

**STAFF REPORT FOR CALENDAR ITEM NO.: 10  
FOR THE MEETING OF: July 13, 2017**

**TRANSBAY JOINT POWERS AUTHORITY**

**BRIEF DESCRIPTION:**

Approve the final Retail Merchandising Plan for the Transbay Transit Center, and authorize the Asset Manager to begin marketing and negotiations for retail leasing generally consistent with the Plan, with specific proposed Letters of Intent for leasing returning to the TJPA Board for approval.

**BACKGROUND:**

In March 2017, the TJPA Board authorized an Asset Management Agreement (“Agreement”) with a team led by Lincoln Property Company and including Colliers International, Biederman Redevelopment Ventures, and Pearl Media (collectively, the “Lincoln Team”). The Lincoln Team’s tasks under the Agreement include management of the construction of tenant improvements and other necessary improvements to make the Transit Center ready for commercial activation, and leasing of retail spaces, including creation of an initial retail plan and management of ongoing leases and lease renewals.

In May 2017, the Lincoln Team presented to the TJPA Board a draft Retail Vision for the new Transit Center. The draft Retail Vision introduced, among other things, a proposed mission statement, an assessment of customer draw to the Transit Center, proposed programming based on expected day of the week and time of day of customer use, an explanation of potential tenant categories, a proposed merchandising logic based on location within the Transit Center, and a proposed commercial space plan. The team explained that the next step, among others, would be to prepare a draft Retail Merchandising Plan.

In June 2017, the Lincoln Team presented to the TJPA Board a draft Retail Merchandising Plan. The draft Retail Merchandising Plan refined the proposed mission statement and merchandising plan for the Transit Center. It explained the Lincoln Team’s process to identify the optimal uses for retail space in the facility, including evaluating expected circulation through the Transit Center, conducting void and co-tenancy analysis, and making space by space measurements. Based on this assessment, the Lincoln Team presented proposed space assignments based on retail category for each level in the Transit Center. The team explained that the next steps, among others, would be to conduct Peer Review, prepare a final Retail Merchandising Plan, and prepare a draft retail lease template.

**DISCUSSION:**

**Peer Review**

The TJPA engaged the following real estate managers and executive level industry professionals from both the public and private sectors to conduct a Peer Review of the Lincoln Team’s draft Retail Merchandising Plan:

Panelist	Agency/Entity	Title
Cheryl Nashir	SFO	Director, Revenue Development & Management
Jay Edwards	Port of San Francisco	Senior Property Manager
Michael Meany	Wilson Meany	Retail & Restaurant Broker; Retail Leasing Agent for the Ferry Building
Jeff Badstubner	JLL	Senior Vice President, Retail Market Lead
Kate Coburn	HR&A Advisors	Partner, Retail Practice Lease
Lois Rawlings	AC Transit	Manager of Real Estate
Nancy Marshall	Grand Center Terminal	(Retired) MTA Director of Grand Central Terminal Development

The panel provided feedback on topics including tenant mix, expected Transit Center users, user and consumer trends/habits, and an evaluation of the draft Retail Merchandising Plan relative to the TJPA's core goals for the Transit Center operations. The detailed results of the Peer Review are described in the report attached hereto as [Attachment 2](#).

In addition to the Peer Review panel, the TJPA discussed the draft Retail Merchandising Plan with John Updike, the Director of Real Estate for San Francisco. Mr. Updike advised on current retail trends in the city (e.g., the growth of pet-related care and supplies, and package reception facilities to make it easier for workers to pick up on-line deliveries close to work) and suggested TJPA work with the Department of Building Inspection to develop a program to streamline the building permit process for the retail tenants.

The TJPA also met with Katherine Daniel, the Deputy Director of San Francisco's Office of Economic and Workforce Development (OEWD), and members of that team to discuss opportunities for outreach to local, small and disadvantaged individuals and businesses through OEWD-backed programs.

The TJPA also conducted a peer review during the procurement process for the Asset Manager, which evaluated, among other things, the retail concept presented by the proposing teams, including the Lincoln Team. The panel provided feedback on issues such as tenant mix, and the importance of locally-owned retail to a segment of the expected users of the Transit Center.

### **Community Outreach**

The TJPA has solicited feedback from the community regarding the topics addressed in the Retail Merchandising Plan. In particular, during the procurement process for the Asset Manager, the TJPA and the consultant assisting with the procurement met with representatives of local community organizations, including:

- TJPA Citizens Advisory Committee
- East Cut (formerly Greater Rincon Hill) Community Benefit District (CBD) Board
- South Beach, Rincon Hill, Mission Bay Neighborhood Association
- San Francisco Chamber of Commerce
- San Francisco Beautiful
- Millennium Homeowners Association
- San Francisco Office of Community Investment and Infrastructure's (OCII's) Transbay Citizens Advisory Committee

These organizations provided thoughtful feedback and highlighted the issues of key importance to their groups, with a focus on the Transit Center's retail character, and particularly the retail mix, including national versus local retail, the use of the Rooftop Park for programming, and the public character of the Transit Center and Rooftop Park. A summary of the feedback received during these meetings are described in a community outreach summary memo attached hereto as Attachment 3.

The TJPA presented the draft Retail Vision and the draft Retail Merchandising Plan to the TJPA's Citizens Advisory Committee; that group reported its feedback directly to the Board at the May and June Board meetings.

The TJPA and the Lincoln Team plan to continue engaging the community and other stakeholders as the marketing for retail leasing progresses. For example, the TJPA is scheduled to present the status of the retail merchandising and leasing efforts to OCII's Transbay Citizens Advisory Committee and is working to schedule a presentation to the East Cut (formerly Greater Rincon Hill) CBD Board.

### **Final Retail Merchandising Plan**

Based on feedback the team received from the TJPA Board, the Peer Review panel, and the public, the Lincoln Team has prepared the final Retail Merchandising Plan attached hereto as Attachment 4. Highlights of changes to the Plan since the draft version reviewed by the TJPA Board in June include the following:

#### Diversity of the Retail Program

Based on feedback provided by the TJPA Board at the May presentation of the draft Retail Vision and the June presentation of the draft Retail Merchandising Plan, the Lincoln Team has refined the proposed mission statement to confirm that the TJPA's purpose is to place a "mix of retail and restaurants offering goods and services at all price points to ensure that the TTC is accessible and appealing to a diverse population." Further, the final Retail Merchandising Plan expressly states the TJPA's intention to provide a variety of cuisines that reflect the ethnic diversity of the Bay Area and California, and to offer products and services at a range of price levels to make visiting the Transit Center an everyday experience and not just an occasional shopping trip or celebratory evening out. The final Retail Merchandising Plan also explains that the Lincoln Team's retail outreach program includes "field trips" by the leasing team to food

fairs, music events, and ethnic festivals as well as walking tours through diverse neighborhoods so that the team can identify and solicit interest from diverse and emerging talent.

### Local Businesses

Given the regional nature of Phase 1 of the Transbay Program and the service areas of the transit operators in the Transit Center, TJPA staff and the Lincoln Team consider a “local” business to be one based in or operated by a resident of the 9-county San Francisco Bay Area: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

The Peer Review panel explained its view that San Francisco residents tend to prefer local vendors, and that consumer preference for at least some local tenants in the Transit Center should be anticipated. To respond to that anticipated consumer demand for local retailers, the Lincoln Team anticipates that 50 percent of the merchants in the Transit Center will be local.

### Outreach and Assistance to SBE, DBE, and Local Businesses

To ensure that SBE, DBE, and local retailers are aware of leasing opportunities in the Transit Center and can position themselves to be competitive, TJPA intends to outreach through OEWD and other programs, including through incubator and accelerator programs like La Cocina and Renaissance, and small and local business focused programs like Invest in Neighborhoods. As described above, the TJPA has already engaged OEWD and follow up meetings are being scheduled.

The TJPA has also engaged the City’s Small Business Acceleration Program, which can help food and beverage businesses navigate San Francisco’s permitting processes and provide other technical assistance, and OEWD’s Nightlife & Entertainment Sector, which can assist with, among other things, issues related to alcohol licenses.

