

Retail Merchandising Concept Transbay Transit Center

TJPA Board Presentation
June 8, 2017



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RETAIL VISION

Mission Statement

Our vision is to deliver an experience throughout the day and evening that inspires and delights those who have come to explore and linger, while quickly and efficiently meeting the needs of those passing through.



Local Employee



Bus/Rail Commuter



Local Resident



International Visitor

A mix of retail and restaurants offering goods and services at all price points to ensure that the TTC is accessible and appealing to all types of people in the community.

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RETAIL MERCHANDISING

Determining the optimal use for a retail space



By understanding the balance between size, location, exposure, traffic flow, mechanical characteristics, and architecture of each space

And then...

Identifying the tenant(s) whose requirements best fit the space

CIRCULATION THROUGH THE TTC

- Certain spaces are suited for certain types of uses: grab-n-go, service, lounge and linger

VOID ANALYSIS

- What uses are missing in the Transbay neighborhood and are still needed?

CO-TENANCY ANALYSIS

- What is across the street?
- Don't create duplicates

SPACE BY SPACE

- We measured each space ourselves (see floorplans that follow)
 - For example, juice shops don't require 8,000 s.f.—so size matters
 - Boundaries of individual retail spaces have not been finalized until lease(s) is/are executed

RETAIL MERCHANDISING—PROPOSED SPACE ASSIGNMENTS

- Determining the optimal use for a retail space
- Which space would be ideal for a juice shop based upon its...
 - Size: Is it big or small enough?
 - Location within the TTC: Short stay or lounge and linger
 - Configuration: Does the space lay out well for the use?
 - Architecture: Are the ceilings high enough?
 - MEP (Mechanical, Electrical, and Plumbing): Is there enough power?
 - Preferred grouping of tenants: Juice likes to be near fitness

RETAIL MERCHANDISING

Circulation through the TTC

- **Ground Floor | High Traffic**

Best exposure to main access points

- Short stay
- Impulse, quick service food
- Gifts/flowers



- **Ground Floor | Natoma Walkway**

Quiet and set back from main streets

- Extended stay
- Table service restaurants
- Cocktail lounge/brewpub



- **Bus Level | Commuters**

Hop on, Hop off

- Short stay
- Kiosk
- Pop-ups



RETAIL MERCHANDISING

Circulation through the TTC

- **Second Floor – Destination**

A use or service you would go to regardless of location

- Office
- Fitness: full service or class based uses
- Beauty: barber, salon, spa
- Food hall/cooking school/farmers market
- Traditional grocer

- **Rooftop – Extended Stay**

Where you want to spend an hour or longer

- Fine dining: table service
- Event catering
- Café/picnic basket
- Beer hall/wine tasting
- Group fitness
- Play area activation



RETAIL MERCHANDISING

Key Categories



- Dry Goods:** Makers Boutique, Accessories, Book Store, Flowers, Newsstand
- Food/Entertainment:** Restaurant, Bar, Beer Hall, Deli, Coffee Shop, Ice Cream
- Market/Food Hall:** Farmers Market, Grocery, Food Hall
- Services:** Beauty, Medical, Bike Repair, Cellular/Technology, Shipping
- Fitness:** Full-Service Gym, Yoga, Pilates, Cycling

A mix of retail and restaurants offering goods and services at all price points to ensure that the TTC is accessible and appealing to all types of people in the community.

RETAIL VISION

Void Analysis



RETAIL MERCHANDISING

Co-Tenancy Analysis



RETAIL MERCHANDISING

Proposed Space Assignments: Ground Level

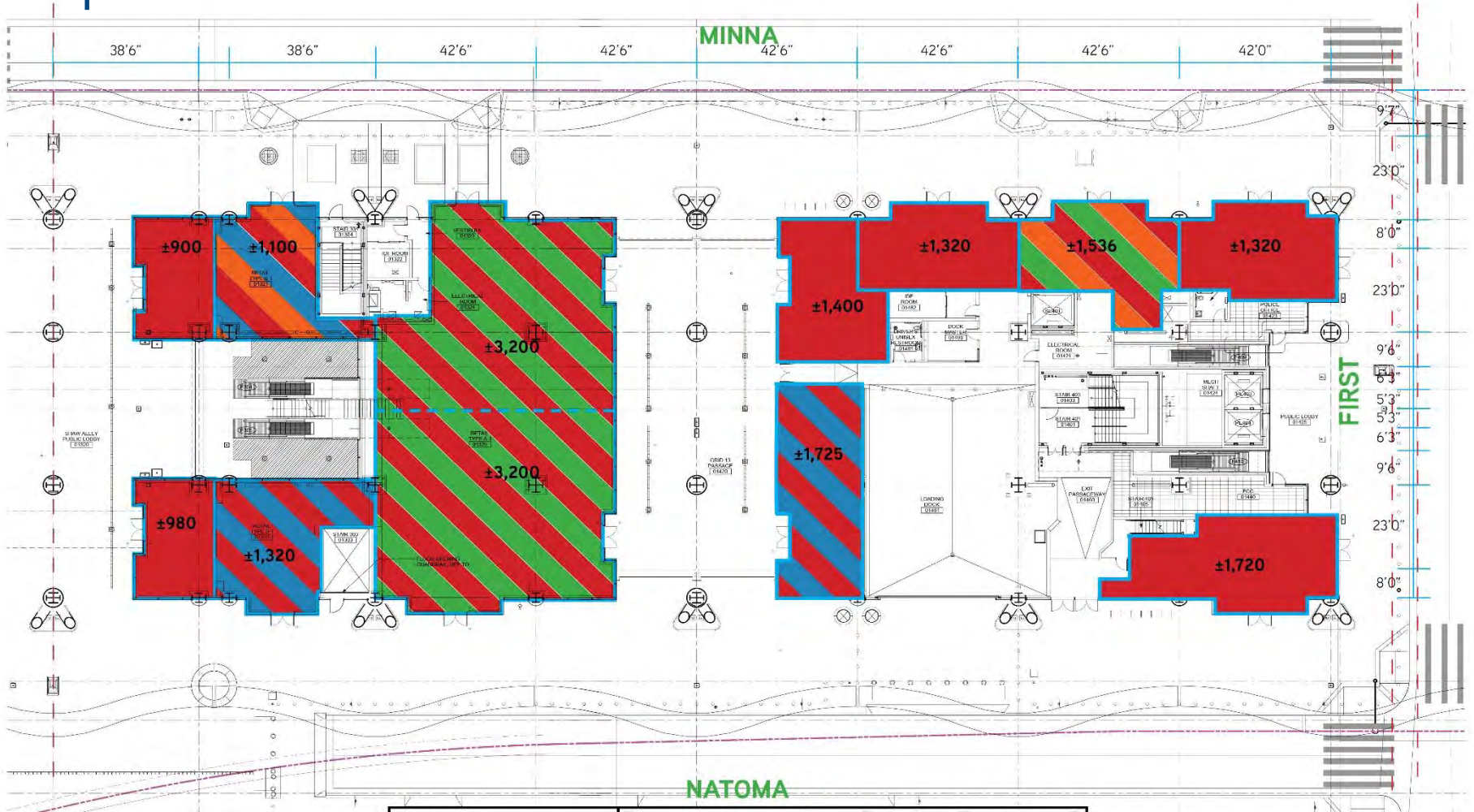


	= Dry Goods
	= Food/Entertainment
	= Market/Food Hall
	= Services
	= Fitness

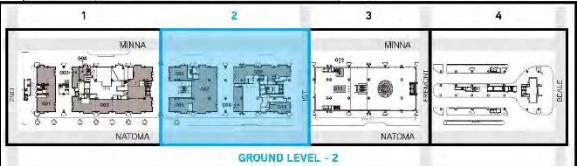
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GROUND LEVEL - 1			

RETAIL MERCHANDISING

Proposed Space Assignments: Ground Level

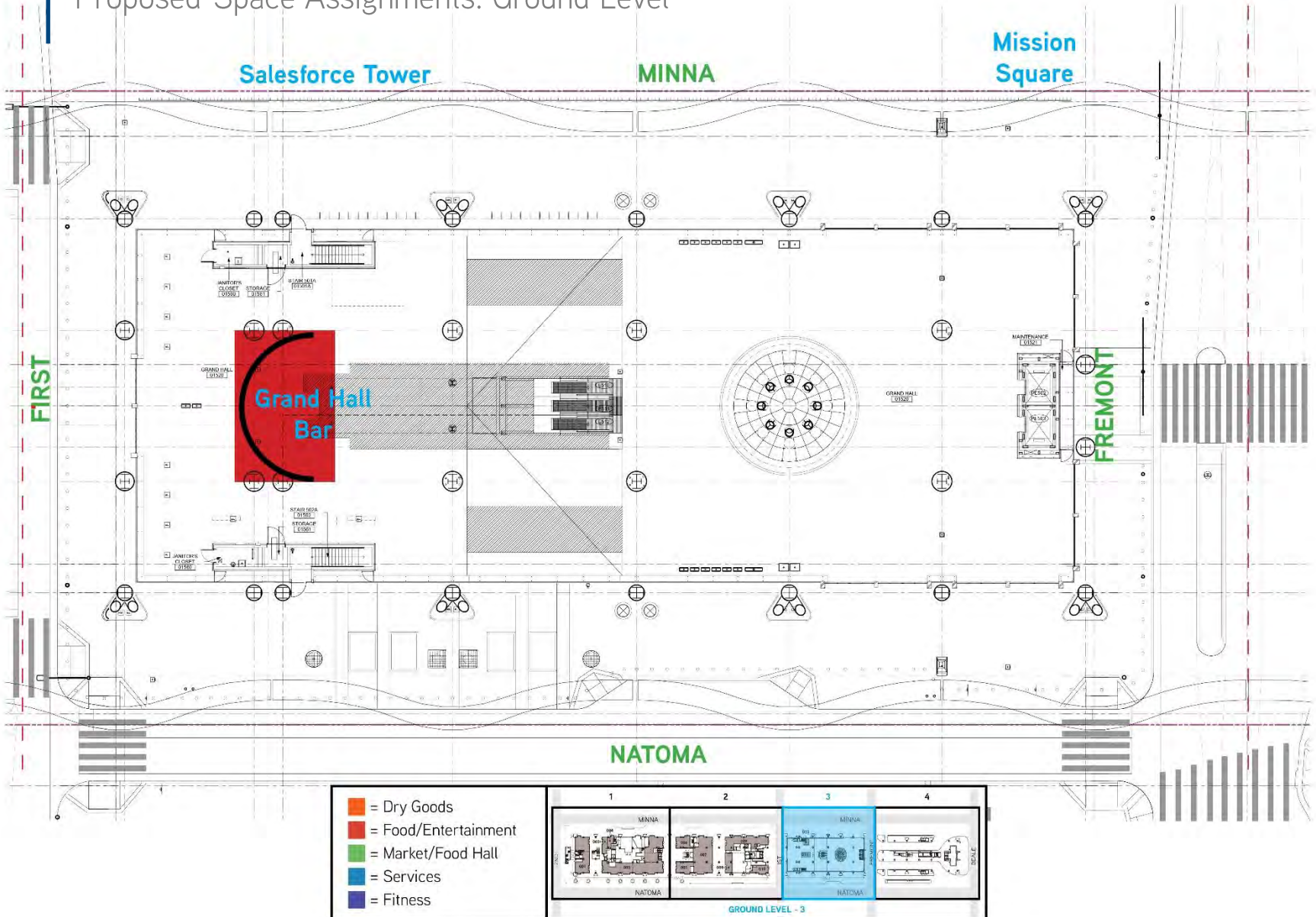


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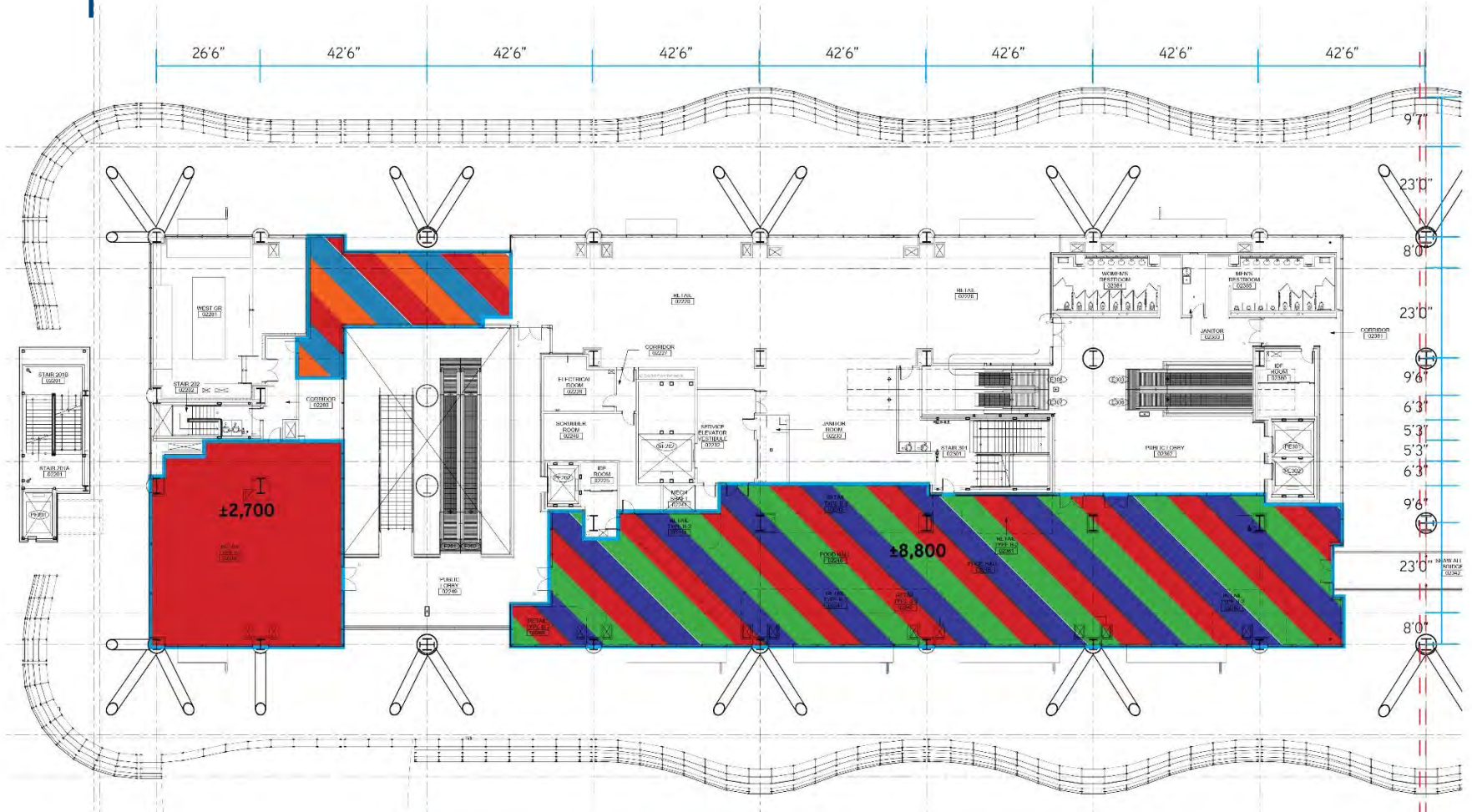
RETAIL MERCHANDISING

Proposed Space Assignments: Ground Level



RETAIL MERCHANDISING

Proposed Space Assignments: Second Level

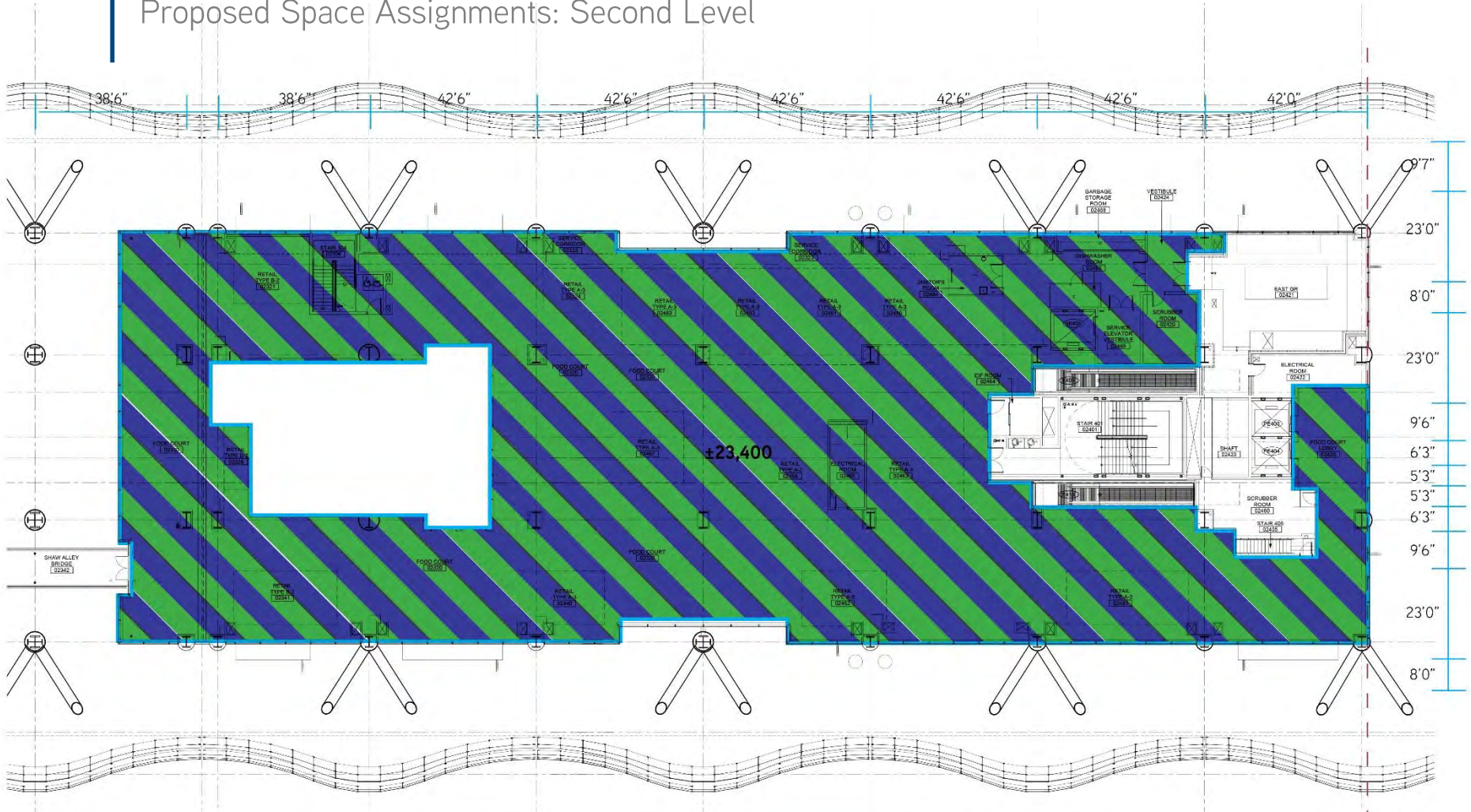


■	= Dry Goods
■	= Food/Entertainment
■	= Market/Food Hall
■	= Services
■	= Fitness

1	2	3	4
SECOND LEVEL - 1			

RETAIL MERCHANDISING

Proposed Space Assignments: Second Level



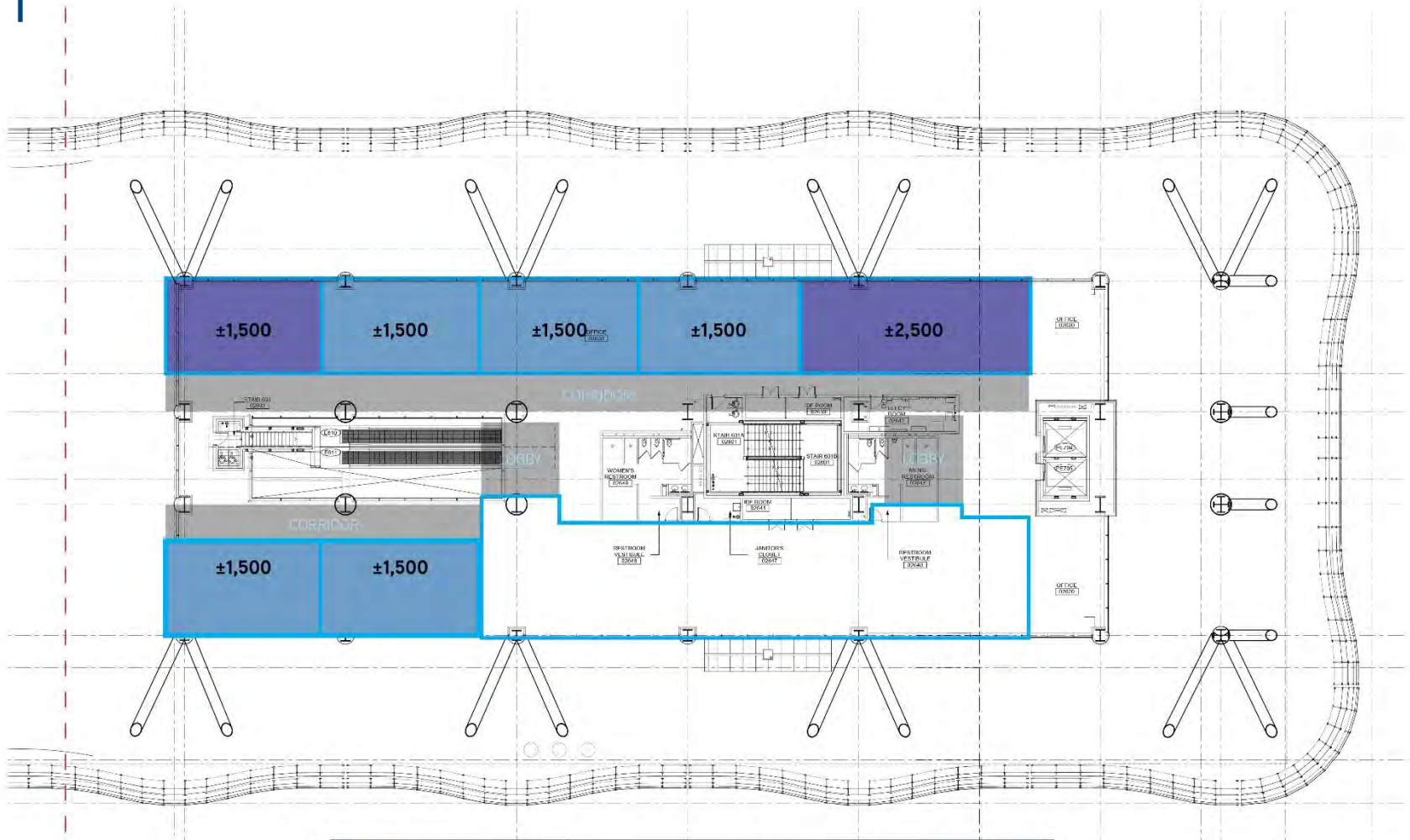
■	= Dry Goods
■	= Food/Entertainment
■	= Market/Food Hall
■	= Services
■	= Fitness

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MIRNA	MIRNA	MIRNA	MIRNA
NATOMA	NATOMA	NATOMA	NATOMA

SECOND LEVEL - 2

RETAIL MERCHANDISING

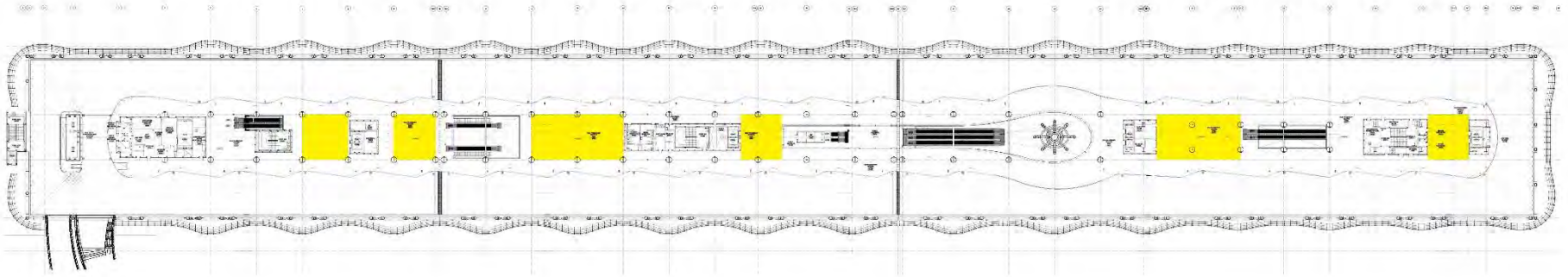
Proposed Space Assignments: Second Level



<ul style="list-style-type: none"> ■ = Dry Goods ■ = Food/Entertainment ■ = Market/Food Hall ■ = Services ■ = Fitness 	<table border="1" style="width: 100%;"> <tr> <td style="width: 25%; text-align: center;">1</td> <td style="width: 25%; text-align: center;">2</td> <td style="width: 25%; text-align: center;">3</td> <td style="width: 25%; text-align: center;">4</td> </tr> <tr> <td style="text-align: center;">MINNA</td> <td style="text-align: center;">MINNA</td> <td style="text-align: center;">MINNA</td> <td style="text-align: center;">MINNA</td> </tr> <tr> <td style="text-align: center;">NATOMA</td> <td style="text-align: center;">NATOMA</td> <td style="text-align: center;">NATOMA</td> <td style="text-align: center;">NATOMA</td> </tr> </table> <p style="text-align: center; color: blue;">SECOND LEVEL - 4</p>	1	2	3	4	MINNA	MINNA	MINNA	MINNA	NATOMA	NATOMA	NATOMA	NATOMA
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RETAIL MERCHANDISING

Proposed Space Assignments:
Bus Level—Areas of Retail Activation



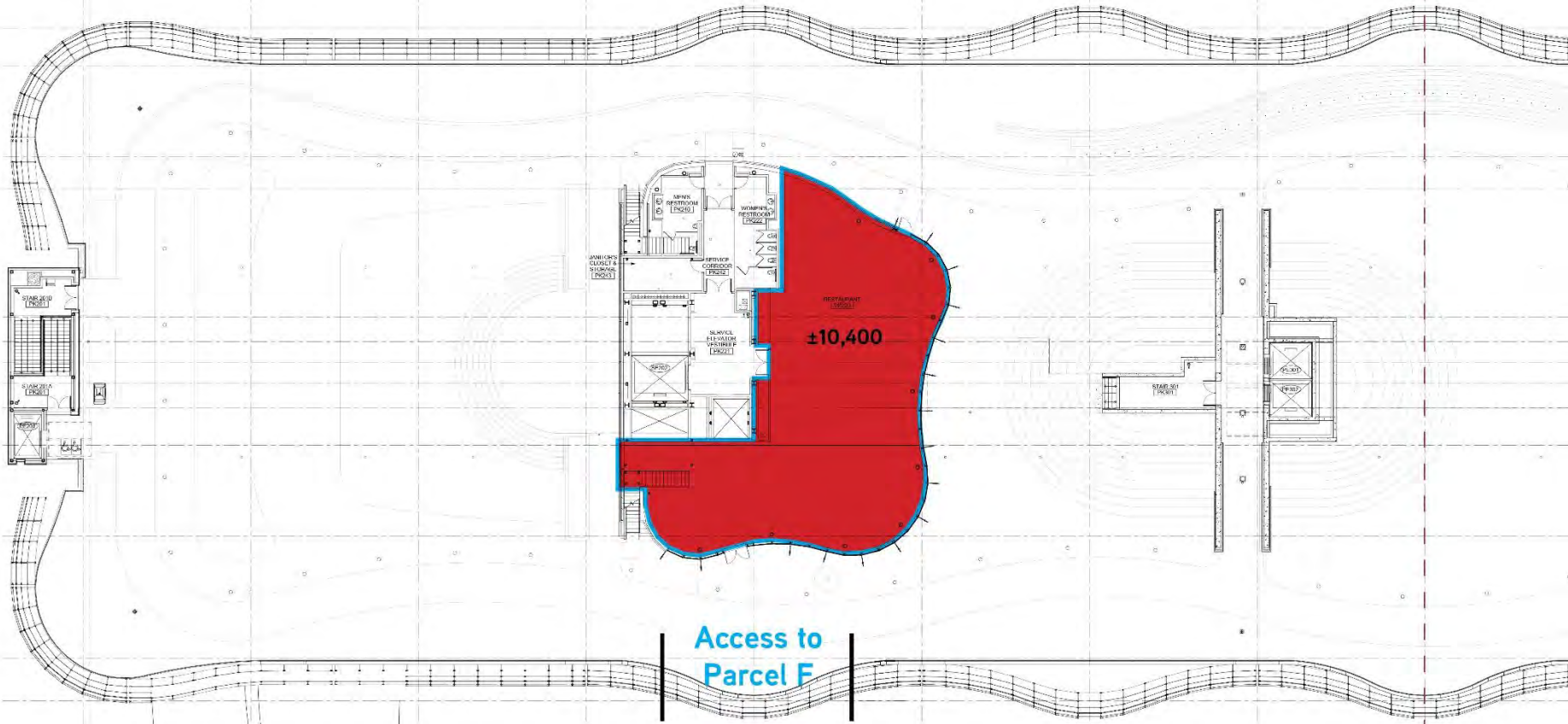
KIOSKS

-  = Dry Goods
-  = Food/Entertainment
-  = Market/Food Hall
-  = Services
-  = Fitness



RETAIL MERCHANDISING

Proposed Space Assignments: Roof Top Level

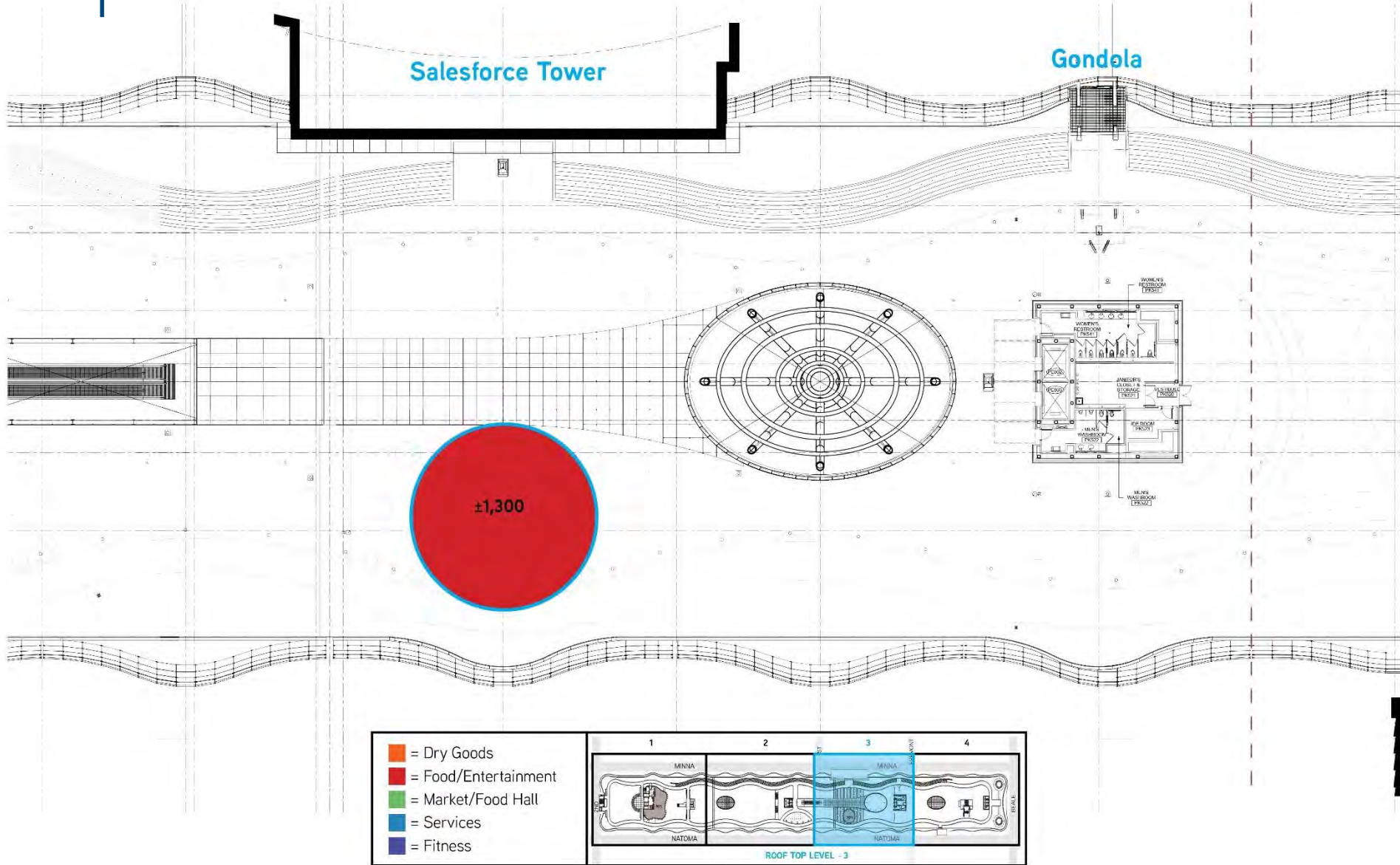


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ROOF TOP LEVEL - 1

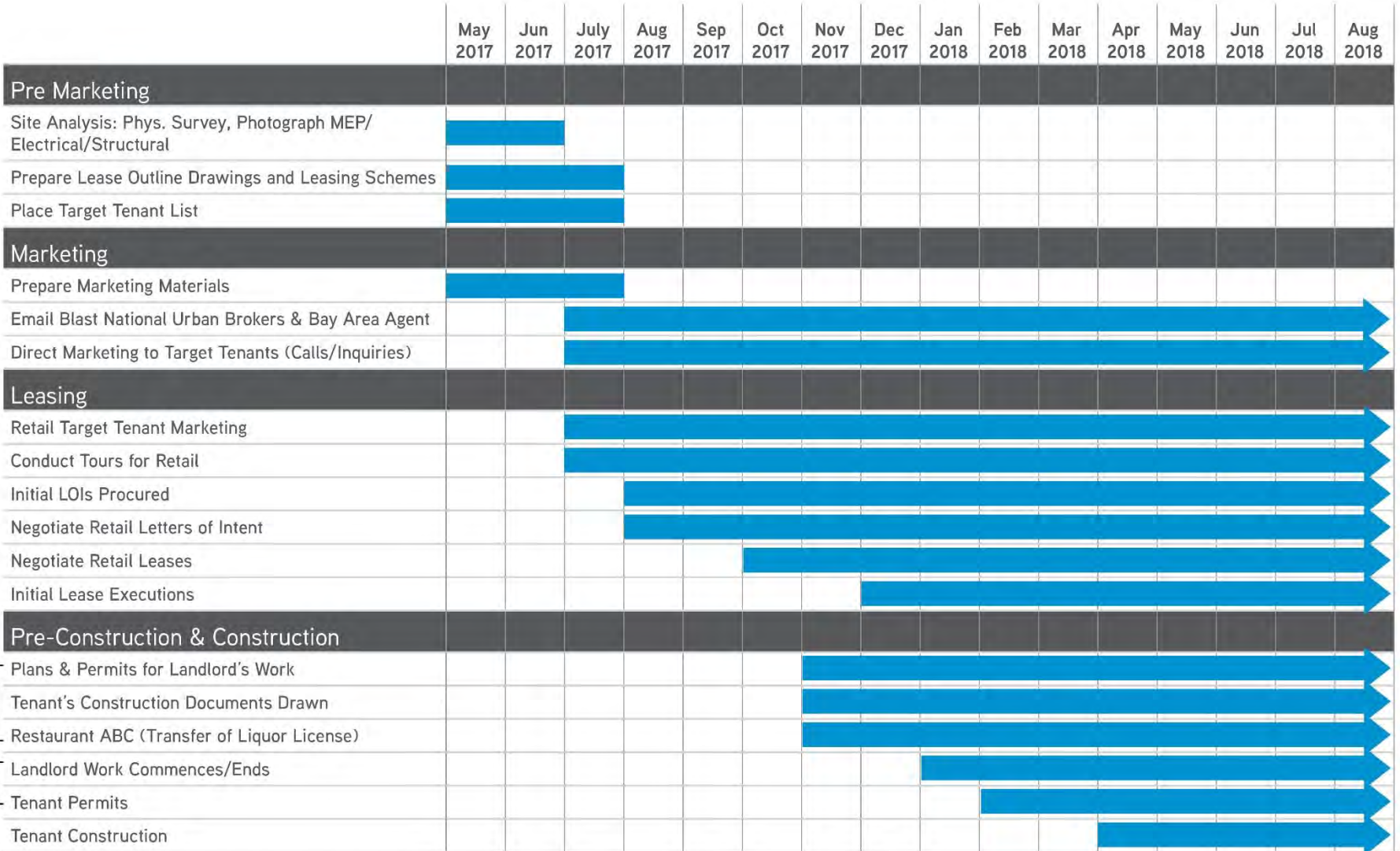
RETAIL MERCHANDISING

Proposed Space Assignments: Roof Top Level



RETAIL MERCHANDISING

Proposed Leasing Schedule



*Arrow denotes ongoing activity beyond displayed timeframe

RETAIL MERCHANDISING

Estimated Timetable for Retail Openings



Considerations

- Store opening dates are measured from the date of the TTC's completion of "hard hat" construction.
- The completion of construction and operation of bus traffic correlates to the leasing timeline because local tenants respond better to physical locations that exist on established street fronts.
- This is contrast to "chain stores" who will sign a ten year lease well in advance of construction completion.
- **Pop-ups will be open when the buses are operating on their regular schedules.**

Permanent Retail

- 80% of Ground Floor spaces are anticipated to have proposals within 6 months of marketing commencement
- 90% of Ground Floor spaces are anticipated to have proposals within 9 months of marketing commencement
- 50% of Second Floor spaces are anticipated to have proposals within 6 months of bus service
- 90% of Second Floor spaces are anticipated to have proposals within 9-12 months of bus service

Store opening dates may shift if:

- There are uncontrollable circumstances; i.e., permit delays. For example, in 2009 the SF Planning Department laid off most of its planners which resulted in extensive delays.
- An external event, such as a stock market crash can slow leasing demand.

MERCHANDISING CONCEPT

1. Draft lease template
2. Peer Review panel June 14
3. Plan finalized for July Board meeting
4. Refine retail plans (Lease Outline Drawings, a.k.a. LODs)

MARKETING

- Develop and launch retail-focused project website, targeted to prospective tenants
- Develop and launch email marketing blast campaign
- Update project to all leasing and marketing databases
- Continue to expand target tenant list, maintaining focus on local/regional operators
- Proactive outreach to in-house real estate representatives or brokers
- Continue dialogue with BRV and Pearl for collaboration opportunities

TENANT ENGAGEMENT

- Continue development of video focused on retail layout; target completion mid-July 2017
- Identify and visit San Francisco neighborhoods, fairs, and festivals (summer/fall 2017)
- Develop tenant requirements package
- Begin formal tenant tours after merchandise plan is finalized and tenants have been pre-qualified
- Attend Transbay area community meetings as requested to provide outreach

Who	From	Title
Cheryl Nashir	SFO	Director of Revenue Development & Management
Michele Meany	Ferry Building, Wilson Meany	Retail and Restaurant Broker
Jeff Badstubner	JLL	Senior Vice President Retail Market Lead
Kate Coburn	HR&A	Partner
Lois Rawlings	AC Transit	Real Estate Manager
Nancy J. Marshall	Grand Central Terminal	Former Director Retail Leasing & Management