildable square feet.

### **GOAL**

This item will meet the following goals and objectives of the SFMTA Strategic Plan:

Goal 3 - External Affairs - Community Relations: To improve the customer experience, community value, and enhance the image of SFMTA as well as ensure SFMTA is a leader in the industry.

Objective 3.1 Improve economic vitality by growing relationships with businesses, community, and stakeholder groups.

Objective 3.4 Enhance proactive participation and cooperatively strive for improved regional transportation.

Goal 4 - Financial Capacity: To ensure financial stability and effective resource utilization.

Objective 4.2 Ensure efficient and effective use of resources.

### **DESCRIPTION**

The Amendment would amend the Original Agreement as follows:

#### Pedestrian Access and Emergency Fire Apparatus Access Easements

The Amendment would require the City to grant two easements (the Easements) to the RDA, at no cost, for pedestrian access and for emergency fire apparatus access to and from the Housing Parcel over an area (the Easement Area) adjacent to the Housing Parcel and on a portion of remaining Bus Loop Property that the City wishes to eventually operate as an open space plaza, as contemplated by the Plan. The City would only grant the Easements if the RDA purchases the Housing Parcel and they are a condition to the City Department of Building Inspection permit required to construct the Project. The Easement Area is limited to the area shown on Exhibit A to the Amendment and the City would still have the right to use, and to permit others to use, the Easement Area for all purposes that do not prevent the use of the Easement Area for pedestrian and fire apparatus access to and from the Housing Parcel. Furthermore, the Easements would require the RDA to be responsible for all maintenance and repair costs and expenses for the Easement Area to the extent damaged by the RDA's uses.

#### Adjusted Purchase Price

In the Original Agreement, the purchase price of \$4,350,000 for the Housing Parcel was based, in part, on the assumption that the Housing Parcel would have at least 20,676 square feet of buildable area. SFMTA and RDA staff has since learned that the Housing Parcel may only have

## **PAGE 3**

19,002 buildable square feet. This would reduce the number of the residential units for the Project (from 70 to 55) and the value of the Housing Parcel in its highest and best use. SFMTA and RDA staff will confirm the total buildable square footage of the Housing Parcel before closing. If the Housing Parcel has less than 20,676 buildable square feet, the Purchase Price would be reduced by an amount equal to the difference between 20,676 square feet and the actual lower buildable square footage of the Housing Parcel, multiplied by \$170, which is the appraised estimated fair market value price per square foot of the Housing Parcel. Under that scenario, this would result in a price reduction of \$284,580 for a final sales price of \$4,065,420.

### Additional Background

The San Francisco Planning Commission (the Planning Commission) certified the Final Environmental Impact Report (the FEIR) for the Plan, which contemplated, among other things, the development of the Project at the Housing Parcel, pursuant to Motion No. 17774 on December 4, 2008. The Planning Commission also adopted environmental findings pursuant to the California Environmental Quality Act and a Statement of Overriding Considerations for significant and unavoidable transportation and historical resources impacts, and established a Mitigation Monitoring Program that attaches mitigation measures and improvement measures identified in the FEIR, all pursuant to Motion No. 17775 on December 4, 2008. The Board of Supervisors approved Ordinance No. 60-09 to adopt the Plan and, as part of that action, also adopted the environmental findings of the Planning Commission as its own.

In approving the sale of the Housing Parcel pursuant to the Original Agreement, the SFMTA's Board of Directors relied on the FEIR and adopted the Planning Commission's environmental findings, Statement of Overriding Considerations and Mitigation Monitoring Program as its own and adopted additional findings that there was no new information requiring subsequent environmental analysis in Resolution No. 09-196 on November 17, 2009.

## **ALTERNATIVES CONSIDERED**

No other alternatives have been considered, as the authorization to execute the Amendment to amend the Original Agreement further demonstrates the SFMTA support for revitalizing the area and positively contributing to the economic development efforts for the community covered by Plan. All other terms and conditions of the Original Agreement would remain unmodified and in full force and effect, except as modified by the Amendment.

## **FUNDING IMPACT**

The proposed Amendment commits no additional funds nor does it change the funding contingency incorporated into the Original Agreement previously approved by the SFMTA Board of Directors on November 17, 2009, via Resolution Number 09-196, which conditioned the sale of the Housing Parcel on the parties securing sufficient funding to relocate the existing bus loop to an adjacent portion of the Bus Loop Property (the Relocation Project). The current funding gap for the proposed Relocation Project will increase if the Housing Parcel has less than the 20,676 buildable square feet. If sufficient funding is not secured to meet that increased gap, the SFMTA would have no obligation to sell the Housing Parcel to the RDA under the Original Agreement, as modified by the Amendment.

## **PAGE 4**

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The City Attorney's Office has reviewed this Calendar Item, the First Amendment to Agreement for the Purchase and Sale of Real Property, the Pedestrian Access Easement Agreement and the Emergency Fire Apparatus Access Easement Agreement. The Amendment will also require the approval of the City's Board of Supervisors and Mayor.

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors authorize and direct the Executive Director/CEO of the SFMTA to execute the Amendment on behalf of the SFMTA.

## BOARD OF DIRECTORS

### RESOLUTION No. \_\_\_\_\_

WHEREAS, The City and County of San Francisco ("City") owns real property commonly known as Assessor's Block 3180, Lot 1, located at the intersection of Phelan Avenue and Ocean Avenue, a portion of which is under SFMTA jurisdiction and is currently used as a bus loop (the "Bus Loop Property"); and

WHEREAS, On April 7, 2009, the City's Board of Supervisors adopted and, on April 17, 2009, the Mayor approved, the Balboa Park Station Area Plan (the "Plan"), which recommends redeveloping the existing Bus Loop Property to create a mixed-use transit oriented neighborhood with affordable housing, retail opportunities and a public open space plaza; and

WHEREAS, On March 17, 2009, the SFMTA Board of Directors passed Resolution Number 09-043, approving a jurisdictional land transfer required to implement the Plan's recommendations to relocate the Bus Loop Property and construct a replacement bus loop and related improvements on an adjacent portion of the Bus Loop Property (collectively, the "Relocation Project"); and

WHEREAS, On October 20, 2009, through Resolution Number 115-2009, the San Francisco Redevelopment Agency ("Agency") Commission authorized the purchase of the portion of the Bus Loop Property described as the Housing Parcel and under SFMTA jurisdiction (the "Housing Parcel") from the City for an amount not to exceed \$4,350,000 (the "Purchase Price") pursuant to an Agreement for the Purchase and Sale of Real Property (the "Purchase Agreement") between the City and the Agency; and

WHEREAS, On November 17, 2009, the SFMTA Board of Directors passed Resolution No. 09-196, approving the sale of the Housing Parcel to the Agency to further facilitate the development of the Bus Loop Property in accordance with the Plan; and

WHEREAS, On April 6, 2010, through Resolution Number 28-2010, the Agency's Commission authorized a First Amendment to the Agreement for the Purchase and Sale of Real Property ("First Amendment") between the City and the Agency to adjust the Purchase Price if the Housing Parcel is comprised of less than 20,676 buildable square feet and to provide for the City's grant, at no cost, of a pedestrian access easement and a fire apparatus access easement to Agency over a portion of the remaining Bus Loop Property if required under the building permit needed to construct a mixed-use affordable housing project on the Housing Parcel (the "Project"); and

WHEREAS, On December 4, 2008, pursuant to Motion No. 17775, the San Francisco Planning Commission ("Planning Commission") certified the Final Environmental Impact Report ("FEIR") for the Plan, which contemplated, among other things, the development of the Project at the Housing Parcel and public open space over a portion of the Bus Loop Parcel, adopted environmental findings pursuant to the California Environmental Quality Act ("CEQA") and a Statement of Overriding Considerations for significant and unavoidable transportation and historical resources impacts, and established a Mitigation Monitoring Program that attaches mitigation measures and improvement measures identified in the FEIR; and

WHEREAS, In approving the sale of the Housing Parcel pursuant to the Purchase Agreement, the SFMTA's Board of Directors relied on the FEIR and adopted the Planning Commission's environmental findings, Statement of Overriding Considerations and Mitigation Monitoring Program as its own and adopted additional findings that there was no new information requiring subsequent environmental analysis in Resolution No. 09-196 on November 17, 2009, and for purposes of this action, the SFMTA Board of Directors adopts these same additional findings and incorporates the SFMTA Resolution No. 09-196 by reference herein; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors hereby authorizes the Executive Director/CEO of the SFMTA to execute the First Amendment to the Agreement for the Purchase and Sale of Real Property if the Purchase Agreement and the First Amendment are both approved by the City's Board of Supervisors and Mayor, to facilitate implementation of the Balboa Park Station Area Plan and allow for an adjustment to the Purchase Price if the Housing Parcel, which is under SFMTA jurisdiction and a portion of which is currently used as a bus loop (the "Bus Loop Property") commonly known as Assessor's Block 3180, Lot 1, located at the intersection of Phelan Avenue and Ocean Avenue is comprised of less than 20,676 buildable square feet and the grant of an pedestrian access easement and a fire apparatus access easement on the conditions in the First Amendment; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors hereby authorizes the Executive Director/CEO of the SFMTA to request the City's Director of Property to prepare and submit legislation to the City's Mayor and Board of Supervisors for approval of the First Amendment; and be it

FURTHER RESOLVED, That all actions authorized by this resolution and heretofore taken by any City official in connection with the First Amendment are hereby ratified, approved and confirmed by the SFMTA Board of Directors; and be it

FURTHER RESOLVED, That the SFMTA Board of Directors, in accordance with CEQA, hereby adopts the San Francisco Planning Commission's FEIR, environmental findings, Statement of Overriding Considerations and Mitigation Monitoring Program as its own and incorporates SFMTA Resolution No. 09-196 by reference herein.

I certify that the foregoing resolution was adopted by the SFMTA Board of Directors at its meeting of\_\_\_\_\_.

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**FIRST AMENDMENT TO AGREEMENT FOR THE  
PURCHASE AND SALE OF REAL PROPERTY**

This First Amendment to Agreement for the Purchase and Sale of Real Property (this "**Amendment**"), dated for reference purposes only as of \_\_\_\_\_, 2010, is by and between the City and County of San Francisco, a municipal corporation (the "**City**"), and the Redevelopment Agency of the City and County of San Francisco, a public body, corporate and politic, established pursuant to the Community Redevelopment Law of the State of California ("**Agency**"). City and Agency may each be referred to herein as a "**Party**" and together referred to herein as the "**Parties**".

## RECITALS

A. City and Agency are parties to an Agreement for the Purchase and Sale of Real Property dated as of \_\_\_\_\_, 2010 (the "**Original Agreement**"). Any initially capitalized, undefined terms used in this Amendment shall have the meanings given to them in the Original Agreement, and all rules of interpretation set forth in the Original Agreement shall apply to this Amendment.

B. If Closing occurs, Agency intends to construct a mixed-use building with affordable housing on the Property with the approximate configuration and design shown on the attached Exhibit A (the "**Mixed Use Project**").

C. Agency believes the building permits that need to be issued by City, acting in its regulatory capacity, to construct the Mixed Use Project will be conditioned on the Agency holding an easement for pedestrian access to and from the Mixed Use Project and a fire apparatus access easement over the portion of City Property abutting the eastern boundary of the Mixed Use Project, as shown on the attached Exhibit A (the "**Affected City Property**").

D. The Purchase Price set forth in the Original Agreement was based, in part, on the Parties' assumption that the Property would have no less than 20,676 square feet of buildable area. City and Agency have received new information regarding the Property that may reduce the buildable square footage of the Property and, if such information is confirmed, the reduced buildable square footage will negatively impact the value of the Property.

E. City and Agency wish to amend the Original Agreement pursuant to the terms and conditions of this Amendment to provide for City's grant of such easements to Agency at no cost if they are required for the construction of the Mixed Use Project and to adjust the Purchase Price if the Property will have less than 20,676 buildable square feet.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and the Agency agree as follows:

## AGREEMENT

1. Pedestrian Access Easement. City agrees to grant to Agency, at no cost, an easement over and across the Affected City Property for pedestrian access to and from the Mixed Use Project, in substantially the form attached hereto as Exhibit B (the "**Access Easement**"), within \_\_\_\_ days of receiving the Access Easement Notice (defined as follows) from Agency.

The "**Access Easement Notice**" shall be a written notice that is issued by the City's Department of Building Inspections ("**DBI**") and specifies that the building permit required for the construction of the Mixed Use Project (the "**Building Permit**") will not be granted unless Agency holds the Access Easement. The Access Easement Notice shall be accompanied with a legal description of the Affected City Property (the "**Access Easement Description**"), which shall be prepared, at Agency's sole cost, by a licensed surveyor, conform to the approximate Access Easement dimensions and location shown on the attached Exhibit A and described in the Access Easement, and shall be subject to City approval, which approval shall not be



unreasonably withheld.

If Agency delivers the Access Easement Notice and the Access Easement Description to City prior to Closing, the City shall cause the duly executed Access Easement to be recorded in the Official Records of San Francisco County (the "**Official Records**") at Closing. If the Agency delivers the Access Easement Notice to City and the Easement Description to City after Closing, the City shall cause the duly executed Access Easement to be recorded in the Official Records within the \_\_\_\_ day period following such delivery, provided that DBI has either issued the Building Permit or is unconditionally committed to issuing the Building Permit once the Access Easement and the Fire Apparatus Easement (as defined in Section 2) are recorded in the Official Records.

2. Fire Apparatus Easement. City agrees to grant to Agency, at no cost, an easement for emergency fire apparatus access over and across the Affected City Property in substantially the form attached hereto as Exhibit C (the "**Fire Apparatus Easement**") within \_\_\_\_ days of receiving the Fire Apparatus Easement Notice (defined as follows) from Agency.

The "**Fire Apparatus Easement Notice**" shall be a written notice that is issued by DBI and specifies that DBI will not grant the Building Permit unless Agency holds the Fire Apparatus Easement. The Fire Apparatus Easement Notice shall be accompanied with a legal description of the Affected City Property (the "**Fire Apparatus Easement Description**"), which shall be prepared, at Agency's sole cost, by a licensed surveyor, conform to the approximate Fire Apparatus Easement dimensions and location shown on the attached Exhibit A, and shall be subject to City approval, which approval shall not be unreasonably withheld.

If Agency delivers the Fire Apparatus Easement Notice and the Fire Apparatus Easement Description to City prior to Closing, the City shall cause the duly executed Fire Apparatus Easement to be recorded in the Official Records at Closing. If Agency delivers the Fire Apparatus Easement Notice and the Fire Apparatus Easement Description after Closing, the City shall cause the duly executed Fire Apparatus Easement to be recorded in the Official Records within the \_\_\_\_ day period following such delivery, provided that DBI has either issued the Building Permit or is unconditionally committed to issuing the Building Permit once the Access Easement and the Fire Apparatus Easement are recorded in the Official Records.

3. Adjusted Purchase Price. The Parties have determined that the Property has a total square footage of 25,568, but have not yet determined the total buildable square footage of the Property. If, at Closing, the total buildable square footage of the Property is less than 20,676 square feet, the Purchase Price shall be reduced by an amount equal to the difference between 20,676 square feet and the actual lower buildable square footage of the Property, multiplied by \$170.

4. Successors and Assigns. This Amendment shall be binding upon, and inure to the benefit of, the Parties and their respective successors, heirs, legal representatives, administrators and assigns. Neither Party's rights or obligations hereunder shall be assignable without the prior written consent of the other Party; provided, however, even if the other Party approves any such proposed assignment, in no event shall the assigning Party be released of any of its obligations hereunder.

5. No Other Amendments. Except as amended by this Amendment, the Original Agreement remains unmodified and in full force and effect. This Amendment and the documents described herein contain the entire agreement between the Parties with respect to the matters described in this Amendment and supersede all prior agreements, oral or written, between the parties hereto with respect to such matters. This Amendment constitutes a part of and is incorporated into the Original Agreement, and the Original Agreement, as amended by this Amendment, remains in full force and effect.

6. Counterparts. This Amendment may be executed in two or more counterparts, each of

which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument.

7. No Third Party Beneficiaries. Neither Party is, and none of the provisions in this Amendment shall be deemed to render either Party, a partner of the Party or a joint venturer or member in any joint enterprise with the other Party. Neither Party shall act as the agent of the other Party in any respect hereunder. Neither the Original Agreement nor this Amendment is intended nor shall it be construed to create any third party beneficiary rights in any third party, unless otherwise expressly provided.

8. Attorneys' Fees. If either Party fails to perform any of its respective obligations under this Amendment or if any dispute arises between the Parties hereto concerning the meaning or interpretation of any provision of this Amendment, then the defaulting Party or the Party not prevailing in such dispute, as the case may be, shall pay any and all reasonable Attorneys' Fees and Costs incurred by the other Party on account of such default or in enforcing or establishing its rights hereunder, including without limitation, court costs. Any such Attorneys' Fees and Costs incurred by either Party in enforcing a judgment in its favor under this Amendment shall be recoverable separately from and in addition to any other amount included in such judgment, and such Attorneys' Fees and Costs obligation is intended to be severable from the other provisions of this Amendment and to survive and not be merged into any such judgment.

9. Time of Essence. Time is of the essence with respect to the performance of the Parties' respective obligations contained herein.

**[REMAINDER OF PAGE INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment at San Francisco, California as of the date first written above.

**CITY:**

CITY AND COUNTY OF SAN FRANCISCO,  
a municipal corporation

By: \_\_\_\_\_  
Nathaniel P. Ford Sr.  
Executive Director/CEO

Date: \_\_\_\_\_

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Carol Wong, Deputy City Attorney

San Francisco Municipal Transportation Agency  
Board of Directors  
Resolution No: \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Attest: \_\_\_\_\_

\_\_\_\_\_  
Secretary, SFMTA Board of Directors

**AGENCY:**

REDEVELOPMENT AGENCY OF THE CITY  
AND COUNTY OF SAN FRANCISCO, a public  
body, corporate and politic

Authorized by Agency Resolution  
No. \_\_\_\_\_, adopted  
\_\_\_\_\_, 2009

By: \_\_\_\_\_  
Amy Lee, Deputy Executive Director  
Finance and Administration

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James B. Morales, Agency General Counsel

## Phelan Loop Mixed Use Project and Affected City Property



## **EXHIBIT B**

### **Form of Access Easement**

Free Recording Requested Pursuant to  
Government Code Section 27383

Recording requested by and  
when recorded mail to:

City and County of San Francisco  
San Francisco Municipal Transportation Agency  
Real Estate Section  
1 South Van Ness, 8<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Manager, Real Estate

with a copy to:

Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property

---

(Space above this line reserved for Recorder's use only)

### **PEDESTRIAN ACCESS EASEMENT AGREEMENT (Portion of Assessor's Parcel Block No. 3180, Lot 1)**

This Pedestrian Access Easement Agreement (this "**Agreement**"), by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**"), and the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body corporate and politic established pursuant to the Community Redevelopment Law of the State of California ("**Agency**"), is executed as of \_\_\_\_\_ (the "**Effective Date**").

### **RECITALS**

A. Agency owns the real property described on the attached Exhibit A (the "**Housing Parcel**") and City owns the real property described on the attached Exhibit B (the "**Easement Area**").

B. Agency intends to cause the construction of a mixed-use development with affordable housing on the Housing Parcel (the "**Project**") and wishes to obtain an easement on, over and across the Easement Area for pedestrian access to and from the Housing Parcel if such easement is required for the permit needed to construct the Project.

C. City wishes to accommodate the construction and operation of the Project and is willing to grant such easement on the terms and conditions specified in this Agreement.

## AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Easement; Permitted Use. Pursuant to the terms and conditions specified in this Agreement, City grants to Agency a non-exclusive easement (the "**Easement**") on, over and across the Easement Area for pedestrian ingress and egress to and from the Housing Parcel over the Easement Area. Agency shall not construct any improvements on the Easement Area or use it for any other purposes. Agency acknowledges that the Easement shall be limited strictly to the Easement Area, and Agency shall not traverse over or otherwise use any adjoining lands of City. Agency shall bear all costs or expenses of any kind or nature in connection with its use of the Easement Area, and shall keep the Easement Area free and clear of any liens or claims of lien arising out of its use of the Easement Area.
2. Reserved Rights. City reserves the right to use, and to permit others to use, the Easement Area for all purposes that do not prevent the use of the Easement Area for such pedestrian access to and from the Housing Parcel. City's reserved rights include, but are not limited to, the right to install, maintain, replace and repair any of the following on, across, along or under the Easement Area: sidewalks, plaza improvements, electric power lines, telephone and telegraph lines, roadways, transit improvements, and pipeline(s) and related equipment.
3. Maintenance and Repair. City shall have no obligation under this Agreement to maintain or repair the Easement Area or to maintain, repair, replace or remove any improvements or materials in the Easement Area. As soon as reasonably practical following any damage to the Easement Area caused by Agency or any of its officers, directors, board members, employees, agents, consultants, contractors, subcontractors, tenants, subtenants, invitees, or guests (collectively, "**Agents**"), Agency shall repair such damage and restore the Easement Area to its condition immediately prior to such use, to the reasonable satisfaction of City.
4. Notices. All notices, demand, consents or approvals given hereunder shall be in writing and shall be personally delivered, or sent by a nationally-recognized overnight courier service that provides next business day delivery services, provided that next business day service is requested, or by United States first-class mail, postage prepaid, to the following addresses (or any other address that a party designates by written notice delivered to the other party pursuant to the provisions of this Section):

If to City:

SFMTA  
City and County of San Francisco  
1 South Van Ness Avenue, 8<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Manager, Real Estate

with a copy to:

City and County of San Francisco  
Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property

If to Agency:

Redevelopment Agency of the City and County  
of San Francisco  
One South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Fred Blackwell, Executive Director

with a copy to:

Redevelopment Agency of the City and County  
of San Francisco  
One South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: James Morales, Agency General Counsel

5. Indemnity. Agency shall indemnify, defend, reimburse and hold harmless City and any City Agents from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages and liabilities of any kind ("**Claims**"), arising out of or relating to the activities of Agency or any Agency Agent in the Easement Area or Agency's failure to timely perform its obligations under this Agreement, except to the extent caused by the intentional acts or negligence of City or any City Agents or the failure of City to perform or comply with its obligations hereunder. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts' and consultants' fees and costs, and shall survive any termination or extinguishment of the Easement or this Agreement.

6. Waiver of Claims. Agency covenants and agrees that City shall not be responsible for or liable to Agency for, and Agency hereby waives all rights against City and its Agents and releases City and its Agents from, any and all Claims relating to any injury, accident or death of any person or loss or damage to any property, in or about the Easement Area, from any cause whatsoever. Nothing herein shall relieve City from liability to the extent caused by the negligence or willful misconduct of City or its Agents, but City shall not be liable under any circumstances for any consequential, incidental or punitive damages. City would not be willing to enter into this Agreement in the absence of a waiver of liability for consequential or incidental damages due to the acts or omissions of City or its agents, and Agency expressly assumes the risk with respect thereto.

Accordingly, as a material part of the consideration for this Agreement, Agency fully RELEASES, WAIVES AND DISCHARGES forever any and all Claims, and covenants not to sue, City or its Agents for any matters arising out of this Agreement or the Easement Area, except to the extent such Claims result from the negligence and willful misconduct of City or its Agents or the failure of City to perform its indemnification obligations pursuant to this Agreement. In connection with the foregoing release, Agency acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Agency acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Agency realizes and acknowledges that it has agreed to this Agreement in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The releases contained herein shall survive any termination of this Agreement.

7. As Is Condition of Easement Area; Disclaimer of Representations. Agency accepts the Easement Area in its "AS IS" condition, without representation or warranty of any kind by City, its officers, agents or employees, and subject to all applicable laws, rules and ordinances governing the use of the Easement Area. Without limiting the foregoing, this Agreement is made subject to any and all existing and future covenants, conditions, restrictions, easements, encumbrances and other title matters affecting the Easement Area, whether foreseen or

unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey.

8. Run with the Land; Exclusive Benefit of Parties. The rights and obligations set forth herein shall run with the land and shall bind and inure to the benefit of the successors and assigns of the parties hereto. This Agreement is for the exclusive benefit of Agency and City and their respective successors and assigns and not for the benefit of, nor give rise to any claim or cause of action by, any other party. This Agreement shall not be deemed a dedication of any portion of the Easement Area to or for the benefit of the general public.

9. Proprietary Capacity. Agency understands and acknowledges that City is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Notwithstanding anything to the contrary herein, no approval by City of any plans and specifications or other materials submitted by Agency to City for City's approval pursuant to this Agreement nor any other approvals by City hereunder shall be deemed to constitute approval of City acting in its regulatory capacity or any governmental or regulatory authority with jurisdiction over the Easement Area. City makes no representations or warranties that City, acting in its regulatory capacity and under its police powers, will ultimately approve of any draft plans, specifications or other materials nor issue any necessary permits.

10. No Joint Venturers or Partnership; No Authorization. This Agreement does not create a partnership or joint venture between City and Agency as to any activity conducted by Agency on, in or relating to the Easement Area.

11. Taxes. Agency recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that Agency may be subject to the payment of property taxes levied on such interest under applicable law. Agency agrees to pay taxes of any kind, including possessory interest taxes, if any, that may be lawfully assessed on the interest created by this Agreement and to pay any other taxes, excises, licenses, permit charges or assessments based on Agency's use of the Easement Area that may be imposed on Agency by applicable law. Agency shall pay all of such charges when they become due and payable and before delinquency.

12. MacBride Principles – Northern Ireland. City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Agency acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

13. Tropical Hardwood and Virgin Redwood Ban. City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

14. General Provisions. (a) This Agreement may be amended or modified only by a writing signed by City and Agency and recorded in the Official Records of the City and County of San Francisco. (b) No waiver by any party of any of the provisions of this Agreement shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) This Agreement contains the entire agreement between the parties with respect to the Easement Area and all prior negotiations, discussions, understandings and agreements are merged herein. (d) This Agreement shall be governed by California law and City's Charter. (e) If either party commences an action against the other or a dispute arises under this Agreement, the prevailing party shall be entitled to



recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees shall be based on the fees regularly charged by private attorneys in City with comparable experience, notwithstanding City's or Agency's use of its own attorneys. (f) This Agreement does not create a partnership or joint venture between City and Agency as to any activity conducted by Agency on, in or relating to the Easement Area. (g) City's obligations hereunder are contingent upon approval of this instrument by City's Public Utilities Commission and the City's Board of Supervisors and Mayor, each in their respective sole discretion, and the Easement and this Agreement shall be null and void if such approval is not obtained, and Agency's obligations hereunder are contingent upon approval of this instrument by the Agency's Board of Trustees, in its sole discretion, and the Easement and this Agreement shall be null and void if such approval is not obtained. (h) Time is of the essence of this Agreement and each party's performance of its obligations hereunder. (i) All representations, warranties, waivers, releases, indemnities and surrender obligations given or made in this Agreement shall survive the termination of this Agreement or the extinguishment of the Easement. (j) If any provision of this Agreement is deemed invalid by a judgment or court order, such invalid provision shall not affect any other provision of this Agreement, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as partially invalidated would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the purpose of this Agreement. (k) All section and subsection titles are included only for convenience of reference and shall be disregarded in the construction and interpretation of the Agreement. (l) Agency represents and warrants to City that the execution and delivery of this Agreement by Agency and the person signing on behalf of Agency below has been duly authorized, and City represents and warrants to Agency that the execution and delivery of this Agreement by City and the person signing on behalf of City below has been duly authorized. (m) This Agreement and the Easement granted hereunder shall automatically terminate as of the date the Project is demolished or removed from the Housing Parcel.

**[REMAINDER OF PAGE INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**AGENCY:** REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body corporate and politic

Authorized by Agency Resolution No. \_\_\_\_\_, adopted \_\_\_\_\_, 200\_ By: \_\_\_\_\_  
Amy Lee, Deputy Executive Director  
Finance and Administration

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James Morales  
Agency General Counsel

**CITY:** CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By: \_\_\_\_\_  
Amy L. Brown, Director of Property

Date: \_\_\_\_\_

RECOMMENDED:

\_\_\_\_\_  
Nathaniel P. Ford Sr., Executive Director/CEO  
San Francisco Municipal Transportation Agency

Date: \_\_\_\_\_

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Carol Wong  
Deputy City Attorney

San Francisco Municipal Transportation Agency  
Board of Directors  
Resolution No: \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Attest:

\_\_\_\_\_  
Secretary, SFMTA Board of Directors

State of California                    )  
  ) ss  
County of San Francisco            )

On \_\_\_\_\_, before me, \_\_\_\_\_, a notary public in and  
for said State, personally appeared \_\_\_\_\_, who proved to  
me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to  
the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.  
WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**Exhibit A**

**Legal Description of Housing Parcel**

**(This is currently in development and will be completed prior to closing)**

**Exhibit B**

**Legal Description of Easement Area**

**(This is currently in development and will be completed prior to closing)**

## EXHIBIT C

### Form of Fire Apparatus Easement

Free Recording Requested Pursuant to  
Government Code Section 27383

Recording requested by and  
when recorded mail to:

City and County of San Francisco  
San Francisco Municipal Transportation Agency  
Real Estate Section  
1 South Van Ness, 8<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Manager, Real Estate

with a copy to:

Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property

---

(Space above this line reserved for Recorder's use only)

#### EMERGENCY FIRE APPARATUS ACCESS EASEMENT AGREEMENT (Portion of Assessor's Parcel Block No. 3180, Lot 1)

This Emergency Fire Apparatus Access Easement Agreement (this "**Agreement**"), by and between the CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation ("**City**"), and the REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body corporate and politic established pursuant to the Community Redevelopment Law of the State of California ("**Agency**"), is executed as of \_\_\_\_\_ (the "**Effective Date**").

#### RECITALS

A. Agency owns the real property described on the attached Exhibit A (the "**Housing Parcel**") and City owns the real property described on the attached Exhibit B (the "**Easement Area**").

B. Agency intends to cause the construction of a mixed-use development with affordable housing on the Housing Parcel (the "**Project**") and wishes to obtain an easement on, over and across the Easement Area for emergency fire apparatus access to and from the Housing Parcel if such easement is required for the permit required to construct the Project.

C. City wishes to accommodate the construction and operation of the Project and is willing to grant such easement on the terms and conditions specified in this Agreement.

## AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. Easement; Permitted Use. Pursuant to the terms and conditions specified in this Agreement, City grants to Agency a non-exclusive easement (the "**Easement**") on, over and across the Easement Area for emergency fire apparatus access, ingress and egress to and from the Housing Parcel over the Easement Area. Agency shall not construct any improvements on the Easement Area or use it for any other purposes pursuant to this Agreement. Agency acknowledges that the Easement shall be limited strictly to the Easement Area and the minimum fire apparatus access, ingress and egress requirements required for the Housing Parcel under applicable laws, and Agency shall not traverse over or otherwise use any adjoining lands of City. Agency shall bear all costs or expenses of any kind or nature in connection with its use of the Easement Area, and shall keep the Easement Area free and clear of any liens or claims of lien arising out of its use of the Easement Area.
2. Reserved Rights. City reserves the right to use, and to permit others to use, the Easement Area for all purposes that do not prevent the use of the Easement Area for such emergency apparatus access, ingress and egress to and from the Housing Parcel. City's reserved rights include, but are not limited to, the right to install, maintain, replace and repair any of the following on, across, along or under the Easement Area: sidewalks, plaza improvements, electric power lines, telephone and telegraph lines, roadways, transit improvements, and pipeline(s) and related equipment.
3. Maintenance and Repair. City shall have no obligation under this Agreement to maintain or repair the Easement Area or to maintain, repair, replace or remove any improvements or materials in the Easement Area. As soon as reasonably practical following any damage to the Easement Area caused by Agency or any of its officers, directors, board members, employees, agents, consultants, contractors, subcontractors, tenants, subtenants, invitees, or guests (collectively, "**Agents**"), Agency shall repair such damage and restore the Easement Area to its condition immediately prior to such use, to the reasonable satisfaction of City.
4. Notices. All notices, demand, consents or approvals given hereunder shall be in writing and shall be personally delivered, or sent by a nationally-recognized overnight courier service that provides next business day delivery services, provided that next business day service is requested, or by United States first-class mail, postage prepaid, to the following addresses (or any other address that a party designates by written notice delivered to the other party pursuant to the provisions of this Section):

If to City:

SFMTA  
City and County of San Francisco  
1 South Van Ness Avenue, 8<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Manager, Real Estate

with a copy to:

City and County of San Francisco  
Real Estate Division  
25 Van Ness Avenue, Suite 400  
San Francisco, CA 94102  
Attn: Director of Property

If to Agency:

Redevelopment Agency of the City and County  
of San Francisco

One South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: Fred Blackwell, Executive Director

with a copy to:

Redevelopment Agency of the City and County  
of San Francisco  
One South Van Ness Avenue, 5<sup>th</sup> Floor  
San Francisco, CA 94103  
Attn: James Morales, Agency General Counsel

5. Indemnity. Agency shall indemnify, defend, reimburse and hold harmless City and any City Agents from and against any and all demands, claims, legal or administrative proceedings, losses, costs, penalties, fines, liens, judgments, damages and liabilities of any kind ("**Claims**"), arising out of or relating to the activities of Agency or any Agency Agent in the Easement Area or Agency's failure to timely perform its obligations under this Agreement, except to the extent caused by the intentional acts or negligence of City or any City Agents or the failure of City to perform or comply with its obligations hereunder. The foregoing indemnity shall include, without limitation, reasonable attorneys', experts' and consultants' fees and costs, and shall survive any termination or extinguishment of the Easement or this Agreement.

6. Waiver of Claims. Agency covenants and agrees that City shall not be responsible for or liable to Agency for, and Agency hereby waives all rights against City and its Agents and releases City and its Agents from, any and all Claims relating to any injury, accident or death of any person or loss or damage to any property, in or about the Easement Area, from any cause whatsoever. Nothing herein shall relieve City from liability to the extent caused by the negligence or willful misconduct of City or its Agents, but City shall not be liable under any circumstances for any consequential, incidental or punitive damages. City would not be willing to enter into this Agreement in the absence of a waiver of liability for consequential or incidental damages due to the acts or omissions of City or its agents, and Agency expressly assumes the risk with respect thereto.

Accordingly, as a material part of the consideration for this Agreement, Agency fully RELEASES, WAIVES AND DISCHARGES forever any and all Claims, and covenants not to sue, City or its Agents for any matters arising out of this Agreement or the Easement Area, except to the extent such Claims result from the negligence and willful misconduct of City or its Agents or the failure of City to perform its indemnification obligations pursuant to this Agreement. In connection with the foregoing release, Agency acknowledges that it is familiar with Section 1542 of the California Civil Code, which reads:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

Agency acknowledges that the releases contained herein include all known and unknown, disclosed and undisclosed, and anticipated and unanticipated claims. Agency realizes and acknowledges that it has agreed to this Agreement in light of this realization and, being fully aware of this situation, it nevertheless intends to waive the benefit of Civil Code Section 1542, or any statute or other similar law now or later in effect. The releases contained herein shall survive any termination of this Agreement.

7. As Is Condition of Easement Area; Disclaimer of Representations. Agency accepts the Easement Area in its "AS IS" condition, without representation or warranty of any kind by City, its officers, agents or employees, and subject to all applicable laws, rules and ordinances



governing the use of the Easement Area. Without limiting the foregoing, this Agreement is made subject to any and all existing and future covenants, conditions, restrictions, easements, encumbrances and other title matters affecting the Easement Area, whether foreseen or unforeseen, and whether such matters are of record or would be disclosed by an accurate inspection or survey.

8. Run with the Land; Exclusive Benefit of Parties. The rights and obligations set forth herein shall run with the land and shall bind and inure to the benefit of the successors and assigns of the parties hereto. This Agreement is for the exclusive benefit of Agency and City and their respective successors and assigns and not for the benefit of, nor give rise to any claim or cause of action by, any other party. This Agreement shall not be deemed a dedication of any portion of the Easement Area to or for the benefit of the general public.

9. Proprietary Capacity. Agency understands and acknowledges that City is entering into this Agreement in its proprietary capacity and not as a regulatory agency with certain police powers. Notwithstanding anything to the contrary herein, no approval by City of any plans and specifications or other materials submitted by Agency to City for City's approval pursuant to this Agreement nor any other approvals by City hereunder shall be deemed to constitute approval of City acting in its regulatory capacity or any governmental or regulatory authority with jurisdiction over the Easement Area. City makes no representations or warranties that City, acting in its regulatory capacity and under its police powers, will ultimately approve of any draft plans, specifications or other materials nor issue any necessary permits.

10. No Joint Venturers or Partnership; No Authorization. This Agreement does not create a partnership or joint venture between City and Agency as to any activity conducted by Agency on, in or relating to the Easement Area.

11. Taxes. Agency recognizes and understands that this Agreement may create a possessory interest subject to property taxation and that Agency may be subject to the payment of property taxes levied on such interest under applicable law. Agency agrees to pay taxes of any kind, including possessory interest taxes, if any, that may be lawfully assessed on the interest created by this Agreement and to pay any other taxes, excises, licenses, permit charges or assessments based on Agency's use of the Easement Area that may be imposed on Agency by applicable law. Agency shall pay all of such charges when they become due and payable and before delinquency.

12. MacBride Principles – Northern Ireland. City urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1 et seq. City also urges San Francisco companies to do business with corporations that abide by the MacBride Principles. Agency acknowledges that it has read and understands the above statement of the City concerning doing business in Northern Ireland.

13. Tropical Hardwood and Virgin Redwood Ban. City urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product, except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code.

14. General Provisions. (a) This Agreement may be amended or modified only by a writing signed by City and Agency and recorded in the Official Records of the City and County of San Francisco. (b) No waiver by any party of any of the provisions of this Agreement shall be effective unless in writing and signed by an officer or other authorized representative, and only to the extent expressly provided in such written waiver. (c) This Agreement contains the entire agreement between the parties with respect to the Easement Area and all prior negotiations,

discussions, understandings and agreements are merged herein. (d) This Agreement shall be governed by California law and City's Charter. (e) If either party commences an action against the other or a dispute arises under this Agreement, the prevailing party shall be entitled to recover from the other reasonable attorneys' fees and costs. For purposes hereof, reasonable attorneys' fees shall be based on the fees regularly charged by private attorneys in City with comparable experience, notwithstanding City's or Agency's use of its own attorneys. (f) This Agreement does not create a partnership or joint venture between City and Agency as to any activity conducted by Agency on, in or relating to the Easement Area. (g) City's obligations hereunder are contingent upon approval of this instrument by City's Public Utilities Commission and the City's Board of Supervisors and Mayor, each in their respective sole discretion, and the Easement and this Agreement shall be null and void if such approval is not obtained, and Agency's obligations hereunder are contingent upon approval of this instrument by the Agency's Board of Trustees, in its sole discretion, and the Easement and this Agreement shall be null and void if such approval is not obtained. (h) Time is of the essence of this Agreement and each party's performance of its obligations hereunder. (i) All representations, warranties, waivers, releases, indemnities and surrender obligations given or made in this Agreement shall survive the termination of this Agreement or the extinguishment of the Easement. (j) If any provision of this Agreement is deemed invalid by a judgment or court order, such invalid provision shall not affect any other provision of this Agreement, and the remaining portions of this Agreement shall continue in full force and effect, unless enforcement of this Agreement as partially invalidated would be unreasonable or grossly inequitable under all of the circumstances or would frustrate the purpose of this Agreement. (k) All section and subsection titles are included only for convenience of reference and shall be disregarded in the construction and interpretation of the Agreement. (l) Agency represents and warrants to City that the execution and delivery of this Agreement by Agency and the person signing on behalf of Agency below has been duly authorized, and City represents and warrants to Agency that the execution and delivery of this Agreement by City and the person signing on behalf of City below has been duly authorized. (m) This Agreement and the Easement granted hereunder shall automatically terminate as of the date the Project is demolished or removed from the Housing Parcel.

**[REMAINDER OF PAGE INTENTIONALLY BLANK]**

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

**AGENCY:** REDEVELOPMENT AGENCY OF THE CITY AND COUNTY OF SAN FRANCISCO, a public body corporate and politic

Authorized by Agency Resolution No. \_\_\_\_\_, adopted \_\_\_\_\_, 200\_ By: \_\_\_\_\_  
Amy Lee, Deputy Executive Director  
Finance and Administration

Date: \_\_\_\_\_

APPROVED AS TO FORM:

By: \_\_\_\_\_  
James Morales  
Agency General Counsel

**CITY:** CITY AND COUNTY OF SAN FRANCISCO, a municipal corporation

By: \_\_\_\_\_  
Amy L. Brown, Director of Property

Date: \_\_\_\_\_

RECOMMENDED:

\_\_\_\_\_  
Nathaniel P. Ford Sr., Executive Director/CEO  
San Francisco Municipal Transportation Agency

Date: \_\_\_\_\_

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: \_\_\_\_\_  
Carol Wong  
Deputy City Attorney

San Francisco Municipal Transportation Agency  
Board of Directors  
Resolution No: \_\_\_\_\_  
Adopted: \_\_\_\_\_  
Attest:

\_\_\_\_\_  
Secretary, SFMTA Board of Directors

State of California                    )  
  ) ss  
County of San Francisco            )

On \_\_\_\_\_, before me, \_\_\_\_\_, a notary public in and  
for said State, personally appeared \_\_\_\_\_, who proved to  
me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to  
the within instrument and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the  
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the  
foregoing paragraph is true and correct.  
WITNESS my hand and official seal.

Signature \_\_\_\_\_ (Seal)

**Exhibit A**

**Legal Description of Housing Parcel**

**(This is currently in development and will be completed prior to closing)**

**Exhibit B**

**Legal Description of Easement Area**

**(This is currently in development and will be completed prior to closing)**

**THIS PRINT COVERS CALENDAR ITEM NO. :** \_\_\_\_\_

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Office of the SFMTA Board of Directors

**BRIEF DESCRIPTION:**

To amend the SFMTA Board of Directors' Rules of Order to change the start time for regular meetings of the SFMTA Board of Directors from 2:00 p.m. to 12 noon.

**SUMMARY:**

- The Chairman of the Board would like the Board to consider changing the time regular meetings of the Board of Directors begin from 2:00 pm to 12 noon on the first and third Tuesday of every month.
- In order to discuss this proposal and take action, notice must be given to the public that this will be considered at a duly noticed public meeting.
- Notice was given on March 24, 2010 by placing notice on the SFMTA's website and at the San Francisco Public Library.

**ENCLOSURES:**

1. SFMTAB Resolution

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_ N/A \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

ADOPTED RESOLUTION

BE RETURNED TO Roberta Boomer

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

To amend the SFMTA Board of Directors' Rules of Order to change the time that meetings of the SFMTA Board of Directors start from 2 pm to 12 noon.

### **GOAL**

This calendar item will address the SFMTA's Strategic Goal 3 – External Affairs/Community Relations: To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is a leader in the industry.

### **DESCRIPTION**

The Chairman of the SFMTA Board of Directors would like the Board to consider changing the time that regular meetings of the SFMTA Board of Directors begin from 2:00 pm to 12 noon on the first and third Tuesday of every month.

In order to discuss this proposal and take action, notice must be given to the public that this will be considered at a duly noticed public meeting.

Article 7, Section 4 of the SFMTA Board of Directors' Rules or Order states that "an amendment to the Rules of Order may, after ten days' notice, be adopted by the affirmative vote of a majority of the members of the board". In compliance with this requirement, notice was given on March 24, 2010 by placing notice on the SFMTA's website and at the San Francisco Public Library. E-mail and mailed notice was also given to members of the public who receive notice of SFMTA Board meetings.

If approved, the SFMTA Board of Directors' Rules of Order Article 4, Section 1 would be amended to delete "at 2:00 p.m." and replaced with "at noon" as follows:

#### **ARTICLE 4 - MEETINGS**

Section 1. Regular Meetings. The board shall hold a regular meeting in the chambers of the Municipal Transportation Agency Board of Directors in City Hall at 12 noon every first and third Tuesday.

### **ALTERNATIVES CONSIDERED**

None.

### **FUNDING IMPACT**

None.



**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

None.

The City Attorney has reviewed this report.

**RECOMMENDATION**

The decision to change the start time of the Board's regular meetings is a policy matter for the SFMTA Board of Directors.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The Chairman of the SFMTA Board of Directors would like the Board to consider changing the time for regular meetings of the SFMTA Board of Director from 2:00 pm to 12 noon on the first and third Tuesday of every month and

WHEREAS, In order to discuss this proposal and take action, notice must be given to the public that this will be considered at a duly noticed public meeting; and,

WHEREAS, Article 7, Section 4 of the SFMTA Board of Directors' Rules or Order states that "an amendment to the Rules of Order may, after ten days' notice, be adopted by the affirmative vote of a majority of the members of the board"; and,

WHEREAS, In compliance with this requirement, notice was given on March 24, 2010 by placing on the SFMTA's website and at the San Francisco Public Library; now therefore be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors does hereby amend the SFMTA Board of Directors' Rules of Order Article 4, Section 1 to change the time for meetings of the SFMTA Board of Directors from 2:00 p.m. to 12 noon, effective May 1, 2010.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_.

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Presentation of the FY10 Q2 Service Standards Scorecard.

**SUMMARY:**

- Schedule adherence (A1) dropped slightly on a quarter over quarter basis. Performance decreased from 73.3 percent in FY10 Q1 to 72.3 percent in FY10 Q2.
- Scheduled service hours delivered (A2) decreased slightly from 97.7 percent in FY10 Q1 to 96.2 percent in FY10 Q2.
- The unscheduled absence rate for transit operators (A4) improved from 14.8 percent in FY10 Q1 to 12.9 percent in FY10 Q2.
- Traffic and parking control requests addressed within 90 days (A7) rose from 77 percent in FY10 Q1 to 83 percent in FY10 Q2.
- Systemwide collisions per 100,000 miles (C4) increased slightly from 5.55 in FY10 Q1 to 5.58 in FY10 Q2.
- Mail-in residential parking permits processed within 21 days (C11) increased from 96 percent in FY10 Q1 to 98 percent in FY10 Q2.

**ENCLOSURES:**

1. FY10 Q2 Service Standards Scorecard

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

In accordance with Charter Section 8A.103, the San Francisco Municipal Transportation Agency (SFMTA) tracks, monitors and reports on over 35 service standards for system reliability and performance, staffing performance and customer service on a quarterly basis.

Results are presented in the *Service Standards Scorecard*, which highlights results in both graphical and data formats.

### **GOAL**

The Service Standards Program supports a number of the Agency's strategic goals, including:

GOAL 2: System Performance - To provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First policy.

*Objective 2.1* Improve transit reliability to meet 85% on-time performance standard.

GOAL 4: Financial Capacity - To ensure financial stability and effective resource utilization.

*Objective 4.1* Ensure efficient and effective use of resources.

GOAL 5: SFMTA Workforce - To provide a flexible, supportive work environment and develop a workforce that takes pride and ownership of the Agency's mission and vision and leads the agency into an evolving, technology-driven future.

*Objective 5.1* Increase resources available for employees in performing their jobs.

*Objective 5.3* Improve internal communication and employee satisfaction.

GOAL 6: Information Technology - To improve service and efficiency, the SFMTA must leverage technology.

*Objective 6.1* Identify, develop, and deliver the new and enhanced systems and technologies required to support SFMTA's 2012 goals.

### **DESCRIPTION**

Key results for FY10 Q2 (October-December 2009) are as follows:

Schedule adherence (A1) decreased slightly during FY10 Q2, dipping from 73.3 to 72.3 percent.

Ridership weighted schedule adherence decreased from 74.3 to 73.1 percent. Six of the 36 lines and routes evaluated achieved on-time performance of 80 percent or greater. The goal is 85 percent.

Scheduled service hours delivered (A2) decreased from 97.7 percent in FY10 Q1 to 96.2 percent in FY10 Q2. Presidio Division led all reporting units at 97.7 percent service delivery.

### **PAGE 3.**

After five consecutive quarters of increases, operator absenteeism improved during FY10 Q2. The unscheduled absence rate (A4) for operators fell from 14.8 percent in FY10 Q1 to 12.9 percent FY10 Q2. The goal is 10.2 percent.

Traffic and parking control requests addressed within 90 days (A7) increased from 77 percent in FY10 Q1 to 83 percent in FY10 Q2. The goal is 82 percent.

All goals for collisions per 100,000 miles (C4) were all achieved during FY10 Q2. Systemwide collisions per 100,000 miles increased slightly from 5.55 in FY10 Q1 to 5.58 in FY10 Q2 but remained in compliance with the goal of 5.90. Bus collisions decreased (from 6.27 in FY10 Q1 to 6.01 in FY10 Q2) and met the goal of 6.15. Rail collisions increased from 3.02 in FY10 Q1 to 4.02 in FY10 Q2. The goal is 4.50.

Last, the percent of mail-in residential parking permits (C11) processed within 21 days continued to improve during FY10 Q2. Performance increased from 96 percent in FY10 Q1 to 98 percent in FY10 Q2. The goal is 95 percent.

### **ALTERNATIVES CONSIDERED**

Not applicable. Reporting on the achievement of Service Standards is required by Charter.

### **FUNDING IMPACT**

Not applicable.

### **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Citizens' Advisory Council will receive the report at a forthcoming meeting.

### **RECOMMENDATION**

Receive the report.

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Adopting the Service Standards and Milestones for Fiscal Year 2011 and 2012 (FY11 and FY12)

**SUMMARY:**

- In accordance with Charter Section 8A.103, the San Francisco Municipal Transportation Agency (SFMTA) tracks, monitors and reports upon system reliability and performance, staffing performance and customer service on a quarterly basis.
- The SFMTA must establish milestones toward achievement of service standards prior to budget approval. The proposed resolution would adopt the milestones to be achieved by July 1, 2011 and July 1, 2012.
- The recommended service standards for FY11 (July 1, 2010 through June 30, 2011) and FY12 (July 1, 2011 through June 30, 2012) include key recommendations from the Charter-mandated Transportation Quality Review.
- The proposed service standards include measures of transit, parking and traffic, pedestrian, bicycling, and congestion management related activities.

**ENCLOSURES:**

1. Proposed FY11 and FY12 Service Standards and Milestones

**APPROVALS:**

**DATE**

DIRECTOR OF DIVISION

PREPARING ITEM \_\_\_\_\_

FINANCE \_\_\_\_\_

EXECUTIVE DIRECTOR/CEO \_\_\_\_\_

SECRETARY \_\_\_\_\_

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

In accordance with Charter Section 8A.103, the SFMTA tracks, monitors and reports on over 35 service standards for system reliability and performance, staffing performance and customer service on a quarterly basis. Service Standards and Milestones are adopted prior to budget approval.

### **GOAL**

The Service Standards Program supports a number of the Agency's strategic goals, including:

**GOAL 2: System Performance** - To provide safe, accessible, clean, environmentally sustainable service and encourage the use of auto-alternative modes through the Transit First policy.

*Objective 2.1* Improve transit reliability to meet 85% on-time performance standard.

**GOAL 4: Financial Capacity** - To ensure financial stability and effective resource utilization.

*Objective 4.1* Ensure efficient and effective use of resources.

**GOAL 5: SFMTA Workforce** - To provide a flexible, supportive work environment and develop a workforce that takes pride and ownership of the Agency's mission and vision and leads the agency into an evolving, technology-driven future.

*Objective 5.1* Increase resources available for employees in performing their jobs.

*Objective 5.3* Improve internal communication and employee satisfaction.

**GOAL 6: Information Technology** - To improve service and efficiency, the SFMTA must leverage technology.

*Objective 6.1* Identify, develop, and deliver the new and enhanced systems and technologies required to support SFMTA's 2012 goals.

### **DESCRIPTION**

The following key changes are proposed for FY11 and FY12:

- **A1 On-Time Performance**
  - NextMuni and/or Automatic Passenger Counters (APCs) will be used to measure schedule adherence.
  - The current methodology will be mirrored to ensure the consistency of results.
  - Transit traffic checkers will validate results on an ongoing basis to ensure accuracy.
- **A3 Load Factors**
  - APCs will be used to measure motor coach and trolley coach load factors.
  - Transit traffic checkers will validate results on an ongoing basis to ensure accuracy.

## **PAGE 3.**

- A4 Unscheduled Absences
  - Goals for most employee groups will be intensified to reflect the Agency's ongoing commitment to improving attendance.
  - The target for transit operators will be adjusted upward to reflect the inclusion of additional absence codes in Trapeze (e.g., working miss outs, jury duty and unpaid loans to union) during the transition to a new reporting platform in FY10.
- A5 Mean Distance Between Failure
  - Rubber tire goals will be increased for motor coach divisions.
  - LRV, cable car and historic streetcar goals will be adjusted downward to reflect parts availability, fleet aging and workforce constraints but will still reflect targets above multi-year averages.
- A6 Vacancy Rate for Service Critical Positions
  - Reporting of the transit operator vacancy rate will be deleted due to the misleading nature of the measure. (The vacancy rate does not account for employees on long term leave.)
  - Target vacancy rates for other service critical employee groups will be adjusted upward to reflect budget constraints.
- A7 Traffic and Parking Control Requests, A9 Parking Meter Malfunction Reports, A11 Hazardous Traffic Signal Reports and A12 Traffic Lane Lines, Bus Zones and Crosswalks, C2 Complaint Resolution Rate, C10 Walk-in Citation and Residential Parking Permit (RPP) Customers, and C11 Mail-in RPP Renewals
  - Goals for all above metrics will remain stable for FY11 but reflect increases for FY12

More detailed information is provided in the *Proposed FY11 and FY12 Service Standards and Milestones* document.

## **ALTERNATIVES CONSIDERED**

Not applicable. Annual adoption of the Service Standards and Milestones is required by the Charter.

## **FUNDING IMPACT**

Not applicable.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Citizens' Advisory Council previously recommended that the SFMTA adopt all recommendations contained in the Transportation Quality Review. The FY11 and FY12 Standards contain several recommendation identified in the Review.

## **RECOMMENDATION**



**PAGE 4.**

Staff recommends adoption of the FY11 and FY12 Service Standards and Milestones.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, San Francisco Charter Section 8A.103 establishes standards for on-time performance and service delivery for the Municipal Railway and requires the San Francisco Municipal Transportation Agency to establish other performance standards for system reliability and performance, staffing performance and customer service; and,

WHEREAS, Section 8A.103 requires the Agency to adopt milestones for achievement of these standards by July 1 of each year; and,

WHEREAS, Staff met with the San Francisco Municipal Transportation Agency Board of Directors' Policy and Governance Committee on March 9, 2010, and

WHEREAS, Staff recommends adoption of the San Francisco Municipal Transportation Agency's Service Standards and Milestones entitled "Proposed FY11 and FY12 Service Standards and Milestones", to be achieved by July 1, 2011 and July 1, 2012; now, therefore, be it,

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors adopts the FY11 and FY12 Service Standards Milestones for the Municipal Railway as required by the City Charter; and the FY11 and FY12 Service Standards for the other Agency functions, as contained in "Proposed FY11 and FY12 Service Standards and Milestones".

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board at its meeting of \_\_\_\_\_.

---

Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Approve the City of San Francisco Downtown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Fifth and Mission Garage and authorize the San Francisco Municipal Transportation Agency (SFMTA) Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- Under an agreement executed in April 1992, the City of San Francisco Downtown Parking Corporation (Corporation) leases the Fifth and Mission Garage from the City and County of San Francisco.
- The SFMTA provides general oversight and policy direction while the Corporation manages the day-to-day operation of the garage. The SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and by the Office of the Controller.
- The Off-Street Parking staff formulated a uniform, two-year budget submittal package that uses industry best practices. The budget development process included line-item review, historical-trend analysis, data-driven forecasting, discussions with the Corporation's Facility Manager and approval by the Corporation Board of Directors.
- The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.
- The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Attachment A: Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Fifth and Mission Garage

**APPROVALS:**

	<b>DATE</b>
DIRECTOR OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION BE RETURNED TO Amit Kothari

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

The purpose of this report is to seek the SFMTA Board of Directors approval of the City of San Francisco Downtown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Fifth and Mission Garage and to authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

### **GOAL**

This action is consistent with the SFMTA 2008-2012 Strategic Plan.

- Goal 2: System Performance – To get customers where they want to go, when they want to be there  
Objective 2.5: Manage parking supply to align with SFMTA and community goals
- Goal 3: External Affairs/Community Relations – To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is the leader in the industry  
Objective 3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
- Goal 4: Financial Capacity – To ensure financial stability and effective resource utilization  
Objective 4.1: Increase revenue by 20% or more by 2012 by improving collections and identifying new sources  
Objective 4.2: Ensure efficient and effective use of resources

### **DESCRIPTION**

The Fifth and Mission Garage is located at 833 Mission Street. It provides 2,590 parking spaces and over 26,350 square feet of retail space.

Through an agreement executed in April 1992, the City of San Francisco Downtown Parking Corporation (Corporation) leases the garage from the City and County of San Francisco. The Corporation contracts with a professional parking operator for the day-to-day operation and management of the garage, while the SFMTA provides general oversight and policy direction.

Under the lease agreement, the SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund. If the capital improvement fund balance exceeds \$1,500,000 at the end of the Corporation's fiscal year, the excess funds are forwarded to the SFMTA.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for the review and approval by the SFMTA Board of Directors and by the Office of the Controller. The SFMTA's Off-Street Parking staff formulated a uniform, two-year budget submittal package for use by all garages, establishing a consistent and effective budget development, review and approval process. This process also incorporated recommendations outlined in the Chance Management Report and industry best practices.

### **PAGE 3.**

The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (specifically, Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year. The Corporation's fiscal year ends April 30 to provide adequate time to complete a year-end audit and to transfer net income to the City before the close of the City's fiscal year. Major capital improvement requests have been deferred until the SFMTA completes an overall assessment of the capital improvement needs.

Over the last two months, the SFMTA and Corporation staffs worked together in developing the proposed Operating Budget. The budget development included a careful review of all revenue and expenses for the current year. The projections for the remainder of the current fiscal year and the next two fiscal years considered current economic conditions, seasonality of parking demand, possible rate adjustments, known upcoming events, scheduled salary increases, and associated payroll expenses. The two-year Operating Budget has been reviewed and approved by the Corporation Board.

### **FISCAL YEAR 2009-2010**

A comparison between the approved FY 2009-2010 Operating Budget and the projected FY 2009-2010 performance is shown in the chart below.

	<b>Approved Budget May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved Budget</b>
Gross Revenue	\$22,015,990	\$18,917,065	-14%
Parking Tax	4,144,888	3,597,147	-13%
Expenses	5,864,186	5,513,827	-6%
Capital Reserve (15% max)	1,056,499	900,000	-15%
Net Income to SFMTA	10,950,417	8,906,091	-19%

For FY 2009-2010, the Corporation anticipates generating \$18,917,065 in gross revenue which is 14 percent less than the budgeted amount. The reduced gross revenue is primarily due to the continued sluggish economy, resulting in reduced parking demand at the garage. The July 2009 rate increase and significant expense reductions over the last six months have helped lessen the negative impact on the net income. Additionally, expenses increased due to special assessments for the newly formed Yerba Buena Community Benefit District. The Corporation anticipates generating \$8,906,091 in net income to the SFMTA, which is about 19 percent below the approved budget.

### **FISCAL YEARS 2010-2011 AND 2011-2012**

Attachment A shows details of the proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012. A high-level summary is provided in the following table:

**PAGE 4.**

	<b>Proposed Budget May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected May 1, 2009 to April 30, 2010</b>	<b>Proposed Budget May 1, 2011 to April 30, 2012</b>	<b>% Variance to Proposed May 1, 2010 to April 30, 2011</b>
Gross Revenue	\$19,870,508	5%	\$20,029,225	1%
Parking Tax	3,803,402	6%	3,833,829	1%
Expenses	5,530,792	<1%	5,650,321	2%
Capital Reserve (15% max)	1,500,000	67%	1,500,000	0%
Net Income to SFMTA	9,036,314	1%	9,045,075	<1%

< means less than

With a continued soft economy and higher unemployment, the staff does not anticipate any noticeable increase in parking demand during FY 2010-2011. The projected gross revenue is \$19,870,508, which is five percent over the amount projected for FY 2009-2010. These projections assume that the parking rates remain unchanged at nearby private facilities, not requiring any downward rate revisions at SFMTA facilities.

Expenditures for FY 2010-2011 are projected at \$5,530,792 which is \$16,965 (less than one percent) over the projected amount for FY 2009-2010. Scheduled salary increases and associated payroll costs contribute to this increase. Increases in the garage management fee, banking fees related to credit card usage, and the Yerba Buena Community Benefit District assessment are also included in the projected numbers.

For FY 2010-2011, the Corporation anticipates generating \$9,036,314 in net income for the SFMTA. This amount is \$130,223 (one percent) over the amount projected for FY 2009-2010.

For FY 2011-2012, the staff anticipates garage performance to be in line with FY 2010-2011, generating \$9,045,075 in net income for the SFMTA. Staff will continue to monitor the garage performance and revise these projections if necessary.

The City Attorney has reviewed this report.

## **FUNDING IMPACT**

Approval of this Operating Budget will result in a net income of \$18,081,389 to the SFMTA during the next two fiscal years. Appropriate net revenues are included in the SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Downtown Parking Corporation Board of Directors has approved this two-year Operating Budget. Final approval by the Office of the Controller is required.

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the City of San Francisco Downtown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Fifth and Mission Garage and authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Downtown Parking Corporation (Corporation) operates the Fifth and Mission Garage on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors and to the Office of the Controller for review and final approval; and,

WHEREAS, The Corporation has submitted its Fiscal Years 2010-2011 and 2011-2012 Operating Budget to the SFMTA Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Charter Section 8A.106 for this even-numbered year; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year; and,

WHEREAS, The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage; and,

WHEREAS, The SFMTA Board of Directors has reviewed the Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the City of San Francisco Downtown Parking Corporation Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Fifth and Mission Garage; and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

## Attachment A

### Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Fifth and Mission Garage

	Approved May 1, 2009 to April 30, 2010	Projected May 1, 2009 to April 30, 2010	% Variance to Approved	Proposed May 1, 2010 to April 30, 2011	% Variance to Projected	Proposed May 1, 2011 to April 30, 2012	% Variance to Proposed
<b>REVENUE*</b>							
Transient Revenue	\$19,037,049	\$16,550,300	-13%	\$17,660,000	7%	\$17,801,280	1%
Monthly Revenue	1,626,106	1,435,434	-12%	1,357,008	-5%	1,367,864	1%
Miscellaneous Parking Revenue	12,295	0	-100%	0	0%	0	0%
Non-Parking Revenue	882,190	820,000	-7%	822,564	<1%	829,145	1%
Corporate Income	458,350	111,331	-76%	30,936	-72%	30,936	0%
<b>Gross Revenue</b>	<b>22,015,990</b>	<b>18,917,065</b>	<b>-14%</b>	<b>19,870,508</b>	<b>5%</b>	<b>20,029,225</b>	<b>1%</b>
Parking Tax	-4,144,888	-3,597,147	-13%	-3,803,402	6%	-3,833,829	1%
<b>Net Revenue</b>	<b>17,871,102</b>	<b>15,319,918</b>	<b>-14%</b>	<b>16,067,106</b>	<b>5%</b>	<b>16,195,396</b>	<b>1%</b>
<b>EXPENSES</b>							
Personnel Cost	1,487,144	1,346,656	-9%	1,474,924	10%	1,486,723	1%
Payroll Expense	620,927	616,994	-1%	646,487	5%	651,659	1%
Utilities	291,813	270,233	-7%	284,000	5%	286,272	1%
Services**	1,712,856	1,595,873	-7%	1,523,084	-5%	1,563,348	3%
Supplies	289,039	272,306	-6%	153,891	-43%	155,122	1%
Other Costs	11,330	112,444	892%	117,932	5%	118,875	1%
Garage Management	96,820	54,538	-44%	55,200	1%	55,642	1%
Corporate Expenses**	1,354,257	1,244,783	-8%	1,275,274	2%	1,332,680	5%
<b>Total Expenses</b>	<b>5,864,186</b>	<b>5,513,827</b>	<b>-6%</b>	<b>5,530,792</b>	<b>&lt;1%</b>	<b>5,650,321</b>	<b>2%</b>
<b>Net Income</b>	<b>12,006,916</b>	<b>9,806,091</b>	<b>-18%</b>	<b>10,536,314</b>	<b>7%</b>	<b>10,545,075</b>	<b>&lt;1%</b>
Capital Reserve (15% max)	1,056,499	900,000	-15%	1,500,000	67%	1,500,000	0%
<b>Income to SFMTA</b>	<b>10,950,417</b>	<b>8,906,091</b>	<b>-19%</b>	<b>9,036,314</b>	<b>1%</b>	<b>9,045,075</b>	<b>&lt;1%</b>

< means less than

\* See other side for Glossary of Terms

\*\* Includes a total of \$44,928 in legal expenses (under Services = \$0 for FYE 2011 and FYE 2012; and Corporate Expenses = \$22,646 for FYE 2011 and \$22,464 FYE 2012)



## Attachment A (continued)

### Glossary of Terms

Term	Description
<b>REVENUE</b>	
Transient Revenue	Revenue generated from short-term parking ranging from a few minutes to a few days.
Monthly Parking	Revenue generated from monthly parking patrons.
Miscellaneous Parking Revenue	Fees and penalties paid for account activations, late payments, and garage re-openings.
Non-Parking Revenue	Revenue generated from retail leases, ATM and vending machine agreements and advertising.
Corporate Income	Income from corporate investing activities.
<b>Gross Revenue</b>	Revenue from ALL sources.
Parking Tax	25% tax is added to all parking garage rates.
<b>Net Revenue</b>	Gross revenue minus parking tax.
<b>EXPENSES</b>	
Personnel Cost	All gross payroll expenses inclusive of vacation, holiday and sick pays.
Payroll Expense	All payroll related taxes, employee insurance premiums and retirement payments.
Utilities	Expenses for gas, electric, water, sewer, telephone, internet, refuse disposal, etc.
Services	Fees paid for contractual security and janitorial, armored transport, uniform cleaning, liability insurance, garage audit services, credit card fees, legal services, etc.
Supplies	Expenses for repairs and maintenance, parking supplies, such as tickets and office supplies.
Other Costs	This includes taxes and licenses, marketing, dues and subscriptions, memberships and community benefit programs.
Garage Management	Expenses for the management and incentive fees paid to the facility operators as outlined in their board approved operating agreements.
Facility Improvement	Specific to Union Square; planned costs for the improvement and repair of the facility.
Corporate Expenses	Expenses for the management and repayment of bonds used to fund the construction of the garage, as well as legal fees related to the management of garage retail lease agreements.
<b>Total Expenses</b>	Includes ALL expenses.
<b>Capital Reserve</b>	A portion of the total net income dedicated to facility improvement and major repairs as outlined in the facility specific lease agreements. Each agreement specifies the percent of net income dedicated to this reserve and the cap after which all revenues flow to the SFMTA or the RPD.
<b>Net Income to SFMTA / RPD</b>	Total income to the SFMTA or the RPD after capital reserve requirements has been satisfied.

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Approve the City of San Francisco Uptown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Union Square Garage and authorize the San Francisco Municipal Transportation Agency (SFMTA) Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- Under an agreement executed in May 1999, the City of San Francisco Uptown Parking Corporation (Corporation) leases the Union Square Garage from the City and County of San Francisco.
- The San Francisco Recreation and Park Department (RPD) receives 100 percent of the net income. The SFMTA provides general oversight and policy direction on behalf of the RPD while the Corporation manages the day-to-day operation of the garage.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and by the Office of the Controller.
- The Off-Street Parking staff formulated a uniform, two-year budget submittal package that uses industry best practices. The budget development process included line-item review, historical-trend analysis, data-driven forecasting, discussions with the Corporation's Facility Manager and approval by the Corporation Board of Directors.
- The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Attachment A: Fiscal Years 2010-2011 and 2011-2012 Operating Budget for Union Square Garage.

**APPROVALS:**

	<b>DATE</b>
DIRECTOR OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION BE RETURNED TO Amit Kothari

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

The purpose of this report is to seek the SFMTA Board of Directors approval of the City of San Francisco Uptown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Union Square Garage and to authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

### **GOAL**

This action is consistent with the SFMTA 2008-2012 Strategic Plan.

- Goal 2: System Performance – To get customers where they want to go, when they want to be there  
Objective 2.5: Manage parking supply to align with SFMTA and community goals
- Goal 3: External Affairs/Community Relations – To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is the leader in the industry  
Objective 3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
- Goal 4: Financial Capacity – To ensure financial stability and effective resource utilization  
Objective 4.1: Increase revenue by 20% or more by 2012 by improving collections and identifying new sources  
Objective 4.2: Ensure efficient and effective use of resources

### **DESCRIPTION**

The Union Square Garage is located at 333 Post Street. It provides 1,000 parking spaces.

Through an agreement executed in May 1999, the City of San Francisco Uptown Corporation (Corporation) leases the garage from the City and County of San Francisco. The Corporation contracts with a professional parking operator for the day-to-day operation and management of the garage, while the SFMTA provides general oversight and policy direction. Under the lease agreement, the San Francisco Recreation and Park Department (RPD) receives 100 percent of the net income.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for the review and approval by the SFMTA Board of Directors and by the Office of the Controller. The SFMTA's Off-Street Parking staff formulated a uniform, two-year budget submittal package for use by all garages, establishing a consistent and effective budget development, review and approval process. This process also incorporated recommendations outlined in the Chance Management Report and industry best practices.

The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (specifically, Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.

### **PAGE 3.**

The Corporation's fiscal year ends April 30 to provide adequate time to complete a year-end audit and to transfer net income to the City before the close of the City's fiscal year. Major capital improvement requests have been deferred until the SFMTA completes an overall assessment of the capital improvement needs.

Over the last two months, the SFMTA and Corporation staffs worked together in developing the proposed Operating Budget. The budget development included a careful review of all revenue and expenses for the current year. The projections for the remainder of the current fiscal year and the next two fiscal years considered current economic conditions, seasonality of parking demand, possible rate adjustments, known upcoming events, scheduled salary increases, and associated payroll expenses. The two-year Operating Budget has been reviewed and approved by the Corporation Board.

### **FISCAL YEAR 2009-2010**

A comparison between the approved FY 2009-2010 Operating Budget and the projected FY 2009-2010 performance is shown in the chart below.

	<b>Approved Budget May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved Budget</b>
Gross Revenue	\$8,663,843	\$7,986,437	-8%
Parking Tax	1,590,057	1,513,000	-5%
Expenses	4,329,493	3,826,985	-12%
Net Income to RPD	2,744,293	2,646,452	-4%

For FY 2009-2010, the Corporation anticipates generating \$7,986,437 in gross revenue which is eight percent less than the budgeted amount. The reduced gross revenue is primarily due to the continued sluggish economy, resulting in reduced parking demand at the garage. The July 2009 rate increase and significant expense reductions over the last six months have helped lessen the negative impact on the net income. The Corporation anticipates generating \$2,646,452 in net income to the RPD, which is about four percent below the approved budget.

### **FISCAL YEARS 2010-2011 AND 2011-2012**

Attachment A shows details of the proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012. A high-level summary is provided in the following table:

	<b>Proposed Budget May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected May 1, 2009 to April 30, 2010</b>	<b>Proposed Budget May 1, 2011 to April 30, 2012</b>	<b>% Variance to Proposed May 1, 2010 to April 30, 2011</b>
Gross Revenue	\$8,127,200	2%	\$8,192,218	1%
Parking Tax	1,542,400	2%	1,554,739	1%
Expenses	3,904,362	2%	4,680,232	20%
Net Income to RPD	2,680,438	1%	1,957,246	-27%

## **PAGE 4.**

With a continued soft economy and higher unemployment, the staff does not anticipate any noticeable increase in parking demand during FY 2010-2011. The projected gross revenue is \$8,127,200, which is two percent over the amount anticipated for FY 2009-2010. These projections assume that the parking rates remain unchanged at nearby private facilities, not requiring any downward rate revisions at SFMTA facilities.

Expenditures for FY 2010-2011 are projected at \$3,904,362, which is two percent over the projected amount for FY 2009-2010. Scheduled salary increases and associated payroll costs contribute to this increase. Increases in the garage management fee and in the banking fees related to credit card usage are also included.

For FY 2010-2011, the Corporation anticipates generating \$2,680,438 in net income to the RPD. This amount is one percent more than the amount projected for FY 2009-2010.

For FY 2011-2012, the Corporation anticipates generating \$1,957,246 in net income to the RPD. The decrease in net income is due to major facility improvements scheduled this year. Staff will continue to monitor the garage performance and revise these projections if necessary.

The RPD and the City Attorney have reviewed this report.

## **FUNDING IMPACT**

Approval of this Operating Budget will result in a net income of \$4,637,684 to the RPD during the next two fiscal years.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Uptown Parking Corporation Board of Directors has approved this two-year Operating Budget. Final approval by the Office of the Controller is required.

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the City of San Francisco Uptown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Union Square Garage and authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Uptown Parking Corporation (Corporation) operates the Union Square Garage on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, The San Francisco Recreation and Park Department receives 100 percent of the net revenues after all expenses are paid; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors and to the Office of the Controller for review and final approval; and,

WHEREAS, The Corporation has submitted its Fiscal Years 2010-2011 and 2011-2012 Operating Budget to the SFMTA Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Charter Section 8A.106 for this even-numbered year; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year; and,

WHEREAS, The SFMTA Board of Directors has reviewed the Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the City of San Francisco Uptown Parking Corporation Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Union Square Garage; and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

## Attachment A

### Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Union Square Garage

	Approved May 1, 2009 to April 30, 2010	Projected May 1, 2009 to April 30, 2010	% Variance to Approved	Proposed May 1, 2010 to April 30, 2011	% Variance to Projected	Proposed May 1, 2011 to April 30, 2012	% Variance to Proposed
<b>REVENUE*</b>							
Transient Revenue	\$7,950,790	\$7,441,447	-6%	\$7,586,000	2%	\$7,646,688	1%
Monthly Parking	535,323	533,990	<1%	535,200	<1%	539,482	1%
Miscellaneous Parking Revenue	9,480	0	-100%	0	0%	0	0%
Non-Parking Revenue	42,000	11,000	-74%	6,000	-45%	6,048	1%
Corporate Income	126,250	0	-100%	0	0%	0	0%
<b>Gross Revenue</b>	<b>8,663,843</b>	<b>7,986,437</b>	<b>-8%</b>	<b>8,127,200</b>	<b>2%</b>	<b>8,192,218</b>	<b>1%</b>
Parking Tax	-1,590,057	-1,513,000	-5%	-1,542,400	2%	-1,554,739	1%
Net Revenue	7,073,786	6,473,437	-8%	6,584,800	2%	6,637,478	1%
<b>EXPENSES</b>							
Personnel Cost	693,155	631,786	-9%	680,116	8%	700,520	3%
Payroll Expense	337,335	283,303	-16%	328,940	16%	331,571	1%
Utilities	277,365	349,328	26%	268,600	-23%	270,749	1%
Services**	814,477	768,481	-6%	812,290	6%	818,788	1%
Supplies	200,934	134,184	-33%	181,800	35%	183,254	1%
Other Costs	18,525	13,575	-27%	114,600	744%	115,517	1%
Garage Management	86,200	50,000	-42%	48,668	-3%	48,000	-1%
Facility Improvement	484,287	145,000	-70%	60,000	-59%	800,000	1233%
Corporate Expenses**	1,417,215	1,451,329	2%	1,409,348	-3%	1,411,833	<1%
<b>Total Expenses</b>	<b>4,329,493</b>	<b>3,826,985</b>	<b>-12%</b>	<b>3,904,362</b>	<b>2%</b>	<b>4,680,232</b>	<b>20%</b>
<b>Net Income to RPD</b>	<b>2,744,293</b>	<b>2,646,452</b>	<b>-4%</b>	<b>2,680,438</b>	<b>1%</b>	<b>1,957,246</b>	<b>-27%</b>

< means less than

\* See other side for Glossary of Terms

\*\* Includes a total of \$56,320 in legal expenses (under Services = \$15,000 for FY 2010-2011 and \$15,120 for FY 2011-2012; and Corporate Expenses = \$13,000 for FY 2010-2011 and \$13,200 for FY 2011-2012)

## Attachment A (continued)

### Glossary of Terms

Term	Description
<b>REVENUE</b>	
Transient Revenue	Revenue generated from short-term parking ranging from a few minutes to a few days.
Monthly Parking	Revenue generated from monthly parking patrons.
Miscellaneous Parking Revenue	Fees and penalties paid for account activations, late payments, and garage re-openings.
Non-Parking Revenue	Revenue generated from retail leases, ATM and vending machine agreements and advertising.
Corporate Income	Income from corporate investing activities.
<b>Gross Revenue</b>	Revenue from ALL sources.
Parking Tax	25% tax is added to all parking garage rates.
<b>Net Revenue</b>	Gross revenue minus parking tax.
<b>EXPENSES</b>	
Personnel Cost	All gross payroll expenses inclusive of vacation, holiday and sick pays.
Payroll Expense	All payroll related taxes, employee insurance premiums and retirement payments.
Utilities	Expenses for gas, electric, water, sewer, telephone, internet, refuse disposal, etc.
Services	Fees paid for contractual security and janitorial, armored transport, uniform cleaning, liability insurance, garage audit services, credit card fees, legal services, etc.
Supplies	Expenses for repairs and maintenance, parking supplies, such as tickets and office supplies.
Other Costs	This includes taxes and licenses, marketing, dues and subscriptions, memberships and community benefit programs.
Garage Management	Expenses for the management and incentive fees paid to the facility operators as outlined in their board approved operating agreements.
Facility Improvement	Specific to Union Square; planned costs for the improvement and repair of the facility.
Corporate Expenses	Expenses for the management and repayment of bonds used to fund the construction of the garage, as well as legal fees related to the management of garage retail lease agreements.
<b>Total Expenses</b>	Includes ALL expenses.
<b>Capital Reserve</b>	A portion of the total net income dedicated to facility improvement and major repairs as outlined in the facility specific lease agreements. Each agreement specifies the percent of net income dedicated to this reserve and the cap after which all revenues flow to the SFMTA or the RPD.
<b>Net Income to SFMTA / RPD</b>	Total income to the SFMTA or the RPD after capital reserve requirements has been satisfied.



**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Approve the City of San Francisco Uptown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Sutter-Stockton Garage and authorize the San Francisco Municipal Transportation Agency (SFMTA) Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- Under an agreement executed in May 1959, the City of San Francisco Uptown Parking Corporation (Corporation) leases the Sutter-Stockton Garage from the City and County of San Francisco.
- The SFMTA provides general oversight and policy direction while the Corporation manages the day-to-day operation of the garage. The SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and by the Office of the Controller.
- The Off-Street Parking staff formulated a uniform, two-year budget submittal package that uses industry best practices. The budget development process included line-item review, historical-trend analysis, data-driven forecasting, discussions with the Corporation's Facility Manager and approval by the Corporation Board of Directors.
- The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.
- The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Attachment A: Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Sutter-Stockton Garage

**APPROVALS:**

	<b>DATE</b>
DIRECTOR OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION BE RETURNED TO Amit Kothari

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

The purpose of this report is to seek the SFMTA Board of Directors approval of the City of San Francisco Uptown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Sutter-Stockton Garage and to authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

### **GOAL**

This action is consistent with the SFMTA 2008-2012 Strategic Plan.

- Goal 2: System Performance – To get customers where they want to go, when they want to be there  
Objective 2.5: Manage parking supply to align with SFMTA and community goals
- Goal 3: External Affairs/Community Relations – To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is the leader in the industry  
Objective 3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
- Goal 4: Financial Capacity – To ensure financial stability and effective resource utilization  
Objective 4.1: Increase revenue by 20% or more by 2012 by improving collections and identifying new sources  
Objective 4.2: Ensure efficient and effective use of resources

### **DESCRIPTION**

The Sutter-Stockton Garage is located at 444 Sutter Street. It provides 1,870 parking spaces and over 27,000 square feet of retail space.

Through an agreement executed in May 1959, the City of San Francisco Uptown Parking Corporation (Corporation) leases the garage from the City and County of San Francisco. The Corporation contracts with a professional parking operator for the day-to-day operation and management of the garage, while the SFMTA provides general oversight and policy direction.

Under the lease agreement, the SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund. If the capital improvement fund balance exceeds \$2,000,000 at the end of the Corporation's fiscal year, the excess funds are forwarded to the SFMTA.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for the review and approval by the SFMTA Board of Directors and by the Office of the Controller. The SFMTA's Off-Street Parking staff formulated a uniform, two-year budget submittal package for use by all garages, establishing a consistent and effective budget development, review and approval process. This process also incorporated recommendations outlined in the Chance Management Report and industry best practices.

### **PAGE 3.**

The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (specifically, Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year. The Corporation's fiscal year ends April 30 to provide adequate time to complete a year-end audit and to transfer net income to the City before the close of the City's fiscal year. Major capital improvement requests have been deferred until the SFMTA completes an overall assessment of the capital improvement needs.

Over the last two months, the SFMTA and Corporation staffs worked together in developing the proposed Operating Budget. The budget development included a careful review of all revenue and expenses for the current year. The projections for the remainder of the current fiscal year and the next two fiscal years considered current economic conditions, seasonality of parking demand, possible rate adjustments, known upcoming events, scheduled salary increases, and associated payroll expenses. The two-year Operating Budget has been reviewed and approved by the Corporation Board.

### **FISCAL YEAR 2009-2010**

A comparison between the approved FY 2009-2010 Operating Budget and the projected FY 2009-2010 performance is shown in the chart below.

	<b>Approved Budget May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved Budget</b>
Gross Revenue	\$13,072,014	\$11,829,484	-10%
Parking Tax	2,329,650	2,176,000	-7%
Expenses	2,384,202	2,349,080	-1%
Capital Reserve (15%)	1,253,724	1,095,661	-13%
Net Income to SFMTA (85%)	7,104,438	6,208,744	-13%

For FY 2009-2010, the Corporation anticipates generating \$11,829,484 in gross revenue which is 10 percent less than the budgeted amount. The reduced gross revenue is primarily due to the continued sluggish economy, resulting in reduced parking demand at the garage. The July 2009 rate increase and significant expense reductions over the last six months have helped lessen the negative impact on the net income. The Corporation anticipates generating \$6,208,744 in net income to the SFMTA, which is about 13 percent below the approved budget.

### **FISCAL YEARS 2010-2011 AND 2011-2012**

Attachment A shows details of the proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012. A high-level summary is provided in the following table:

	<b>Proposed Budget May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected May 1, 2009 to April 30, 2010</b>	<b>Proposed Budget May 1, 2011 to April 30, 2012</b>	<b>% Variance to Proposed May 1, 2010 to April 30, 2011</b>
Gross Revenue	\$11,892,170	1%	\$11,987,307	1%
Parking Tax	2,216,594	2%	2,216,785	<1%
Expenses	2,349,448	<1%	2,386,346	2%
Capital Reserve (15%)	1,098,919	<1%	1,107,626	1%
Net Income to SFMTA	6,227,209	<1%	6,276,550	1%

< means less than

With a continued soft economy and higher unemployment, the staff does not anticipate any noticeable increase in parking demand during FY 2010-2011. The projected gross revenue is \$11,892,170, which is one percent over the amount anticipated for FY 2009-2010. These projections assume that the parking rates remain unchanged at nearby private facilities, not requiring any downward rate revisions at SFMTA facilities.

Expenditures for FY 2010-2011 are projected at \$2,349,448, which is less than one percent over the projected amount for FY 2009-2010. Scheduled salary increases and associated payroll costs contribute to this increase. Increases in the garage management fee and in the banking fees related to credit card usage are also included.

For FY 2010-2011, the Corporation anticipates generating \$6,227,209 in net income for the SFMTA. This amount is \$18,465 (less than one percent) over the amount projected for FY 2009-2010.

For FY 2011-2012, the staff anticipates garage performance to be in line with FY 2010-2011, generating \$6,276,550 in net income for the SFMTA. Staff will continue to monitor the garage performance and revise these projections if necessary.

The City Attorney has reviewed this report.

## **FUNDING IMPACT**

Approval of this Operating Budget will result in a net income of \$12,503,759 to the SFMTA during the next two fiscal years. Appropriate net revenues are included in the SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Uptown Parking Corporation Board of Directors has approved this two-year Operating Budget. Final approval by the Office of the Controller is required.

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the City of San Francisco Uptown Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Sutter-Stockton Garage and authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Uptown Parking Corporation (Corporation) operates the Sutter-Stockton Garage on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors and to the Office of the Controller for review and final approval; and,

WHEREAS, The Corporation has submitted its Fiscal Years 2010-2011 and 2011-2012 Operating Budget to the SFMTA Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Charter Section 8A.106 for this even-numbered year; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year; and,

WHEREAS, The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage; and,

WHEREAS, The SFMTA Board of Directors has reviewed the Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the City of San Francisco Uptown Parking Corporation Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Sutter-Stockton Garage; and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

## Attachment A

### Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Sutter-Stockton Garage

	Approved May 1, 2009 to April 30, 2010	Projected May 1, 2009 to April 30, 2010	% Variance to Approved	Proposed May 1, 2010 to April 30, 2011	% Variance to Projected	Proposed May 1, 2011 to April 30, 2012	% Variance to Proposed
<b>REVENUE*</b>							
Transient Revenue	\$10,671,800	\$9,944,484	-7%	\$9,877,000	-1%	\$9,956,016	1%
Monthly Parking	1,030,048	960,000	-7%	1,004,170	5%	1,012,203	1%
Miscellaneous Parking Revenue	18,666	15,000	-20%	0	-100%	0	0%
Non-Parking Revenue	1,045,500	910,000	-13%	1,011,000	11%	1,019,088	1%
<b>Gross Revenue</b>	<b>13,072,014</b>	<b>11,829,484</b>	<b>-10%</b>	<b>11,892,170</b>	<b>1%</b>	<b>11,987,307</b>	<b>1%</b>
Parking Tax	-2,329,650	-2,176,000	-7%	-2,216,594	2%	-2,216,785	<1%
<b>Net Revenue</b>	<b>10,742,364</b>	<b>9,653,484</b>	<b>-10%</b>	<b>9,675,576</b>	<b>&lt;1%</b>	<b>9,770,522</b>	<b>1%</b>
<b>EXPENSES</b>							
Personnel	726,364	687,348	-5%	703,058	2%	720,388	2%
Payroll	331,209	319,892	-3%	300,795	-6%	303,202	1%
Utilities	270,407	285,201	5%	256,200	-10%	258,250	1%
Services**	692,562	764,086	10%	735,360	-4%	741,243	1%
Supplies	229,085	215,000	-6%	202,800	-6%	204,422	1%
Other Costs	21,735	20,994	-3%	86,400	312%	87,091	1%
Garage Management	87,100	35,000	-60%	45,334	30%	50,000	10%
Corporate Expenses**	25,740	21,558	-16%	19,500	-10%	21,750	12%
<b>Total Expenses</b>	<b>2,384,202</b>	<b>2,349,080</b>	<b>-1%</b>	<b>2,349,448</b>	<b>&lt;1%</b>	<b>2,386,346</b>	<b>2%</b>
<b>Net Income</b>	<b>8,358,162</b>	<b>7,304,405</b>	<b>-13%</b>	<b>7,326,129</b>	<b>&lt;1%</b>	<b>7,384,176</b>	<b>1%</b>
Capital Reserve (15%)	1,253,724	1,095,661	-13%	1,098,919	<1%	1,107,626	1%
<b>Income to SFMTA (85%)</b>	<b>7,104,438</b>	<b>6,208,744</b>	<b>-13%</b>	<b>6,227,209</b>	<b>&lt;1%</b>	<b>6,276,550</b>	<b>1%</b>

< means less than

\* See other side for Glossary of Terms

\*\* Includes a total of \$98,288 in legal expenses (under Services = \$36,000 for FY 2010-2011 and \$36,288 for FY 2011-2012; and Corporate Expenses = \$12,000 for FY 2010-2011 and \$14,000 for FY 2011-2012)

## Attachment A (continued)

### Glossary of Terms

Term	Description
<b>REVENUE</b>	
Transient Revenue	Revenue generated from short-term parking ranging from a few minutes to a few days.
Monthly Parking	Revenue generated from monthly parking patrons.
Miscellaneous Parking Revenue	Fees and penalties paid for account activations, late payments, and garage re-openings.
Non-Parking Revenue	Revenue generated from retail leases, ATM and vending machine agreements and advertising.
Corporate Income	Income from corporate investing activities.
<b>Gross Revenue</b>	Revenue from ALL sources.
Parking Tax	25% tax is added to all parking garage rates.
<b>Net Revenue</b>	Gross revenue minus parking tax.
<b>EXPENSES</b>	
Personnel Cost	All gross payroll expenses inclusive of vacation, holiday and sick pays.
Payroll Expense	All payroll related taxes, employee insurance premiums and retirement payments.
Utilities	Expenses for gas, electric, water, sewer, telephone, internet, refuse disposal, etc.
Services	Fees paid for contractual security and janitorial, armored transport, uniform cleaning, liability insurance, garage audit services, credit card fees, legal services, etc.
Supplies	Expenses for repairs and maintenance, parking supplies, such as tickets and office supplies.
Other Costs	This includes taxes and licenses, marketing, dues and subscriptions, memberships and community benefit programs.
Garage Management	Expenses for the management and incentive fees paid to the facility operators as outlined in their board approved operating agreements.
Facility Improvement	Specific to Union Square; planned costs for the improvement and repair of the facility.
Corporate Expenses	Expenses for the management and repayment of bonds used to fund the construction of the garage, as well as legal fees related to the management of garage retail lease agreements.
<b>Total Expenses</b>	Includes ALL expenses.
<b>Capital Reserve</b>	A portion of the total net income dedicated to facility improvement and major repairs as outlined in the facility specific lease agreements. Each agreement specifies the percent of net income dedicated to this reserve and the cap after which all revenues flow to the SFMTA or the RPD.
<b>Net Income to SFMTA / RPD</b>	Total income to the SFMTA or the RPD after capital reserve requirements has been satisfied.

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Approve the City of San Francisco Ellis-O'Farrell Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Ellis-O'Farrell Garage and authorize the San Francisco Municipal Transportation Agency (SFMTA) Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- Under an agreement executed in June 1991, the City of San Francisco Ellis-O'Farrell Parking Corporation (Corporation) leases the Ellis-O'Farrell Garage from the City and County of San Francisco.
- The SFMTA provides general oversight and policy direction while the Corporation manages the day-to-day operation of the garage. The SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and by the Office of the Controller.
- The Off-Street Parking staff formulated a uniform, two-year budget submittal package that uses industry best practices. The budget development process included line-item review, historical-trend analysis, data-driven forecasting, discussions with the Corporation's Facility Manager and approval by the Corporation Board of Directors.
- The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.
- The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Attachment A: Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Ellis-O'Farrell Garage

**APPROVALS:**

	<b>DATE</b>
DIRECTOR OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION BE RETURNED TO Amit Kothari

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_



## **PAGE 2.**

### **PURPOSE**

The purpose of this report is to seek the SFMTA Board of Directors approval of the City of San Francisco Ellis-O'Farrell Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Ellis-O'Farrell Garage and to authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

### **GOAL**

This action is consistent with the SFMTA 2008-2012 Strategic Plan.

- Goal 2: System Performance – To get customers where they want to go, when they want to be there  
Objective 2.5: Manage parking supply to align with SFMTA and community goals
- Goal 3: External Affairs/Community Relations – To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is the leader in the industry  
Objective 3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
- Goal 4: Financial Capacity – To ensure financial stability and effective resource utilization  
Objective 4.1: Increase revenue by 20% or more by 2012 by improving collections and identifying new sources  
Objective 4.2: Ensure efficient and effective use of resources

### **DESCRIPTION**

The Ellis-O'Farrell Garage is located at 123 O'Farrell Street between Stockton and Powell Streets. It provides 925 parking spaces and nearly 11,000 square feet of retail space.

Through an agreement executed in June 1991, the City of San Francisco Ellis-O'Farrell Corporation (Corporation) leases the garage from the City and County of San Francisco. The Corporation contracts with a professional parking operator for the day-to-day operation and management of the garage, while the SFMTA provides general oversight and policy direction.

Under the lease agreement, the SFMTA receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund. If the capital improvement fund balance exceeds \$500,000 at the end of the Corporation's fiscal year, the excess funds are forwarded to the SFMTA.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for the review and approval by the SFMTA Board of Directors and by the Office of the Controller. The SFMTA's Off-Street Parking staff formulated a uniform, two-year budget submittal package for use by all garages, establishing a consistent and effective budget development, review and approval process. This process also incorporated recommendations outlined in the Chance Management Report and industry best practices.

### PAGE 3.

The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (specifically, Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year. The Corporation's fiscal year ends April 30 to provide adequate time to complete a year-end audit and to transfer net income to the City before the close of the City's fiscal year. Major capital improvement requests have been deferred until the SFMTA completes an overall assessment of the capital improvement needs.

Over the last two months, the SFMTA and Corporation staffs worked together in developing the proposed Operating Budget. The budget development included a careful review of all revenue and expenses for the current year. The projections for the remainder of the current fiscal year and the next two fiscal years considered current economic conditions, seasonality of parking demand, possible rate adjustments, known upcoming events, scheduled salary increases and associated payroll expenses. The two-year Operating Budget has been reviewed and approved by the Corporation Board.

### FISCAL YEAR 2009-2010

A comparison between the approved FY 2009-2010 Operating Budget and the projected FY 2009-2010 performance is shown in the chart below.

	<b>Approved Budget May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved Budget</b>
Gross Revenue	\$7,741,757	\$6,689,379	-14%
Parking Tax	1,338,067	1,143,512	-15%
Expenses	4,523,823	3,831,641	-15%
Net Income to SFMTA	1,597,887	1,457,092	-9%

For FY 2009-2010, the Corporation anticipates generating \$6,689,379 in gross revenue which is 14 percent less than the budgeted amount. The reduced gross revenue is primarily due to the continued sluggish economy, resulting in reduced parking demand at the garage. The July 2009 rate increase and significant expense reductions over the last six months have helped lessen the negative impact on the net income. The Corporation anticipates generating \$1,457,092 in net income to the SFMTA, which is about nine percent below the approved budget.

### FISCAL YEARS 2010-2011 AND 2011-2012

Attachment A shows details of the proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012. A high-level summary is provided in the following table:

	<b>Proposed Budget May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected May 1, 2009 to April 30, 2010</b>	<b>Proposed Budget May 1, 2011 to April 30, 2012</b>	<b>% Variance To Proposed May 1, 2010 to April 30, 2011</b>
Gross Revenue	\$6,712,512	<1%	\$6,758,240	1%
Parking Tax	1,143,200	<1%	1,152,346	1%
Expenses	3,764,784	-2%	3,794,984	<1%
Net Income to SFMTA	1,533,849	5%	1,539,273	<1%

< means less than

## **PAGE 4.**

With a continued soft economy and higher unemployment, the staff does not anticipate any noticeable increase in parking demand during FY 2010-2011. The projected gross revenue is \$6,712,512, which is less than one percent over the amount projected for FY 2009-2010. These projections assume that the parking rates remain unchanged at nearby private facilities, not requiring any downward rate revisions at SFMTA facilities.

Expenditures for FY 2010-2011 are projected at \$3,764,784, which is \$66,857 (two percent) less than the projected amount for FY 2009-2010. This decrease is primarily due to cost-reduction strategies developed by the SFMTA and expected to be implemented by the Ellis-O'Farrell Parking Corporation over the coming months.

For FY 2010-2011, the Corporation anticipates generating \$1,533,849 in net income for the SFMTA. This amount is \$76,757 (five percent) more than the amount projected for FY 2009-2010.

For FY 2011-2012, the staff anticipates garage performance to be in line with FY 2010-2011, generating \$1,539,273 in net income for the SFMTA. Staff will continue to monitor the garage performance and revise these projections if necessary.

The City Attorney has reviewed this report.

## **FUNDING IMPACT**

Approval of this Operating Budget will result in a net income of \$3,073,122 to the SFMTA during the next two fiscal years. Appropriate net revenues are included in the SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Ellis-O'Farrell Parking Corporation Board of Directors has approved this two-year Operating Budget. Final approval by the Office of the Controller is required.

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the City of San Francisco Ellis-O'Farrell Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Ellis-O'Farrell Garage and authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Ellis-O'Farrell Parking Corporation (Corporation) operates the Ellis-O'Farrell Garage on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors and to the Office of the Controller for review and final approval; and,

WHEREAS, The Corporation has submitted its Fiscal Years 2010-2011 and 2011-2012 Operating Budget to the SFMTA Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Charter Section 8A.106 for this even-numbered year; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year; and,

WHEREAS, The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage; and,

WHEREAS, The SFMTA Board of Directors has reviewed the Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the City of San Francisco Ellis-O'Farrell Parking Corporation Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Ellis-O'Farrell Garage; and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

## Attachment A

### Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Ellis-O'Farrell Garage

	Approved May 1, 2009 to April 30, 2010	Projected May 1, 2009 to April 30, 2010	% Variance to Approved	Proposed May 1, 2010 to April 30, 2011	% Variance to Projected	Proposed May 1, 2011 to April 30, 2012	% Variance to Proposed
<b>REVENUE*</b>							
Transient Revenue	\$5,709,983	\$4,931,455	-14%	\$4,930,000	<1%	\$4,969,440	1%
Monthly Revenue	985,350	786,093	-20%	786,000	<1%	792,288	1%
Non-Parking Revenue	855,803	970,715	13%	995,312	3%	995,312	<1%
Corporate Income	190,621	1,116	-99%	1,200	8%	1,200	<1%
<b>Gross Revenue</b>	<b>7,741,757</b>	<b>6,689,379</b>	<b>-14%</b>	<b>6,712,512</b>	<b>&lt;1%</b>	<b>6,758,240</b>	<b>1%</b>
Parking Tax	-1,338,067	-1,143,512	-15%	-1,143,200	<1%	-1,152,346	1%
<b>Net Revenue</b>	<b>6,403,690</b>	<b>5,545,867</b>	<b>-13%</b>	<b>5,569,312</b>	<b>&lt;1%</b>	<b>5,605,894</b>	<b>1%</b>
<b>EXPENSES</b>							
Personnel Cost	2,095,026	1,688,366	-19%	1,628,259	-4%	1,646,230	1%
Payroll Expense	1,086,136	933,608	-14%	901,563	-3%	908,776	1%
Utilities	137,174	139,890	2%	140,990	1%	141,118	1%
Services**	295,237	276,898	-6%	269,587	-3%	271,743	1%
Supplies	164,674	121,164	-26%	115,000	-5%	113,904	-1%
Other Costs	37,200	19,373	-48%	20,000	3%	20,160	1%
Garage Management	71,070	39,997	-44%	60,000	50%	60,480	1%
Corporate Expenses**	637,306	612,345	-4%	629,385	3%	631,573	<1%
<b>Total Expenses</b>	<b>4,523,823</b>	<b>3,831,641</b>	<b>-15%</b>	<b>3,764,784</b>	<b>-2%</b>	<b>3,794,984</b>	<b>1%</b>
<b>Net Income</b>	<b>1,879,867</b>	<b>1,714,226</b>	<b>-9%</b>	<b>1,804,528</b>	<b>5%</b>	<b>1,810,910</b>	<b>&lt;1%</b>
Capital Reserve (15%)	281,980	257,134	-9%	270,679	5%	271,637	<1%
<b>Income to SFMTA (85%)</b>	<b>1,597,887</b>	<b>1,457,092</b>	<b>-9%</b>	<b>1,533,849</b>	<b>5%</b>	<b>1,539,273</b>	<b>&lt;1%</b>

< means less than

\* See other side for Glossary of Terms

\*\* Includes a total of \$69,300 in legal expenses (under Services = \$10,000 for FY 2010-2011 and \$10,800 for FY 2011-2012; and Corporate Expenses = \$24,500 for FY 2010-2011 and \$24,000 for FY 2011-2012).

## Attachment A (continued)

### Glossary of Terms

Term	Description
<b>REVENUE</b>	
Transient Revenue	Revenue generated from short-term parking ranging from a few minutes to a few days.
Monthly Parking	Revenue generated from monthly parking patrons.
Miscellaneous Parking Revenue	Fees and penalties paid for account activations, late payments, and garage re-openings.
Non-Parking Revenue	Revenue generated from retail leases, ATM and vending machine agreements and advertising.
Corporate Income	Income from corporate investing activities.
<b>Gross Revenue</b>	Revenue from ALL sources.
Parking Tax	25% tax is added to all parking garage rates.
<b>Net Revenue</b>	Gross revenue minus parking tax.
<b>EXPENSES</b>	
Personnel Cost	All gross payroll expenses inclusive of vacation, holiday and sick pays.
Payroll Expense	All payroll related taxes, employee insurance premiums and retirement payments.
Utilities	Expenses for gas, electric, water, sewer, telephone, internet, refuse disposal, etc.
Services	Fees paid for contractual security and janitorial, armored transport, uniform cleaning, liability insurance, garage audit services, credit card fees, legal services, etc.
Supplies	Expenses for repairs and maintenance, parking supplies, such as tickets and office supplies.
Other Costs	This includes taxes and licenses, marketing, dues and subscriptions, memberships and community benefit programs.
Garage Management	Expenses for the management and incentive fees paid to the facility operators as outlined in their board approved operating agreements.
Facility Improvement	Specific to Union Square; planned costs for the improvement and repair of the facility.
Corporate Expenses	Expenses for the management and repayment of bonds used to fund the construction of the garage, as well as legal fees related to the management of garage retail lease agreements.
<b>Total Expenses</b>	Includes ALL expenses.
<b>Capital Reserve</b>	A portion of the total net income dedicated to facility improvement and major repairs as outlined in the facility specific lease agreements. Each agreement specifies the percent of net income dedicated to this reserve and the cap after which all revenues flow to the SFMTA or the RPD.
<b>Net Income to SFMTA / RPD</b>	Total income to the SFMTA or the RPD after capital reserve requirements has been satisfied.

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Approve the City of San Francisco Japan Center Garage Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Japan Center Garage and authorize the San Francisco Municipal Transportation Agency (SFMTA) Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- Under an agreement executed in July 2002, the City of San Francisco Japan Center Garage Corporation (Corporation) leases the Japan Center Garage from the City and County of San Francisco.
- The SFMTA provides general oversight and policy direction while the Corporation manages the day-to-day operation of the garage. The SFMTA receives 75 percent of the net income and the Corporation retains 25 percent in the Corporation's capital improvement fund.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and by the Office of the Controller.
- The Off-Street Parking staff formulated a uniform, two-year budget submittal package that uses industry best practices. The budget development process included line-item review, historical-trend analysis, data-driven forecasting, discussions with the Corporation's Facility Manager and approval by the Corporation Board of Directors.
- The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.
- The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Attachment A: Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Japan Center Garage

**APPROVALS:**

	<b>DATE</b>
DIRECTOR OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION BE RETURNED TO Amit Kothari

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

The purpose of this report is to seek the SFMTA Board of Directors approval of the City of San Francisco Japan Center Garage Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Japan Center Garage and to authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

### **GOAL**

This action is consistent with the SFMTA 2008-2012 Strategic Plan.

- Goal 2: System Performance – To get customers where they want to go, when they want to be there  
Objective 2.5: Manage parking supply to align with SFMTA and community goals
- Goal 3: External Affairs/Community Relations – To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is the leader in the industry  
Objective 3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
- Goal 4: Financial Capacity – To ensure financial stability and effective resource utilization  
Objective 4.1: Increase revenue by 20% or more by 2012 by improving collections and identifying new sources  
Objective 4.2: Ensure efficient and effective use of resources

### **DESCRIPTION**

The Japan Center Garage is located at 1610 Geary Boulevard and provides 920 parking spaces. Through an agreement executed in July 2002, the City of San Francisco Japan Center Garage Corporation (Corporation) leases the garage from the City and County of San Francisco. The Corporation contracts with a professional parking operator for the day-to-day operation and management of the garage, while the SFMTA provides general oversight and policy direction.

Under the lease agreement, the SFMTA receives 75 percent of the net income and the Corporation retains 25 percent in the Corporation's capital improvement fund. If the capital improvement fund balance exceeds \$2,000,000 at the end of the Corporation's fiscal year, the excess funds are forwarded to the SFMTA.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for the review and approval by the SFMTA Board of Directors and by the Office of the Controller. The SFMTA's Off-Street Parking staff formulated a uniform, two-year budget submittal package for use by all garages, establishing a consistent and effective budget development, review and approval process. This process also incorporated recommendations outlined in the Chance Management Report and industry best practices.

The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (specifically, Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.



### PAGE 3.

The Corporation's fiscal year ends April 30 to provide adequate time to complete a year-end audit and to transfer net income to the City before the close of the City's fiscal year. Major capital improvement requests have been deferred until the SFMTA completes an overall assessment of the capital improvement needs.

Over the last two months, the SFMTA and Corporation staffs have worked together in developing the proposed Operating Budget. The budget development included a careful review of all revenue and expenses for the current year. The projections for the remainder of the current fiscal year and the next two fiscal years considered current economic conditions, seasonality of parking demand, possible rate adjustments, known upcoming events, scheduled salary increases, and associated payroll expenses. The two-year Operating Budget has been reviewed and approved by the Corporation Board.

### FISCAL YEAR 2009-2010

A comparison between the approved FY 2009-2010 Operating Budget and the projected FY 2009-2010 performance is shown in the chart below.

	<b>Approved Budget May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved Budget</b>
Gross Revenue	\$3,887,596	\$4,331,710	11%
Parking Tax	770,419	859,381	12%
Expenses	1,707,658	1,605,231	-6%
Net Income to SFMTA	1,057,139	1,400,324	32%

For FY 2009-2010, the Corporation anticipates generating \$4,331,710 in gross revenue which is 11 percent over the budgeted amount. The gross revenue has increased despite the continued sluggish economy because the parking demand has not been impacted at the garage. The July 2009 rate increase and significant expense reductions, including the elimination of 2.5 administrative staff positions, over the last six months have also helped to increase net income. The Corporation anticipates generating \$1,400,324 in net income to the SFMTA, which is about 32 percent above the approved budget.

### FISCAL YEARS 2010-2011 AND 2011-2012

Attachment A shows details of the proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012. A high-level summary is provided in the following table:

	<b>Proposed Budget May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected May 1, 2009 to April 30, 2010</b>	<b>Proposed Budget May 1, 2011 to April 30, 2012</b>	<b>% Variance to Proposed May 1, 2010 to April 30, 2011</b>
Gross Revenue	\$4,292,293	-1%	\$4,274,793	<1%
Parking Tax	849,502	-1%	849,181	<1%
Expenses	1,563,413	-3%	1,571,552	1%
Net Income to SFMTA	1,409,909	1%	1,390,545	-1%

< means less than

## **PAGE 4.**

With a continued soft economy and higher unemployment, the staff does not anticipate any noticeable increase in parking demand during FY 2010-2011. The projected gross revenue is \$4,292,293, which is one percent under the amount projected for FY 2009-2010. These projections assume that the parking rates remain unchanged at nearby private facilities, not requiring any downward rate revisions at SFMTA facilities.

Expenditures for FY 2010-2011 are projected at \$1,563,413, which is \$41,818 (three percent) under the projected amount for FY 2009-2010 based on one-time legal expenses in FY 2009-2010 account for this variance.

For FY 2010-2011, the Corporation anticipates generating \$1,409,909 in net income for the SFMTA. This amount is \$9,585 (one percent) over the amount projected for FY 2009-2010.

For FY 2011-2012, the staff anticipates garage performance to be in line with FY 2010-2011, generating \$1,390,545 in net income for the SFMTA. Staff will continue to monitor the garage performance and revise these projections if necessary.

The City Attorney has reviewed this report.

## **FUNDING IMPACT**

Approval of this Operating Budget will result in a net income of \$2,800,454 to the SFMTA during the next two fiscal years. Appropriate net revenues are included in the SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012.

## **OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Japan Center Garage Corporation Board of Directors has approved this two-year Operating Budget. Final approval by the Office of the Controller is required.

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the City of San Francisco Japan Center Garage Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Japan Center Garage and authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Japan Center Garage Corporation (Corporation) operates the Japan Center Garage on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors and to the Office of the Controller for review and final approval; and,

WHEREAS, The Corporation has submitted its Fiscal Years 2010-2011 and 2011-2012 Operating Budget to the SFMTA Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Charter Section 8A.106 for this even-numbered year; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year; and,

WHEREAS, The SFMTA's proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012 includes net revenues generated by this garage; and,

WHEREAS, The SFMTA Board of Directors has reviewed the Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the City of San Francisco Japan Center Garage Corporation Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Japan Center Garage; and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

## Attachment A

### Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Japan Center Garage

	<b>Approved May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved</b>	<b>Proposed May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected</b>	<b>Proposed May 1, 2011 to April 30, 2012</b>	<b>% Variance to Proposed</b>
<b>REVENUE*</b>							
Transient Revenue	\$2,444,496	\$2,762,712	13%	\$2,775,480	<1%	\$2,769,984	<1%
Monthly Parking	1,407,600	1,534,193	9%	1,472,032	-4%	1,469,117	<1%
Miscellaneous Parking Revenue	0	0	0%	9,191	100%	6,804	100%
Non-Parking Revenue	31,500	33,120	5%	34,090	3%	34,192	<1%
Corporate Income	4,000	1,685	-58%	1,500	-11%	1,500	<1% %
<b>Gross Revenue</b>	<b>3,887,596</b>	<b>4,331,710</b>	<b>11%</b>	<b>4,292,293</b>	<b>-1%</b>	<b>4,274,793</b>	<b>&lt;1%</b>
Parking Tax	-770,419	-859,381	12%	-849,502	-1%	-849,181	<1%
<b>Net Revenue</b>	<b>3,117,177</b>	<b>3,472,329</b>	<b>11%</b>	<b>3,442,791</b>	<b>-1%</b>	<b>3,425,612</b>	<b>&lt;1%</b>
<b>EXPENSES</b>							
Personnel Cost	765,819	689,759	-10%	684,160	-1%	697,309	2%
Payroll Expense	343,748	322,351	-6%	320,176	-1%	326,279	2%
Utilities	101,870	96,025	-6%	108,108	13%	108,973	1%
Services **	290,483	287,292	-1%	259,904	-10%	267,587	3%
Supplies	95,861	110,067	15%	87,000	-21%	87,696	1%
Other Costs	36,741	25,632	-30%	26,000	1%	26,208	1%
Garage Management	51,736	38,214	-26%	58,065	52%	37,350	-36%
Corporate Expenses **	21,400	35,891	68%	20,000	-44%	20,150	1%
<b>Total Expenses</b>	<b>1,707,658</b>	<b>1,605,231</b>	<b>-6%</b>	<b>1,563,413</b>	<b>-2%</b>	<b>1,571,552</b>	<b>1%</b>
<b>Net Income</b>	<b>1,409,519</b>	<b>1,867,099</b>	<b>32%</b>	<b>1,879,378</b>	<b>1%</b>	<b>1,854,060</b>	<b>-1%</b>
Capital Reserve (25%)	352,380	466,775	32%	469,469	1%	463,515	-1%
<b>Income to SFMTA (75%)</b>	<b>1,057,139</b>	<b>1,400,324</b>	<b>32%</b>	<b>1,409,909</b>	<b>1%</b>	<b>1,390,545</b>	<b>-1%</b>

< means less than

\* See other side for Glossary of Terms

\*\* Includes a total of \$50,080 in legal expenses (under Services = \$10,000 for FY 2010-2011 and \$10,080 for FY 2011-2012; and Corporate Expenses = \$15,000 for FY 2010-2011 and \$15,000 for FY 2011-2012)

## Attachment A (continued)

### Glossary of Terms

Term	Description
<b>REVENUE</b>	
Transient Revenue	Revenue generated from short-term parking ranging from a few minutes to a few days.
Monthly Parking	Revenue generated from monthly parking patrons.
Miscellaneous Parking Revenue	Fees and penalties paid for account activations, late payments, and garage re-openings.
Non-Parking Revenue	Revenue generated from retail leases, ATM and vending machine agreements and advertising.
Corporate Income	Income from corporate investing activities.
<b>Gross Revenue</b>	Revenue from ALL sources.
Parking Tax	25% tax is added to all parking garage rates.
<b>Net Revenue</b>	Gross revenue minus parking tax.
<b>EXPENSES</b>	
Personnel Cost	All gross payroll expenses inclusive of vacation, holiday and sick pays.
Payroll Expense	All payroll related taxes, employee insurance premiums and retirement payments.
Utilities	Expenses for gas, electric, water, sewer, telephone, internet, refuse disposal, etc.
Services	Fees paid for contractual security and janitorial, armored transport, uniform cleaning, liability insurance, garage audit services, credit card fees, legal services, etc.
Supplies	Expenses for repairs and maintenance, parking supplies, such as tickets and office supplies.
Other Costs	This includes taxes and licenses, marketing, dues and subscriptions, memberships and community benefit programs.
Garage Management	Expenses for the management and incentive fees paid to the facility operators as outlined in their board approved operating agreements.
Facility Improvement	Specific to Union Square; planned costs for the improvement and repair of the facility.
Corporate Expenses	Expenses for the management and repayment of bonds used to fund the construction of the garage, as well as legal fees related to the management of garage retail lease agreements.
<b>Total Expenses</b>	Includes ALL expenses.
<b>Capital Reserve</b>	A portion of the total net income dedicated to facility improvement and major repairs as outlined in the facility specific lease agreements. Each agreement specifies the percent of net income dedicated to this reserve and the cap after which all revenues flow to the SFMTA or the RPD.
<b>Net Income to SFMTA / RPD</b>	Total income to the SFMTA or the RPD after capital reserve requirements has been satisfied.

**THIS PRINT COVERS CALENDAR ITEM NO. :**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Sustainable Streets

**BRIEF DESCRIPTION:**

Approve the City of San Francisco Portsmouth Plaza Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Portsmouth Square Garage and authorize the San Francisco Municipal Transportation Agency (SFMTA) Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

**SUMMARY:**

- Under an agreement executed in March 1960, the City of San Francisco Portsmouth Plaza Parking Corporation (Corporation) leases the Portsmouth Square Garage from the City and County of San Francisco.
- The SFMTA provides general oversight and policy direction while the Corporation manages the day-to-day operation of the garage. The San Francisco Recreation and Park Department (RPD) receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's Capital Fund account.
- Pursuant to the lease, the Corporation is required to submit an annual operating budget for review and approval by the SFMTA Board of Directors and by the Office of the Controller.
- The Off-Street Parking staff formulated a uniform, two-year budget submittal package that uses industry best practices. The budget development process included line-item review, historical-trend analysis, data-driven forecasting, discussions with the Corporation's Facility Operations Manager and approval by the Corporation Board of Directors.
- The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Attachment A: Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Portsmouth Plaza Garage.

**APPROVALS:**

	<b>DATE</b>
DIRECTOR OF DIVISION	
PREPARING ITEM _____	_____
FINANCE _____	_____
EXECUTIVE DIRECTOR/CEO _____	_____
SECRETARY _____	_____

ADOPTED RESOLUTION BE RETURNED TO Amit Kothari

**ASSIGNED SFMTAB CALENDAR DATE:** \_\_\_\_\_

## **PAGE 2.**

### **PURPOSE**

The purpose of this report is to seek the SFMTA Board of Directors approval of the City of San Francisco Portsmouth Plaza Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Portsmouth Square Garage and to authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

### **GOAL**

This action is consistent with the SFMTA 2008-2012 Strategic Plan.

- Goal 2: System Performance – To get customers where they want to go, when they want to be there  
Objective 2.5: Manage parking supply to align with SFMTA and community goals
- Goal 3: External Affairs/Community Relations – To improve the customer experience, community value, and enhance the image of the SFMTA, as well as ensure SFMTA is the leader in the industry  
Objective 3.1: Improve economic vitality by growing relationships with businesses, community, and stakeholder groups
- Goal 4: Financial Capacity – To ensure financial stability and effective resource utilization  
Objective 4.1: Increase revenue by 20% or more by 2012 by improving collections and identifying new sources  
Objective 4.2: Ensure efficient and effective use of resources

### **DESCRIPTION**

The Portsmouth Plaza Garage is located at 733 Kearny Street. It provides 500 parking spaces.

Through an agreement executed in March 1960, the City of San Francisco Portsmouth Plaza Parking Corporation (Corporation) leases the garage from the City and County of San Francisco. For the day-to-day operation and management of the garage, the Corporation hires its own staff instead of contracting with a professional parking operator. The SFMTA provides general oversight and policy direction.

Under the lease agreement, the San Francisco Recreation and Park Department (RPD) receives 85 percent of the net income and the Corporation retains 15 percent in the Corporation's capital improvement fund. If the capital improvement fund balance exceeds \$1,000,000 at the end of the Corporation's fiscal year, the excess funds are forwarded to the RPD.

Pursuant to the lease, the Corporation is required to submit an annual operating budget for the review and approval by the SFMTA Board of Directors and by the Office of the Controller. The SFMTA's Off-Street Parking staff formulated a uniform, two-year budget submittal package for use by all garages, establishing a consistent and effective budget development, review and approval process. This process also incorporated recommendations outlined in the Chance Management Report and industry best practices.

### **PAGE 3.**

The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Proposition A (specifically, Charter Section 8A.106) for the even-numbered year and the Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year. The Corporation's fiscal year ends April 30 to provide adequate time to complete a year-end audit and to transfer net income to the City before the close of the City's fiscal year. Major capital improvement requests have been deferred until the SFMTA completes an overall assessment of the capital improvement needs.

Over the last two months, the SFMTA and Corporation staffs have worked together in developing the proposed Operating Budget. The budget development included a careful review of all revenue and expenses for the current year. The projections for the remainder of the current fiscal year and the next two fiscal years considered current economic conditions, seasonality of parking demand, possible rate adjustments, known upcoming events, scheduled salary increases, and associated payroll expenses. The two-year Operating Budget has been reviewed and approved by the Corporation Board.

### **FISCAL YEAR 2009-2010**

A comparison between the approved FY 2009-2010 Operating Budget and the projected FY 2009-2010 performance is shown in the chart below.

	<b>Approved Budget May 1, 2009 to April 30, 2010</b>	<b>Projected May 1, 2009 to April 30, 2010</b>	<b>% Variance to Approved Budget</b>
Gross Revenue	\$4,473,096	\$4,714,016	5%
Parking Tax	885,795	933,708	5%
Expenses	2,324,347	2,049,663	-12%
Capital Reserve (15%)	189,443	259,597	37%
Net Income to RPD	1,073,511	1,471,048	37%

For FY 2009-2010, the Corporation anticipates generating \$4,714,016 in gross revenue which is five percent over the budgeted amount. The gross revenue has increased despite the continued sluggish economy because the parking demand was not impacted at the garage. The July 2009 rate increase and significant expense reductions over the last six months have also helped to increase the net income. The Corporation anticipates generating \$1,471,048 in net income to the RPD, which is about 37 percent above the approved budget.

### **FISCAL YEARS 2010-2011 AND 2011-2012**

Attachment A shows details of the proposed Operating Budget for Fiscal Years 2010-2011 and 2011-2012. A high-level summary is provided in the following table:



**PAGE 4.**

	<b>Proposed Budget May 1, 2010 to April 30, 2011</b>	<b>% Variance to Projected May 1, 2009 to April 30, 2010</b>	<b>Proposed Budget May 1, 2011 to April 30, 2012</b>	<b>% Variance to Proposed May 1, 2010 to April 30, 2011</b>
Gross Revenue	\$4,664,000	-1%	\$4,623,449	-1%
Parking Tax	927,900	-1%	919,670	-1%
Expenses	2,109,751	3%	2,160,555	2%
Capital Reserve (15%)	243,952	-6%	231,484	-5%
Net Income to RPD	1,382,397	-6%	1,311,741	-5%

With a continued soft economy and higher unemployment, the staff does not anticipate any noticeable increase in parking demand during FY 2010-2011. The projected gross revenue is \$4,664,000, which is one percent under the amount projected for FY 2009-2010. These projections assume that the parking rates remain unchanged at nearby private facilities, not requiring any downward rate revisions at SFMTA facilities.

Expenditures for FY 2010-2011 are projected at \$2,109,751, which is \$60,088 (three percent) over the projected amount for FY 2009-2010. Scheduled salary increases and associated payroll costs contribute to this increase. Increases in the banking fees related to credit card usage are also included.

For FY 2010-2011, the Corporation anticipates generating \$1,382,397 in net income for the RPD. This amount is \$88,651 (six percent) less than the amount projected for FY 2009-2010.

For FY 2011-2012, the staff anticipates garage performance to be in line with FY 2010-2011, generating \$1,311,741 in net income for the RPD. Staff will continue to monitor the garage performance and revise these projections if necessary.

The RPD and the City Attorney have reviewed this report.

**FUNDING IMPACT**

Approval of this Operating Budget will result in a net income of \$2,694,138 to the RPD during the next two fiscal years.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The Portsmouth Plaza Parking Corporation Board of Directors has approved this two-year Operating Budget. Final approval by the Office of the Controller is required.

**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the City of San Francisco Portsmouth Plaza Parking Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Portsmouth Square Garage and authorize the SFMTA Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The City of San Francisco Portsmouth Plaza Parking Corporation (Corporation) operates the Portsmouth Square Garage on behalf of the City and County of San Francisco under a lease agreement with the City; and,

WHEREAS, The San Francisco Recreation and Park Department receives 85 percent of the net revenues after all expenses are paid; and,

WHEREAS, Under the terms of the lease, the Corporation is required to submit an annual operating budget to the San Francisco Municipal Transportation Agency (SFMTA) Board of Directors and to the Office of the Controller for review and final approval; and,

WHEREAS, The Corporation has submitted its Fiscal Years 2010-2011 and 2011-2012 Operating Budget to the SFMTA Board of Directors for review; and,

WHEREAS, The two-year Operating Budget submitted by the Corporation is consistent with the requirements of Charter Section 8A.106 for this even-numbered year; and,

WHEREAS, The Corporation will be provided an opportunity to submit amendments to the two-year Operating Budget in each odd-numbered year; and,

WHEREAS, The SFMTA Board of Directors has reviewed the Corporation's Fiscal Years 2010-2011 and 2011-2012 Operating Budget; now, therefore, be it

RESOLVED, That the SFMTA Board of Directors approves the City of San Francisco Portsmouth Plaza Parking Corporation Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Portsmouth Square Garage; and, be it further

RESOLVED, That the SFMTA Board of Directors authorizes the Executive Director/CEO, or his designee, to forward the Operating Budget to the Office of the Controller for final approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of \_\_\_\_\_

\_\_\_\_\_  
Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

## Attachment A

### Fiscal Years 2010-2011 and 2011-2012 Operating Budget for the Portsmouth Square Garage

	Approved May 1, 2009 to April 30, 2010	Projected May 1, 2009 to April 30, 2010	% Variance to Approved	Proposed May 1, 2010 to April 30, 2011	% Variance to Projected	Proposed May 1, 2011 to April 30, 2012	% Variance to Proposed
<b>REVENUE*</b>							
Transient Revenue	\$ 3,402,376	\$ 3,581,516	5%	\$ 3,426,500	-4%	\$ 3,421,262	<1%
Monthly Parking	1,031,220	1,087,026	5%	1,020,000	-6%	976,556	-4%
Taxable Miscellaneous Parking Revenue	0	0	0%	193,000	100%	200,531	<1%
Non-Parking Revenue	39,500	45,474	15%	24,500	-46%	25,100	2%
Corporate Income	0	0		0		0	
<b>Gross Revenue</b>	<b>4,473,096</b>	<b>4,714,016</b>	<b>5%</b>	<b>4,664,000</b>	<b>-1%</b>	<b>4,623,449</b>	<b>-1%</b>
Parking Tax	-885,795	-933,708	5%	-927,900	-1%	-919,670	-1%
<b>Net Revenue</b>	<b>3,587,301</b>	<b>3,780,308</b>	<b>5%</b>	<b>3,736,100</b>	<b>-1%</b>	<b>3,703,779</b>	<b>-1%</b>
<b>EXPENSES</b>							
Personnel Cost	1,084,787	927,989	-14%	966,219	4%	995,206	3%
Payroll Expense	492,324	428,077	-13%	465,787	9%	479,761	3%
Utilities	120,540	104,881	-13%	119,155	14%	120,108	1%
Services**	431,925	378,106	-12%	375,400	-1%	378,403	1%
Supplies	100,940	134,301	33%	102,000	-24%	102,816	1%
Other Costs	82,136	69,201	-16%	71,440	3%	72,012	1%
Corporate Expenses**	11,695	7,108	-39%	9,750	37%	12,250	26%
<b>Total Expenses</b>	<b>2,324,347</b>	<b>2,049,663</b>	<b>-12%</b>	<b>2,109,751</b>	<b>3%</b>	<b>2,160,555</b>	<b>2%</b>
<b>Net Income</b>	<b>1,262,954</b>	<b>1,730,645</b>	<b>37%</b>	<b>1,626,349</b>	<b>-6%</b>	<b>1,543,224</b>	<b>-5%</b>
Capital Reserve (15%)	189,443	259,597	37%	243,952	-6%	231,484	-5%
<b>Income to Rec &amp; Park (85%)</b>	<b>1,073,511</b>	<b>1,471,048</b>	<b>37%</b>	<b>1,382,397</b>	<b>-6%</b>	<b>1,311,741</b>	<b>-5%</b>

< means less than

\* See other side for Glossary of Terms

\*\* Includes a total of \$12,500 in legal expenses (under Services = \$2,500 for FY 2010-2011 and \$2,500 for FY 2011-2012; and Corporate Expenses = \$2,500 for FY 2010-2011 and \$5,000 for FY 2011-2012)

## Attachment A (continued)

### Glossary of Terms

Term	Description
<b>REVENUE</b>	
Transient Revenue	Revenue generated from short-term parking ranging from a few minutes to a few days.
Monthly Parking	Revenue generated from monthly parking patrons.
Miscellaneous Parking Revenue	Fees and penalties paid for account activations, late payments, and garage re-openings.
Non-Parking Revenue	Revenue generated from retail leases, ATM and vending machine agreements and advertising.
Corporate Income	Income from corporate investing activities.
<b>Gross Revenue</b>	Revenue from ALL sources.
Parking Tax	25% tax is added to all parking garage rates.
<b>Net Revenue</b>	Gross revenue minus parking tax.
<b>EXPENSES</b>	
Personnel Cost	All gross payroll expenses inclusive of vacation, holiday and sick pays.
Payroll Expense	All payroll related taxes, employee insurance premiums and retirement payments.
Utilities	Expenses for gas, electric, water, sewer, telephone, internet, refuse disposal, etc.
Services	Fees paid for contractual security and janitorial, armored transport, uniform cleaning, liability insurance, garage audit services, credit card fees, legal services, etc.
Supplies	Expenses for repairs and maintenance, parking supplies, such as tickets and office supplies.
Other Costs	This includes taxes and licenses, marketing, dues and subscriptions, memberships and community benefit programs.
Garage Management	Expenses for the management and incentive fees paid to the facility operators as outlined in their board approved operating agreements.
Facility Improvement	Specific to Union Square; planned costs for the improvement and repair of the facility.
Corporate Expenses	Expenses for the management and repayment of bonds used to fund the construction of the garage, as well as legal fees related to the management of garage retail lease agreements.
<b>Total Expenses</b>	Includes ALL expenses.
<b>Capital Reserve</b>	A portion of the total net income dedicated to facility improvement and major repairs as outlined in the facility specific lease agreements. Each agreement specifies the percent of net income dedicated to this reserve and the cap after which all revenues flow to the SFMTA or the RPD.
<b>Net Income to SFMTA / RPD</b>	Total income to the SFMTA or the RPD after capital reserve requirements has been satisfied.