

**THIS PRINT COVERS CALENDAR ITEM NO.: 10.3**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Finance and Information Technology

**BRIEF DESCRIPTION:**

Authorizing the Director of Transportation or his or her designee to establish a special event rate retroactive to November 26, 2021 for up to 36 days, not to exceed two hours, with a floor of zero dollars per hour where the Agency has determined that on-street parking was significantly reduced in the immediate vicinity due to a public safety response, which currently includes the Sutter-Stockton Garage, the Ellis-O'Farrell Garage, and the Union Square Garage.

**SUMMARY:**

- The SFMTA owns the Sutter Stockton Garage and Ellis O'Farrell Garage, and manages the Union Square Garage for the Recreation and Park Department (RPD). Charter Section 8A.102(b)(6) gives the SFMTA the exclusive authority to set the rates in these garages and, in prior actions, the SFMTA Board has delegated to the Director of Transportation the authority to establish special event rates at off-street parking facilities within certain parameters.
- In response to an increase in retail thefts in the Union Square area, on November 23, 2021, for purposes of public safety, the San Francisco Police Department (SFPD) restricted vehicular traffic in the Union Square area, which has significantly reduced on-street parking in that area.
- To support Union Square businesses, support the city's General Fund, promote accessibility to the corridor, and maintain parking corridor revenues, the SFMTA Board will temporarily authorize the Director of Transportation to establish a new special event rate to make the first two hours of parking free in Sutter-Stockton Garage, Ellis-O'Farrell Garage, and Union Square Garage from November 26, 2021 to December 31, 2021. Regular hourly rates will apply commencing on the third hour of parking.
- The reduced rate will not reduce parking revenues to the SFMTA or parking taxes to the City. Other City departments have agreed to contribute funds to subsidize this temporary special event rate, which staff estimates will cost up to \$645,868.
- Pursuant to the SFMTA Board's Rules of Order and Charter Section 16.112, advertisements were placed in the City's official newspaper to provide notice of the proposed special event rate change.

**ENCLOSURES:**

1. SFMTAB Resolution

**APPROVALS:**

DIRECTOR 

**DATE**

December 15, 2021

SECRETARY 

December 15, 2021

**ASSIGNED SFMTAB CALENDAR DATE:** December 21, 2021

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### **PURPOSE**

Authorizing the Director of Transportation or his or her designee to establish a special event rate retroactive to November 26, 2021 for up to 36 days, not to exceed two hours, with a floor of zero dollars per hour where the Agency has determined that on-street parking was significantly reduced in the immediate vicinity due to a public safety response, which currently includes the Sutter-Stockton Garage, the Ellis-O'Farrell Garage, and the Union Square Garage.

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

This action supports the following SFMTA Strategic Plan Goals:

Goal 1: Create a safer transportation experience for everyone.

Goal 3: Improve the quality of life and environment in San Francisco and the region.

This action supports the following SFMTA Transit First Policy Principle:

1. To ensure quality of life and economic health in San Francisco, the primary objective of the transportation system must be the safe and efficient movement of people and goods.

### **DESCRIPTION**

The SFMTA owns the Sutter Stockton Garage and Ellis O'Farrell Garage. The Recreation and Park Department owns the Union Square Garage, which the SFMTA manages as directed by Charter Section 4.113.2, which includes setting rates. Charter section 8A.102(b)(6) gives the SFMTA the exclusive authority to set the rates in these garages. In prior actions, the SFMTA Board of Directors has delegated to the Director of Transportation the authority to establish special event rates at off-street parking facilities within certain parameters.

Groups of thieves have targeted Union Square merchants in “smash and grab” robberies in which thieves park getaway vehicles on streets in the Union Square area. On November 23, 2021, at the direction of the Mayor, for purposes of maintaining public safety, the San Francisco Police department restricted vehicular traffic in the Union Square area and surrounding commercial corridors, which has significantly reduced available on-street parking spaces in that area.

November data from the Controller's Office shows San Francisco's Downtown post-pandemic recovery continues to lag behind other cities across the nation. Hotel revenue grew modestly in October, and the local hotels continue to lag peer cities; hotel bookings have remained flat. Office attendance lags peer cities including San Jose. New business openings in November continued to remain flat.

To provide public access to Union Square and merchants and businesses in that area, to support

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the tax revenue which sustains the City’s General Fund, and to reduce traffic congestion in the Union Square area where on-street parking is still allowed, which will increase the speed of Muni service to Union Square as well as other traffic, the SFMTA proposes to reduce temporarily the hourly parking rate to zero (no charge) for two hours of parking in the Sutter-Stockton Garage, Ellis-O’Farrell Garage, and Union Square Garage effective November 26 to December 31, 2021. Regular hourly transient parking rates will apply commencing on the third hour of parking and all time thereafter.

The temporary rate reduction providing free parking for the first two hours will not reduce parking revenues to the SFMTA or parking taxes to the City. Other City departments have agreed to contribute funds to subsidize this temporary reduced rate, which staff estimates will cost not more than \$645,868 to the SFMTA and \$345,000 to the Recreation and Park Department. This projected revenue reduction may be less if the temporary special event parking rate encourages more visitors to the Union Square area. During this pandemic recovery period, anything that the City can do to support local businesses and the local tax base also helps the SFMTA through the General Fund.

