

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 15-040

WHEREAS, The City and County of San Francisco (City), a municipal corporation, owns the Ellis-O'Farrell Garage (Garage) located at 123 O'Farrell Street, San Francisco, California; and

WHEREAS, The City leased the Garage to the City of San Francisco Ellis-O'Farrell Parking Corporation (Corporation) under a master lease agreement dated July 20, 1965, which master lease was subsequently replaced with another lease agreement dated June 1, 1991, and recorded on January 22, 1992 (Master Lease); and

WHEREAS, In April 1997, the Corporation entered into a lease with Les Joulins, USA, Inc. (Les Joulins) for tenancy at the commercial space at 44 Ellis St., entered into Amendment No. 1 in May 1998, and entered into Amendment No. 2 in May 2002; and

WHEREAS, In April 2012 the Corporation entered into an Amendment No. 3 with Les Joulins, which established a month-to-month tenancy; and,

WHEREAS, Effective January 31, 2013, the Master Lease was terminated and effective February 1, 2013, the SFMTA took complete responsibility for managing the garage as well as all retail leases and agreements; and

WHEREAS, In May 2013, the City's Real Estate Division issued a Request for Proposals (RFP) for a ten-year lease at 44 Ellis Street, and Les Joulins was the sole bidder in response to the RFP; and,

WHEREAS, In January 2015, the SFMTA finalized negotiations with Les Joulins on lease terms; and,

WHEREAS, The commercial lease provides for a 10-year base term with two five-year options to extend, and the lease will generate payment to the City of \$5.034 Million in base rent over the ten-year base term; and,

WHEREAS, The lease includes \$250,000 in rent credits, to be credited to tenant upon completion of pre-authorized improvements; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute a Commercial Lease Agreement with Les Joulins, Inc. for the Ellis-O'Farrell Garage retail space, located at 44 Ellis Street, for a ten year term and \$5.034 million in base rent, with two five year options to extend the lease, on terms substantially similar to the proposed agreement; and be it

FURTHER RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors requests the Board of Supervisors' approval of the Commercial Lease Agreement.

I hereby certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of March 3, 2015.

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency