

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS

RESOLUTION No. 16-120

WHEREAS, The SFMTA approved a Towing Agreement with TEGSCO, LLC, dba AutoReturn (AutoReturn), that commenced on April 1, 2016 to provide towing, storage and lien sale processing of illegally parked and abandoned vehicles; and,

WHEREAS, To provide services under the Towing Agreement, AutoReturn currently rents, on a month-to-month basis, Lease Area 04-SF-80-11, also known as 450 7th Street, from the State of California (State), through its Department of Transportation (Caltrans) as temporary vehicle storage and customer service location; and,

WHEREAS, The 450 7th Street temporary storage, customer service and dispatch center is centrally located in San Francisco and serves a vital function in processing approximately 42,000 towed vehicles annually; and,

WHEREAS, If Caltrans had not agreed to lease 450 7th Street directly to the SFMTA as a municipality providing service to the public, it would have been required to offer the site to the general public through a bidding process that would not have guaranteed AutoReturn's continued ability to occupy the site; and,

WHEREAS, SFMTA and Caltrans wish to enter into an Airspace Lease Agreement for Lease Area No. 04-SF-80-11 for four years and six months, commencing on October 1, 2016 to coincide with the initial term of the Towing Agreement, for an initial rent of \$90,000 per month, with an annual adjustment each July 1st of three percent; and,

WHEREAS, On July 19th, 2016, the SFMTA, under authority delegated by the Planning Department, determined that the Caltrans Airspace Lease Area No. 04-SF-80-11, 450 7th Street is not defined as a "project" under the California Environmental Quality Act (CEQA) pursuant Title 14 of the California Code of Regulations Sections 15060(c) and 15378(b); and,

WHEREAS, A copy of the CEQA determination is on file with the Secretary to the SFMTA Board of Directors, and is incorporated herein by reference; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors authorizes the Director of Transportation to execute the Airspace Lease Agreement for Lease Area No. 04-SF-80-11, an approximately 114,343 square foot property at 450 7th Street between Harrison and Bryant Streets for the temporary storage of towed illegally parked and abandoned vehicles, between the City, through the SFMTA, and the State, through Caltrans, for four years and six months, with an initial rent of \$90,000 per month and annual adjustments of three percent each July 1st.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of September 6, 2016.



Secretary to the Board of Directors
San Francisco Municipal Transportation Agency