In accordance with SFMTA Board’s Rules of Order and Charter Section 16.112, advertisements were placed in the City’s official newspaper providing public notice of the rate change to be determined at the SFMTA Board’s December 21, 2021 meeting.

## **STAKEHOLDER ENGAGEMENT**

SFMTA staff discussed the temporary special event rate with the Small Business Working Group, the Office of Economic and Workforce Development, the Mayor’s Office, and the Police Department.

## **PUBLIC NOTICE**

Pursuant to Charter Section 16.112, advertisements were placed in the City’s official newspaper regarding this public hearing. The advertisements ran in the San Francisco Examiner on December 09-16, 2021 to provide notice that the SFMTA Board of Directors will hold a public hearing on December 21, 2021 to consider a new special event rate of zero under certain, limited circumstances.

## **ALTERNATIVES CONSIDERED**

Given the urgency of the situation, the SFMTA considered not reducing the parking fees at the three garages, but determined that it was warranted for the reasons discussed in this staff report. The SFMTA Board could decline to authorize the new special event rate or could make other rates changes (after providing required notice).

## **FUNDING IMPACT**

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Staff estimates that providing two free hours of parking at the Sutter Stockton Garage and the Ellis O'Farrell Garage from November 26 to December 31, 2021 may result in as much as \$645,868 of forgone revenues to the SFMTA and \$345,000 to the Recreation and Park Department during Fiscal Year 2021-22. The temporary rate reduction will not reduce net parking revenues to the SFMTA or parking taxes to the City, however, as other City departments have agreed to contribute funds to subsidize the temporary reduced rate. Two-hours of free parking in the garages may also attract parkers who will stay longer than two hours, and will pay the regular hourly rate commencing on the third hour, which may offset the City's costs from reducing the hourly rate to zero for the first two-hours. During this pandemic recovery period, anything that the City can do to support local businesses and the local tax base also helps the SFMTA through the General Fund.

## **ENVIRONMENTAL REVIEW**

On December 9, 2021, the SFMTA, under authority delegated by the Planning Department, determined that the establishment of a new temporary special event rate for the three garages 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).

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**

No other approvals are required.

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

## **RECOMMENDATION**

Staff recommends that the SFMTA Board of Directors authorize the Director of Transportation or his or her designee to establish a special event rate retroactive to November 26, 2021 for up to 36 days, not to exceed two hours, with a floor of zero dollars per hour where the Agency has determined that on-street parking was significantly reduced in the immediate vicinity due to a public safety response, which currently includes the Sutter-Stockton Garage, the Ellis-O'Farrell Garage, and the Union Square Garage.

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS**

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

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) owns the Sutter-Stockton Garage at 444 Stockton Street and the Ellis-O'Farrell Garage at 123 O'Farrell Street, and as directed by Charter section 4.113.2 manages the Union Square Garage at 333 Post Street on behalf of the Recreation and Park Department; and,

WHEREAS, The purpose of these garages is to provide public parking to visitors to Union Square, and patrons and employees of merchants and businesses in the Union Square area; and,

WHEREAS, Charter Section 8A.102(b)(6) gives the SFMTA the exclusive authority to set the parking rates in garages under the SFMTA's jurisdiction, and the SFMTA Board of Directors has previously acted in Resolution 08-084 to establish special event parking rates under certain conditions; and,

WHEREAS, In response to an increase in retail thefts in the Union Square area, on November 23, 2021, at the direction of the Mayor, for purposes of public safety, the San Francisco Police Department restricted vehicular traffic in the Union Square area and surrounding commercial corridors, which has reduced available on-street parking in that area; and,

WHEREAS, To support Union Square businesses, promote accessibility to the corridor, support the City's General Fund, and maintain parking corridor revenues, the SFMTA proposes to a special event rate of zero dollars per hour for two hours of parking in the Sutter-Stockton Garage, the Ellis-O'Farrell Garage, and the Union Square Garage from November 26 to December 31, 2021, and regular hourly rates will apply to transient parkers commencing on the third hour of parking; and,

WHEREAS, The temporary rate reduction will not reduce net parking revenues to the SFMTA or parking taxes to the City, as other City departments have agreed to contribute funds to subsidize the temporary reduced rate, which staff estimates will cost the SFMTA not more than \$645,868 and the Recreation and Park Department not more than \$345,000, which costs may be offset by parkers who stay longer than two hours and the SFMTA's revenues are partially supported through the City's General Fund; and,

WHEREAS, In accordance with SFMTA Board's Rules of Order and Charter Section 16.112, advertisements were placed in the City's official newspaper providing public notice of the proposed special event rate to be determined at the SFMTA Board's December 21, 2021

meeting; and,

WHEREAS, On December 9, 2021, the SFMTA, under authority delegated by the Planning Department, determined that the establishment of a new temporary special event rate for the three garages 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); 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; therefore, be it

RESOLVED, That notwithstanding Resolution 08-084, the SFMTA Board of Directors authorizes the Director of Transportation or his or her designee to establish a special event rate retroactive to November 26, 2021 for up to 36 days, not to exceed two hours, with a floor of zero dollars per hour where the Agency has determined that on-street parking was significantly reduced in the immediate vicinity due to a public safety response, which currently includes the Sutter-Stockton Garage, the Ellis-O’Farrell Garage, and the Union Square Garage.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of December 21, 2021.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency