

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 16-011

WHEREAS, The SFMTA is experiencing and will continue to experience significant demands on the comprehensive transportation system as the need to provide safe, reliable and efficient transit service continues to expand in concurrence with a growing population and economic base; and,

WHEREAS, To fill vacancies due to retirements and attrition and to meet the increasing demands, the SFMTA hired approximately 585 new Muni Operators and those new hires each require 44 days of training which includes on and off road experience for skill development and DMV testing; and,

WHEREAS, The SFMTA Training section has conducted behind the wheel training on either licensed and or leased land that has sporadic availability and when those resources are available, often times, they do not sufficiently provide acceptable driving conditions on which to train; and,

WHEREAS, The SFMTA does not have a dedicated training resource within its existing portfolio of real estate to adequately accommodate a realistic training class size of 40 trainees, which requires improved land of approximately 6-8 acres, which includes the new yard at Islais Creek; and

WHEREAS, Improved Land to meet such a need is very limited in San Francisco and surrounding communities for this critical SFMTA operating need; and,

WHEREAS, The SFMTA for the past five years has identified, evaluated and discussed over 25 potential sites with various property owners and in most cases the locations sought were either not available at the level of consistency required by training, or those sites were not adequate in size, use, and/or improvements, or were being redeveloped; and,

WHEREAS, The property at 30 Tanforan, South San Francisco, San Mateo County Assessor's Parcel Number 014-250-090 (Property) was identified and deemed the best solution for eliminating the real estate challenges associated with providing adequate, consistent and reliable resources for Operator Training; and,

WHEREAS, The SFMTA will enter into a lease with Tanforan Industrial Park, LLC (Owner), and as part of the Leasehold improvements the Owner will provide four new motor and trolley coach training courses of 317,988 square feet (approximately 7.3 acres) of flat paved structural concrete pad, with standard utilities for the installation of trailers and restroom facilities, and associated landscaping and security features; and,

WHEREAS, The proposed Lease is subject to CEQA and the South San Francisco City Council is the responsible agency in taking the first approval action by approving the Project's Conditional Use Permit, Development Agreement, and Design Review application as required in the Lease; and,

WHEREAS, On September 23, 2015, the City of South San Francisco determined that the SFMTA Operator Training use and associated Leasehold improvements proposed by the Owner and specified in the Lease are categorically exempt from environmental review under CEQA Guidelines Section 15303 New Construction or Conversion of Small Structures; and,

WHEREAS, SFMTA's execution of the Lease consists of a subsequent discretionary approval of said Project, and thus South San Francisco's Project approval on September 23, 2015 is the Approval Action as defined by S.F. Administrative Code Chapter 31; and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors; and,

WHEREAS, The monthly base rent for the Property starts at \$206,692 (\$.65 per square foot), or \$2,480,304 for the first year, with annual increases of two percent over the nine and one-half year term of the lease, which includes an option to purchase the Property in years seven through nine of the lease, a Right of First Refusal throughout the entire term of the lease (Lease) and an Option to Extend beyond March 1, 2026, should an extension of the Development Agreement between the Property Owner and City of South San Francisco occur; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute a nine and one-half year term Industrial Lease with a Purchase Option, a Right of First Refusal, and an Extension Option with Tanforan Industrial Park, LLC, a California limited liability company, for 30 Tanforan Avenue, South San Francisco, comprised of 317,988 square feet (7.3 acres), at an initial annual base rent of \$2,480,304, with annual increases of two percent, together with all Leasehold Improvements for the provision of SFMTA bus operator training courses upon approval by the San Francisco Board of Supervisors and Mayor.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of January 19, 2016.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency