

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

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Streets

**BRIEF DESCRIPTION:**

Approving the Second Amendment to Contract No. SFMTA-2021-64/2 with IMCO Parking, LLC, to add operation of the Music Concourse Garage to the contract scope of work and to increase the contract amount by \$27 million, for an amended total contract amount not to exceed \$207 million and requesting the Board of Supervisors to approve the Second Amendment.

**SUMMARY:**

- The Music Concourse Garage (Garage) is an 800-space underground parking garage in Golden Gate Park that serves visitors to the park and to institutions in the park. The Music Concourse Community Partnership (MCCP), a non-profit corporation, owns and operates the Garage under its ground lease for the property with the Recreation and Parks Department (RecPark).
- The City is acquiring the Garage from MCCP, at which point it will transfer to RecPark. The SFMTA operates other parking facilities RecPark owns, and RecPark has requested the SFMTA also manage the Garage after it has transferred to RecPark. RecPark will receive the net revenues of the Garage, and SFMTA will be reimbursed its administrative costs.
- The Second Amendment would add the Garage to the existing parking facilities management contract with IMCO Parking, Contract No. SFMTA-2021-64/2 (IMCO Contract) and would increase the contract amount \$27,000,000 to compensate IMCO additional management fees and to reimburse IMCO's approved expenses incurred operating the Garage, for a total amended contract amount not to exceed \$207,000,000, without change to the contract term.
- Board of Supervisors' approval of the Second Amendment is required under Charter Section 9.118.

**ENCLOSURES:**

1. SFMTAB Resolution
2. Parking Authority Resolution
3. Second Amendment

**APPROVALS:**


**DATE**

DIRECTOR

  
\_\_\_\_\_

May 29, 2024

SECRETARY

  
\_\_\_\_\_

May 29, 2024

**ASSIGNED SFMTAB CALENDAR DATE:** June 4, 2024

**PURPOSE**

Approving the Second Amendment to Contract No. SFMTA-2021-64/2 with IMCO Parking, LLC, to add operation of the Music Concourse Garage to the contract scope of work and to increase the contract amount by \$27 million, for an amended total contract amount not to exceed \$207 million and requesting the Board of Supervisors to approve the Second Amendment.

**STRATEGIC PLAN GOALS AND TRANSIT FIRST POLICY PRINCIPLES**

This action will support the following SFMTA Strategic Plan Goal:

Goal 10: Position the agency for financial success.

This action will support the following Transit First Policy Principles:

7. Parking policies for areas well served by public transit shall be designed to encourage travel by public transit and alternative transportation.

**DESCRIPTION**

Background

The Music Concourse Garage (Garage) is an 800-space underground parking facility located in Golden Gate Park that serves visitors to the park and to institutions located in the park, such as the California Academy of Sciences and the De Young Museum. As authorized by Proposition J (June 1998), the City set aside land in Golden Gate Park for the Garage and placed the land under the jurisdiction of the Golden Gate Park Concourse Authority (Authority), a non-profit corporation controlled by the City. In 2003, the Authority and RecPark executed a ground lease of the land to the Music Concourse Community Partnership (MCCP), a private non-profit, so that the MCCP could construct and operate the Garage. The MCCP raised \$36 million from private donors and took out loans to cover the remainder of the \$55 million needed to construct the Garage; the Garage opened to the public in 2005.

The Recreation and Parks Department (RecPark) has determined that the City can more efficiently and economically manage the Garage itself. In November 2022, the voters approved Proposition N, which authorized the City to use public funds to acquire and operate the Garage. RecPark staff estimate that the transfer of the Garage to the City will be completed by September 2024, but a final date has not been determined.

RecPark has requested SFMTA manage the Garage on RecPark's behalf, using a contracted parking facility manager, in the same manner as SFMTA currently manages other RecPark parking facilities (which include Union Square Garage, Portsmouth Square Garage, Civic Center Garage, one-half of St. Mary's Garage, and the Kezar Stadium parking lot). RecPark receives the net revenues of those facilities, (which are gross revenues less operating expenses), and RecPark reimburses SFMTA's administrative costs to oversee garage operations and management. The SFMTA will manage the garage pursuant to the same policies and procedures used to manage all city-owned parking garages, including the demand-responsive pricing policy.

**Group B Garages, Contract No. SFMTA-2021-64/2 (IMCO Contract)**

The SFMTA has divided the parking garages under its jurisdiction into Groups A and B, which are relatively equal in size as measured by the sum total of parking spaces in those facilities. On January 27, 2022, the SFMTA issued a Request for Proposal and commenced a competitive selection process for two contracts for garage management and operations services for the Groups A and B parking garages. Following that competitive selection process, on September 20, 2022, the SFMTA Board of Directors approved contract No. SFMTA-2021-64/2 with IMCO Parking, LLC (IMCO Contract) for operation and management of the Group B garages, for a term of nine years (five-year base term, and two two-year extension options), and an amount not to exceed \$180 Million. The Board of Supervisors approved the contract on November 8, 2022. The IMCO Contract term commenced on February 1, 2023.

Staff recommends adding the Garage Group B, which is managed by IMCO Parking, because Imperial Parking, the senior partner in the IMCO Parking joint venture, currently manages the Garage, so assignment to IMCO will result in the most efficient transition. Upon transfer of the Garage to RecPark, the proposed Second Amendment would add the Garage to the SFMTA's existing parking facilities management contract with IMCO Parking, Contract No. SFMTA-2021-64/2, one of two parking management contracts the SFMTA uses to operate the 21 parking facilities under its jurisdiction.

**Adding the Music Concourse Garage to the IMCO Contract**

SFMTA and RecPark staff agree the most efficient way to incorporate the Garage into the portfolio of parking facilities the SFMTA manages is to add the Garage to the IMCO Contract. Imperial Parking, LLC (Impark) currently manages the Garage under a contract with the MCCP. Impark is the senior joint venture partner of IMCO, the contracted manager of the SFMTA's Group B Garages. The IMCO Contract provides that the SFMTA may add or delete parking garages from the Contract scope of work. Because Impark and IMCO have nearly the same management team, transferring management of the Garage from Impark to IMCO will not disrupt Garage operations, and supervisors and staff assigned to the Garage will not change.

Under the IMCO Contract, the SFMTA pays IMCO a monthly management fee of \$10,000, and also reimburses IMCO its expenses incurred operating and maintaining the Group B garages, which total approximately \$20,000,000 annually. Reimbursable operating expenses include labor costs (wages and benefits), and electricity, water, sewer and other utilities costs, facility maintenance, janitorial services, and security. The reimbursable operating expenses are set out in annual operating budgets for each Group B garage; IMCO prepares the budgets, and the SFMTA reviews and approves them, and includes those approved expenses in the SFMTA's regular budget process. Under the proposed Second Amendment, the management fee paid to IMCO would be increased by \$1,600 per month, which is calculated using the negotiated rate of \$2.00 for each parking space that the SFMTA adds to the Group B garages, as provided in the IMCO Contract. The SFMTA would also reimburse IMCO approved expenses it incurs in operating the Garage, which will be approximately \$300,000 per month, for a total amount not to exceed \$27,000,000 over the remaining 90 months of the IMCO Contract term.

## **STAKEHOLDER ENGAGEMENT**

Stakeholders from the SFMTA's Streets Division, Parking & Curb Management, RecPark Property Management, and the Controller's Office provided input on the plan for RecPark to assume possession and control of the Music Concourse Garage and for SFMTA to manage Garage operations.

## **ALTERNATIVES CONSIDERED**

The SFMTA has two existing garage-management contracts, one with IMCO Parking and one with LAZ Parking. The SFMTA could assign the Music Concourse Garage to either of these contracts. But staff recommends assigning the Garage to IMCO Parking, because Imperial Parking, the senior partner in the IMCO Parking joint venture, currently manages the Garage, so assignment to IMCO will result in the most efficient transition.

## **FUNDING IMPACT**

There is no funding impact to SFMTA, because RecPark will reimburse SFMTA for its costs incurred in overseeing Garage operations and management.

## **ENVIRONMENTAL REVIEW**

On March 18, 2024, the SFMTA, under authority delegated by the Planning Department, determined that approval of the Second Amendment to the Group B garage-management contract is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b).

A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors and is incorporated herein by reference.

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

Board of Supervisors' approval of the Second Amendment is required under Charter Section 9.118, because the original value of the IMCO Contract exceeded \$10,000,000, and the value of the Amendment exceeds \$500,000.

Approval of an amendment to Personal Services Contract (PSC) request No. 46036-21/22 is required to support the Second Amendment. The PSC amendment is in process and is scheduled for hearing at the Civic Service Commission on July 15, 2024.

The SFMTA's Contract Compliance Office has reviewed the Second Amendment.

The City Attorney has reviewed this report.

**RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors approve the Second Amendment to Contract No. SFMTA-2021-64/2 with IMCO Parking, LLC, to add operation of the Music Concourse Garage to the contract scope of work and to increase the contract amount by \$27 million, for an amended total Contract Amount not to exceed \$207 million and request the Board of Supervisors to approve the Second Amendment.

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

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

WHEREAS, The Music Concourse Garage (Garage) is an 800-space underground parking facility located in Golden Gate Park that serves persons visiting the park and institutions located in the park, such as the California Academy of Sciences and De Young Museum; and,

WHEREAS, The Music Concourse Community Partnership (MCCP), a non-profit corporation, currently owns and operates the Garage under the terms of a ground lease between the MCCP and the Recreation and Park Department (RecPark); and,

WHEREAS, RecPark has determined that the City can more efficiently and economically operate the Garage; and,

WHEREAS, As authorized by Proposition N, enacted in June 2022, the City is in the process of acquiring the Garage from MCCP and transferring it to RecPark; and,

WHEREAS, RecPark has requested SFMTA to manage the Garage following its transfer to RecPark, in the same manner as SFMTA operates other RecPark parking facilities, the details of which are set in a Memorandum of Understanding between SFMTA and RecPark; and,

WHEREAS, The day-to-day operations of the Garage are currently managed by Imperial Parking, LLC, a professional parking management company, under a contract with MCCP; and,

WHEREAS, Impark Corporation is a joint venture partner to the IMCO Parking, which manages 12 parking facilities for the SFMTA and the Parking Authority under Contract No. SFMTA-2021-64/2 (IMCO Contract), which provides that the SFMTA may at its option add parking facilities to that contract; and,

WHEREAS, Upon transfer of the Garage to RecPark, the proposed Second Amendment would add the Garage to the scope of the IMCO Contract; IMCO would then manage the day-to-day operations of the Garage with oversight from SFMTA and RecPark; and,

WHEREAS, The proposed Second Amendment would increase the IMCO Contract amount \$27,000,000 to compensate IMCO additional management fees of \$1,600 per month and to reimburse IMCO it for pre-approved Garage operating costs of approximately \$300,000 per month, for a total amended contract amount not to exceed \$207,000,000; and,

WHEREAS, RecPark will reimburse the SFMTA's administrative costs incurred in providing oversight to IMCO's management of the Garage and its revenues, in the same manner as SFMTA oversees the management and operations of other RecPark parking facilities, and,

WHEREAS, Approval of an amendment to Personal Services Contract No. 46036-21/22 has been submitted and is pending a hearing at the Civil Service Commission; and,

WHEREAS, Parking Authority Commission approval of the Second Amendment is required, because the IMCO Contract includes parking facilities that the Parking Authority owns; and,

WHEREAS, Board of Supervisors' approval of the Second Amendment is required under Charter Section 9.118, because the original value of the IMCO Contract was greater than \$10,000,0000 and value of the proposed Amendment exceeds \$500,000; and,

WHEREAS, On March 18, 2024, the SFMTA, under authority delegated by the Planning Department, determined that the amendment of the IMCO Contract and IMCO's management of the Garage under that Amendment is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b), therefore be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors approves the Second Amendment to Contract No. SFMTA-2021-64/2 with IMCO Parking, LLC, to add operations and management of the Music Concourse Garage to the scope of work of that contract and to increase the amount of that contract \$27 million to compensate IMCO Parking, LLC, additional management fees and to reimburse approved operating expenses for that Music Concourse Garage as provided in the Contract, for an amended total contract amount not to exceed \$207 million, effective on the date stated in the documents effecting the transfer of the Music Concourse Garage from the Music Concourse Community Partnership to the Recreation and Park Commission; and be it further

RESOLVED, That the Director of Transportation, in consultation with the City Attorney, is authorized to correct the Second Amendment and other documents (without altering substantive provisions of the contract) and to take other actions as necessary to implement and effect the purposes of this Resolution and the Second Amendment to Contract No. SFMTA-2021-64/2, and to assist the Recreation and Park Department in the transfer of the Music Concourse Garage to the Recreation and Park Department; and be it further

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors requests the Board of Supervisors to approve the Second Amendment to Contract No. SFMTA-2021-64/2.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of June 4, 2024.

---

Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

PARKING AUTHORITY COMMISSION  
OF THE CITY AND COUNTY OF SAN FRANCISCO

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

WHEREAS, The Parking Authority of the City and County of San Francisco (Parking Authority) is an agency authorized and governed by State law (Streets and Highways Code Section 32500 et seq.); and,

WHEREAS, The Parking Authority owns four parking garages in San Francisco: Lombard Street Garage; North Beach Garage; Polk-Bush Garage; and San Francisco General Hospital Garage and associated parking lots; and,

WHEREAS, The Board of Directors of the San Francisco Municipal Transportation Agency (SFMTA) sits ex officio as the Parking Authority Commission, as provided in Streets and Highways Code Section 32656(c) and San Francisco Charter Section 8A.112.A; and,

WHEREAS, In October 2007, the Parking Authority contracted with and delegated to the SFMTA to manage all Parking Authority facilities, applying the same policies, procedures and requirements as the SFMTA applies to the 16 parking garages under its jurisdiction, but the Commission retained its authority over Parking Authority contracts (Parking Auth. Comm. Res. 07-113, Nov. 3, 2007); and,

WHEREAS, The Music Concourse Garage (Garage) is an 800-space underground parking facility located in Golden Gate Park that serves persons visiting the park and institutions located in the park, such as the California Academy of Sciences and De Young Museum; and,

WHEREAS, The Music Concourse Community Partnership (MCCP), a non-profit corporation, currently owns and operates the Garage under the terms of a ground lease between the MCCP and the Recreation and Park Department (RecPark); and,

WHEREAS, RecPark has determined that the City can more efficiently and economically operate the Garage; and,

WHEREAS, As authorized by Proposition N, enacted in June 2022, the City is in the process of acquiring the Garage from MCCP and transferring it to RecPark; and,

WHEREAS, RecPark has requested SFMTA to manage the Garage following its transfer to RecPark, in the same manner as SFMTA operates other RecPark parking facilities, the details of which are set in a Memorandum of Understanding between SFMTA and RecPark; and,

WHEREAS, The day-to-day operations of the Garage are currently managed by Imperial Parking, LLC, a professional parking management company, under a contract with MCCP; and,



WHEREAS, Impark Corporation is a joint venture partner to the IMCO Parking, which manages 12 parking facilities for the SFMTA and the Parking Authority under Contract No. SFMTA-2021-64/2 (IMCO Contract), which provides that the SFMTA may at its option add parking facilities to that contract; and,

WHEREAS, Upon transfer of the Garage to RecPark, the proposed Second Amendment would add the Garage to the scope of the IMCO Contract; IMCO would then manage the day-to-day operations of the Garage with oversight from SFMTA and RecPark; and,

WHEREAS, The proposed Second Amendment would increase the IMCO Contract amount \$27,000,000 to compensate IMCO additional management fees of \$1,600 per month and to reimburse IMCO it for pre-approved Garage operating costs of approximately \$300,000 per month, for a total amended contract amount not to exceed \$207,000,000; and,

WHEREAS, RecPark will reimburse the SFMTA's administrative costs incurred in providing oversight to IMCO's management of the Garage and its revenues, in the same manner as SFMTA oversees the management and operations of other RecPark parking facilities, and,

WHEREAS, Approval of an amendment to Personal Services Contract No. 46036-21/22 has been submitted and is pending a hearing at the Civil Service Commission; and,

WHEREAS, Parking Authority Commission approval of the Second Amendment is required, because the IMCO Contract includes parking facilities that the Parking Authority owns; and,

WHEREAS, On March 18, 2024, the SFMTA, under authority delegated by the Planning Department, determined that the amendment of the IMCO Contract and IMCO's management of the Garage under that Amendment is not a "project" under the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b), therefore be it

RESOLVED, That the Commission for the Parking Authority of the City and County of San Francisco approves the Second Amendment to Contract No. SFMTA-2021-64/2 with IMCO Parking, LLC, to add operations and management of the Music Concourse Garage to the scope of work of that contract and to increase the amount of that contract \$27 million to compensate IMCO Parking, LLC additional management fees and to reimburse approved operating expenses for that Music Concourse Garage as provided in the Contract, for an amended total contract amount not to exceed \$207 million, effective on the date stated in the documents effecting the transfer of the Music Concourse Garage from the Music Concourse Community Partnership to the Recreation and Park Commission; and be it further

RESOLVED, That the Director of Transportation, in consultation with the City Attorney, is authorized to correct the Second Amendment and other documents (without altering substantive provisions of the contract) and to take other actions as necessary to implement and

effect the purposes of this Resolution and the Second Amendment to Contract No. SFMTA-2021-64/2, and to assist the Recreation and Park Department in the transfer of the Music Concourse Garage to the Recreation and Park Department; and be it further

I certify that the foregoing resolution was adopted by the Parking Authority Commission of the City and County of San Francisco at its meeting of June 4, 2024.

---

Secretary, Parking Authority Commission

City and County of San Francisco  
Municipal Transportation Agency  
One South Van Ness Ave., 7<sup>th</sup> Floor  
San Francisco, California 94103

**Second Amendment to Agreement between the City and County of San Francisco and  
IMCO Parking LLC for Management of the Group B Off-Street Parking Facilities  
Contract No. SFMTA-2021-64/2**

This Second Amendment to Agreement between the City and County of San Francisco and IMCO Parking LLC for Management of the Group B Off-Street Parking Facilities, Contract No. SFMTA-2021-64/2 (Second Amendment) is made as of \_\_\_\_\_ in San Francisco, California, by and between IMCO Parking LLC, a California limited liability company (Manager), and the City and County of San Francisco, a municipal corporation (City), acting by and through its Municipal Transportation Agency (SFMTA).

**Recitals**

- A. City and Manager have entered into the Agreement (as defined below).
- B. City and Manager desire to modify the Agreement on the terms and conditions set forth herein to add the Music Concourse Garage to the facilities Manager manages and increase the Contract Amount \$27,000,000 to compensate Manager for that additional work.
- C. The Local Business Enterprise (LBE) subcontracting participation requirement for this Agreement is 12 percent.
- D. The Agreement was competitively procured as required by San Francisco Administrative Code Chapter 21.1 through Request for Proposals No. SFMTA-2021-64 issued on January 27, 2022, and this Amendment is consistent with that process and the terms of the Agreement at Appendix A, Section 1.4(1) (Addition or Deletion of Facilities), which allows the SFMTA to assign additional parking facilities to Manager.
- E. The City's Board of Supervisors approved the Agreement by Resolution 221094 on November 8, 2022.

- F. This Amendment is consistent with an approval obtained on July 15, 2024, from the Civil Service Commission under Modification No. 1 to PSC number 46036-21/22 which authorizes the award of multiple agreements, the total value of which cannot exceed \$387,000,000 and the individual duration of which cannot exceed 5 years.
- G. The SFMTA has filed Ethics Form 126f4 (Notification of Contract Approval) because this Agreement, as amended herein, has a value of \$100,000 or more in a fiscal year and will require the approval of City's Board of Supervisors.

NOW, THEREFORE, Manager and the City agree as follows:

## **Article 1      Definitions**

The following definitions shall apply to this Amendment:

1.1      **Agreement.** The term “Agreement” shall mean the Agreement between the City and County of San Francisco and IMCO Parking LLC for Management of the Group B Off-Street Parking Facilities, Contract No. SFMTA-2021-64/2, dated January 20, 2023, (including Appendices to that Agreement and documents referenced in that Agreement), as modified by the First Amendment to Agreement, dated July 5, 2023, and this Second Amendment.

1.2      **Other Terms.** Terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Agreement.

## **Article 2      Modifications to the Agreement**

2.1      **Amended Scope of Work – Addition of Music Concourse Garage.** In accordance with Appendix A, Section 1.4(1) (Addition or Deletion of Facilities) of the Agreement, the SFMTA adds the Music Concourse Garage (as described in Appendix A to this Second Amendment) to the parking facilities (also referenced as “Group B” parking facilities) that the Manager manages under the Agreement. Except as expressly stated in this Second Amendment (and as the SFMTA may direct in its discretion as provided in the Agreement), all requirements of the Agreement apply to Manager’s operation and management of the Music Concourse Garage. Manager shall operate the Music Concourse Garage and manage the business of that facility in the same manner, to the same standards and requirements as the Agreement requires of Manager’s operation and management of the other City parking facilities it operates and manages under the Agreement.

2.2      **Compensation and Reimbursable Expenses.** Section 3.3.1 (Calculation of Charges) of the Agreement is modified to increase the Contract Amount \$27,000,000 (for a total Contract Amount not to exceed \$207,000,000) to compensate Manager its costs and expenses to operate the Music Concourse Garage and to pay Manager management fees for the additional Services it will perform managing the Music Concourse Garage commencing on the later of July 1, 2024 or the date on which this Second Amendment is approved by the San Francisco Board of Supervisors, and continuing for the remaining Term of the Agreement. Section 3.3.1 is replaced in its entirety to read as follows:

**3.3.1 Calculation of Charges.** Manager shall provide an invoice to the SFMTA on a monthly basis for Services completed (including goods delivered, if any) in the immediately preceding month, unless a different schedule is set out in Appendix B (Calculation of Charges). Compensation shall be made for goods and/or Services identified in the invoice that the Director of Transportation, or his or her designee, in his or her sole discretion, concludes have been satisfactorily performed. In no event shall the amount of this Agreement exceed **Two Hundred Seven Million Dollars (\$207,000,000)**. The breakdown of charges associated with this Agreement are stated in Appendix B to this Agreement. As described in Appendix B, the City may withhold a portion of payment as retainage until the conclusion of the Agreement if agreed to by both Parties. In no event shall City be liable for interest or late charges for any late payments. City will not honor minimum service order charges for any Services covered by this agreement.

**2.3 Modification of Appendix A - Addition of Music Concourse Garage to Contract.** Appendix A, Section 6 (Garage Group B) is amended to add a new subsection 13 describing the Music Concourse Garage:

Appendix A, Section 6.13. **Music Concourse Garage** - The Parking structure consists of two two-level parking structures, one located beneath Tea Garden Drive between the new M.H. de Young Museum and the Music Concourse (North Garage), and the second beneath Music Concourse Drive between the California Academy of Sciences and the Music Concourse (South Garage). The North and South Garage are connected at the lower levels by an underground tunnel at the East end of the Music Concourse.

**2.4 Modification of Appendix B - Management Fee and Operating Expenses.** Appendix B, Section 1.2 (Management Fee and Reimbursement of Operating Expenses), of the Agreement is amended to increase the Monthly Management Fee in the amount of \$1,600 (for a total Monthly Management Fee of \$11,600) that SFMTA will pay Manager and to increase the annual budgeted costs and expenses that the SFMTA will reimburse Manager for managing the Music Concourse Garage, for a total increase to the Contract Amount of \$27,000,000, resulting in an amended total Contract Amount not to exceed **Two Hundred Seven Million Dollars (\$207,000,000)**. Appendix B, Section 1.2 (Management Fee and Reimbursement of Operating Expenses) is replaced in its entirety to read as follows:

Appendix B, Section 1.2, Management Fee and Reimbursement of Operating Expenses

(1) Manager shall be paid a monthly Management Fee of Eleven Thousand Six Hundred Dollars (\$11,600) for Services that Managers performs under this Agreement. Commencing on the sixth anniversary of the Effective Date (and again at the eighth anniversary of the Effective Date, if the term is extended), the monthly Management Fee will be increased by five percent (5%). Provided Manager is not in default under this Agreement, or an event has not occurred that, with the giving of notice or the passage of time, would constitute a default, the Management Fee shall be due and payable under the requisition procedure required by Section 6.9 of the Facility Regulations, provided the SFMTA receives the Monthly Report required by Section 6.8 of the Facility Regulations. Should the Commencement Date or the Expiration Date occur on any day other than the first day of a calendar month, the Management Fee for that particular month shall be prorated based on a 30-day month.

(2) Manager shall be entitled to reimbursement from the SFMTA for all Operating Expenses properly incurred and paid by Manager in the performance of Manager's duties hereunder and as specified in the approved annual operating budget (Budget) in accordance with the Facility Regulations. Such reimbursement shall be subject to Manager's compliance with the submittal procedures set forth in the Facility Regulations and shall be subject to all City approvals required under this Agreement. The SFMTA's obligation to reimburse Manager for wages, salaries or benefits is limited to reimbursement for time that employees of Manager are actually working at the Facilities for the benefit of the SFMTA. Manager shall not be reimbursed for overhead expenses that have not been specifically set out as reimbursable expenses. All costs not identified as reimbursable expenses shall be borne by Manager.

(3) The City shall make all payments to Manager at the address specified in Section 11.1 (Notice Requirements).

### **Article 3      Effective Date**

Each of the modifications set forth in Article 2 shall be effective on and after the later of July 1, 2024 or the date on which this Second Amendment is approved by the San Francisco Board of Supervisors.

### **Article 4      Legal Effect**

Except as expressly modified by this Amendment, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

Signatures on following page.



IN WITNESS WHEREOF, Manager and City have executed this Second Amendment to the Agreement as of the date first referenced above.

CITY	MANAGER
<p><b>San Francisco</b> <b>Municipal Transportation Agency</b></p>	<p><b>IMCO Parking LLC</b></p>
<hr/> <p>Jeffrey P. Tumlin Director of Transportation</p>	<hr/> <p>Tarek Moussa Chief Revenue Officer</p>
<p>Authorized By:</p> <p>Municipal Transportation Agency Board of Directors</p>	<p>City Supplier Number: <b>000018478</b></p>
<p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____</p> <p>Secretary to the Board</p>	
<p>Board of Supervisors</p> <p>Resolution No: _____</p> <p>Adopted: _____</p> <p>Attest: _____</p> <p>Clerk of the Board</p>	

Approved as to Form:

David Chiu  
City Attorney

By: \_\_\_\_\_  
Stephanie Stuart  
Deputy City Attorney

n:\ptc\as2024\1000448\01755681.docx