In May, TJPA staffed a table at an annual procurement fair hosted by the Business Outreach Committee, a consortium of Bay Area transit agencies that assists small disadvantaged and local firms in doing business with those agencies, and provided information about leasing opportunities as well as Transit Center service contracts.

The leasing team’s retail outreach program to fairs, events, and festivals as well as neighborhood walking tours are also expected to connect emerging merchants with the Transit Center opportunity.

While the TJPA has an SBE and DBE program that it applies to construction contracts and professional services contracts, the TJPA has not adopted formal programs and set aside goals specifically geared to retail leasing. The TJPA intends to engage a robust outreach and assistance program, however, that will ensure small and disadvantaged merchants have the capacity and assistance needed to successfully lease space in the new Transit Center.

The TJPA will incorporate outreach efforts into a pro forma that will be developed for the Transit Center. The pro forma will identify recommended opportunities and targets for leasing to

small and disadvantaged businesses consistent with the Retail Merchandising Plan to include financial impacts.

### Temporary Activation

The TJPA and the Lincoln Team recognize the importance of activation of the facility as soon as it is open to the public, and are focused on a robust temporary activation program in the period while more permanent tenant improvements are built out. While the Lincoln Team works with long-term tenants to sign leases, and guide them through their process to construct and open stores, it will ensure that the property is well-populated with temporary and “pop up” uses such as carts, food trucks, and kiosks. The temporary tenant leasing initiative is a primary objective of the early marketing stage and occurs simultaneously with the Lincoln Team’s effort to negotiate with long-term tenants.

### **Next Steps**

Based on the TJPA Board’s approval of the final Retail Merchandising Plan, the Lincoln Team will be positioned to, among other things, fully-activate their formal marketing efforts and begin to negotiate Letters of Intent with tenants generally consistent with Retail Merchandising Plan. TJPA staff intends to present each proposed Letter of Intent to the TJPA Board for approval. The Lincoln Team’s specific steps and anticipated schedule are described in detail in the Retail Merchandising Plan.

### **RECOMMENDATION:**

Approve the final Retail Merchandising Plan for the Transbay Transit Center, and authorize the Asset Manager to begin marketing and negotiations for retail leasing generally consistent with the Plan, with specific proposed Letters of Intent for leasing returning to the TJPA Board for approval.

### **ENCLOSURES:**

1. Resolution
2. Peer review report
3. Community outreach summary memo
4. Final Retail Merchandising Plan

**TRANSBAY JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**Resolution No. \_\_\_\_\_**

WHEREAS, The Transbay Joint Powers Authority (“TJPA”) is a joint powers agency organized and existing under the laws of the State of California to design, build and operate the Transbay Transit Center Program (“Transbay Program”); and

WHEREAS, In March 2017, the TJPA Board authorized an Asset Management Agreement with a team led by Lincoln Property Company (“Lincoln Team”) to provide certain services related to the operation and maintenance of the new Transbay Transit Center, including management of the construction of tenant improvements and other necessary improvements to make the Transit Center ready for commercial activation, and leasing of retail spaces, including creation of an initial retail plan and management of ongoing leases and lease renewals; and

WHEREAS, In May 2017, the Lincoln Team presented to the TJPA Board a draft Retail Vision for the new Transit Center, and in June 2017, the Lincoln Team presented to the TJPA Board a draft Retail Merchandising Plan; and

WHEREAS, The TJPA and the Lincoln Team engaged real estate managers and executive level industry professionals from both the public and private sectors to conduct a Peer Review of the draft Retail Merchandising Plan; and

WHEREAS, The TJPA has solicited feedback from the community regarding the topics addressed in the Retail Merchandising Plan, including regarding retail character and retail mix, and the TJPA and Lincoln Team intend to continue engaging with stakeholders as the marketing for retail leasing progresses; and

WHEREAS, Based on feedback received, the TJPA staff and Lincoln Team have prepared a final Retail Merchandising Plan that will guide formal marketing efforts and negotiations of leases, with specific proposed Letters of Intent for leasing returning to the TJPA Board for approval; now, therefore, be it

RESOLVED, That the TJPA Board of Directors approves the final Retail Merchandising Plan for the Transbay Transit Center, and authorizes the Asset Manager to begin marketing and negotiations for retail leasing generally consistent with the Plan, with specific proposed Letters of Intent for leasing returning to the TJPA Board for approval.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of July 13, 2017.

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Secretary, Transbay Joint Powers Authority



## Memorandum

The TJPA's asset manager Lincoln Properties and their retail leasing agent Colliers International have begun shaping the retail leasing concept for Phase 1 of the Transbay Transit Center Program (Program). Presentations on the retail vision and draft retail merchandising plan were presented to the TJPA Board of Directors in May and June 2017, respectively. Following the June presentation, the TJPA convened a peer review panel to comment on the plan and to offer guidance and best practices. This memorandum summarizes the results of the peer review.

The peer review panel convened on June 14, 2017, at the TJPA's office. The panel was composed of real estate managers and executive level industry professionals from both the public and private sectors:

Cheryl Nashir—San Francisco International Airport, Director, Revenue Development & Management  
Jay Edwards—Port of San Francisco, Senior Property Manager  
Jeff Badstubner—JLL, Senior Vice President, Retail Market Lead  
Kate Coburn—HR&A Advisors, Partner, Retail Practice Leader  
Lois Rawlings—AC Transit, Manager of Real Estate  
Michele Meany—Wilson Meany, Retail Leasing Agent for the Ferry Building  
Nancy Marshall—Retired MTA Director of Grand Central Terminal Development

Team members who attended the peer review:

Ann Natunewicz—Colliers Retail Leasing  
Erika Elliot—Colliers Retail Leasing  
Julie Taylor—Colliers Retail Leasing  
Tony Smith—Lincoln General Manager  
Martha Velez—TJPA Facility Manager  
Mark O'Dell—PMPC Program Manager  
Anne Ording—PMPC Design Manager

The objective of the peer review was to consider how well the retail concept and proposed plan address the TJPA's core goals for the Transit Center. The core goals for the asset manager, as expressed in the TJPA's Master Lessee request for proposals, are as follows:

- Operate a clean, safe, and well-maintained Transit Center, befitting a world-class transit destination. The asset manager will ensure high standards of operations and maintenance for the benefit of the Transit Center's visitors and subtenants and adhere to the performance standards set by the TJPA.
- Deliver a visionary program that reflects Bay Area character and context. The asset manager will have an ambitious vision for the retail, digital, and events program within the Transit Center, and the experience and relationships necessary to lead a team to execute the proposed concept. This program should reflect the

unique character of San Francisco and the Bay Area to serve the mix of transit users, employees, residents, and tourists who will visit the facility.

- Ensure a high-quality user experience within this new civic facility. In addition to serving bus transit in Phase 1, and rail in Phase 2, the Transit Center is intended to become a focus of activity within the neighborhood. The facility's rooftop park, grand hall, pedestrian passageways, and public artworks all invite passengers, residents, visitors, and passers-by to interact with the building and its features. The asset manager should ensure that its program complements, and builds on, these unique features to support the Transit Center as a civic, as well as transit, facility.
- Maximize the economic value of the Transit Center. The asset manager will maximize the value of the facility by executing a premier commercial program that generates a return to the asset manager and revenues to the TJPA.

### **Peer Review Discussion**

Colliers presented the concept for retail leasing at the Transit Center. Generally, Colliers seeks to identify tenants optimally suited for each retail space, given the size, location, exposure, traffic flow, mechanical characteristics, and architecture of the space. The following sections summarize the discussion during the meeting:

**Tenant Mix.** The panel made the following comments about the tenant mix and the need to maximize revenue:

- A venue with all national chains would likely bring in the most revenue, as these national chains are better able and willing to pay higher rents. While the panel agreed that formula/chain retail was not the most desirable for the Transit Center, they did note that certain national chains, if used properly, could add credibility to the retail program.
- San Francisco residents tend to prefer local vendors, so a consumer preference for local tenants is anticipated. "Local" should likely include the broader Bay Area. However, the panel recognized that in at least some categories (such as cellular companies), there are not likely to be local vendors who seek to participate in the Transit Center.
- The need to maximize revenue while also trying to provide a venue for emerging talent that is not well established presents a dilemma. The panel agreed that the Transit Center should consider including space for emerging talent and makers, and potentially subsidize them, as this will bring interest and uniqueness to the venue.
- Flexibility and the TJPA's ability to curate the retail may be lost if the sole driver of tenant selection is the ability to pay a high rent (which are expected to primarily be national chains).
- The TJPA should establish a revenue expectation, work within that expectation, and offer a range of rents.

**Transit Center Users.** Colliers noted that they expect a considerable number of tourists every day. The panel offered the following comments regarding tourists, and users in general:

- Tour buses can provide a steady stream of potential customers, and some venues give discount coupons to tour bus operators to pass along to their riders. The panel also acknowledged that tourists want to go where the locals go; however, they warned that if a venue became a tourist attraction, it could keep the locals away—which would be detrimental to the Transit Center. The goal should be to have the local population embrace the retail at the Transit Center first as "the place to be."
- In general, residents and workers are likely to be the main users, rather than transit riders. The merchandising plan should remain broad, to react to the marketplace as leasing progresses.
- The user experience should be targeted to a diverse customer base and diverse price points.



- The Transit Center District is underserved regarding retail, and it is important that the Transit Center serve the district’s residents and office workers.

**User Trends/Habits.** Colliers noted that residents in the district typically will shop online but eat most of their meals out. Current statistics show that the young urban population eats out up to three times per day. In addition, the retail vacancy rate in the district is less than 1%. Therefore, although the district contains many restaurants, there is still room for food-related retail. This is especially true for specialty or experiential food concepts. Peer reviewers noted:

- Businesses offering quick-serve/takeout food that can be served for more than one meal during the day are generally more profitable than sit-down restaurants (but everyone still wants a sit-down restaurant). The panel recommends a mix and referred to the Slanted Door at the Ferry Building, which has both a full-service, sit-down restaurant and a quick serve/takeout venue—both of which are extremely successful.
- When the Farmers Market at the Ferry Building is held on Tuesdays and Thursdays, sales increase, as office workers cross the “barrier” of The Embarcadero to go to the Farmers Market. The market is a draw that assists all other retailers.
- It will be important to develop systems regarding outdoor seating to encourage users to frequent the retailers/restaurateurs in the Transit Center.

**Evaluation of the Plan Relative to TJPA’s Core Goals**

Following the meeting, the TJPA asked peer reviewers to respond in writing to questions on the TJPA’s core goals:

1. This program should reflect the unique character of San Francisco and the Bay Area to serve the mix of transit users, employees, residents, and tourists who will visit the facility. Does the merchandising plan deliver a visionary program that reflects Bay Area character and context?

*Yes, the plan is well thought out and addresses the multiple categories of users along with a mixture of retail and services to cater to a diverse market while serving all price points.*

*My overall impression of the marketing plan is good. It’s ambitious, but then it has to be. I like the brokers you have – they are experienced in SF and understand the market. Their approach is typical of a retail brokerage house approach—formulaic in vision. It is different from how we as retail/mixed use developers would come at a project like this, but standard for a broker. You will lose some ability to craft a unique retail center, but given the size and constraints of the project and the timeline it’s probably the best approach to get it done.*

*The Colliers merchandising plan is ambiguous in its explanation surrounding the attraction of local retail to the TTC [Transbay Transit Center]; however, as part of the Peer Review panel Colliers emphasized the desire to establish a strong local retail presence within the facility. Ensuring local tenants comprise a significant component of the overall retail program will support the facility’s authenticity and facilitate buy-in from the community. Colliers should provide further detail on how they will approach merchandising, especially the attraction of local tenants. Indicating three to five tenants Colliers anticipates targeting within each category would clarify their commitment to local tenants and provide further detail on their vision.*

2. The Transit Center is intended to become a focus of activity within the neighborhood. Does the plan ensure a high-quality user experience within this new civic facility?

*Colliers retail merchandising plan is largely based around food; food-based vendors, ranging from full service restaurants to wine/beer halls has been a hallmark of urban retail developments as of late. Colliers’*

*plan envisions the TTC becoming an anchor through the establishment of a strong food-centric program but should be further elucidated through the identification of three or four anchor sites within the facility. Through specific anchors, and a thoughtful approach to their tenancy, the long-term success of the facility is strengthened. To support Colliers' activation of the facility, the physical infrastructure of the retail program should be welcoming and accessible. For example, retail spaces should have customer entrances in both the outside and inside corridors of the facility. The connection to the rooftop park, both through programming and physical connections, should be emphasized. Colliers should work closely with BRV [Biederman Redevelopment Ventures] and Pearl [Pearl Media] to ensure synergies across the facility. As part of their coordination, Colliers should work with BRV to identify appropriate tenants for the rooftop park café and restaurant space. The tenants for the rooftop park retail spaces must be active participants in the overall rooftop park activation strategy.*

*I believe the plan certainly has the potential to do so through a diverse mix of retail, services and activities; however, there are a number of factors beyond the plan that will impact the visitor experience, such as customer service, security, cleanliness, ease of access, signage, pedestrian flow, etc.*

3. How well does the plan address the retail demands of the surrounding neighborhood?

*The plan addresses this through the neighborhood Void Analysis and Co-Tenancy Analysis that recognize the neighborhood as an integral part of the success of the Center.*

*Generally, I think the plan and approach is good. There's a lot of retail to lease up, so the first people to sign on will impact the direction of the project.*

*Colliers' plan development was not based on a rigorous retail demand analysis; however, the plan does consider the needs of the neighborhood, especially the local office and growing residential market. The merchandising plan, heavy on food, should be varied in the specific tenants and offerings, ensuring a mix of price points and supporting the facility throughout the day and week. If there is a dearth of fitness in the area, a fitness tenant could be appropriate to include as part of the vision.*

4. How does the plan differentiate itself and create a sense of place?

*The plan does an excellent job of breaking down a fairly long rectangular space on multiple levels that spans several blocks into manageable and leasable components by section and by floor. I believe the sense of place has already been created by the sheer size and volume of the Transbay Center; however, with multiple points of entry it will be a challenge to ensure a cohesive feel. The component approach outlined in the plan has the opportunity to create a positive experience no matter what the point of entry, if well thought out and executed properly.*

*Through the creation of a "restaurant row," Colliers can establish a distinct "feel" for the TTC. In order to ensure success, there should be an emphasis on curation and authenticity; how is the facility different from other nearby food-based destinations such as the Ferry Building. Leveraging the rooftop park as a key anchor of the facility will be critical. There is currently limited public space within the district and the rooftop park creates an opportunity to draw not only local visitors but to create a regional destination. Coordination with BRV to ensure the retail program is coordinating with rooftop activation (e.g., a picnic basket program on the rooftop park supported by street level restaurants) should be promoted.*

*The 5-acre park is wonderful and I hope it does become a gathering place for the workers and neighborhood. Its use will likely evolve over the years.*

Peer reviewers offered the following additional comments:

*While the categories presented in the retail plan allow flexibility and allow Colliers to test the market, it's unclear if the demarcation of spaces is correct. The size requirements of specific tenants will be dependent on the use.*

*The temporary retail upon facility opening in 2018 will set the tone for the project. Colliers should begin planning for the activation of the facility immediately and should develop a point of view and policies surrounding any temporary activation. For example, will Colliers mandate that in-line tenants have temporary space when the facility opens? At the moment, it is unclear how Colliers intends to activate the space on Day 1 and in the long-term with pop-ups and other temporary activation. Partnering with a group such as Appear Here may be advantageous.*

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MEMORANDUM

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To: Transbay Joint Powers Authority

From: HR&A Advisors, Inc.

Date: March 2016

Re: Master Lessee Procurement: Summary of Community Meetings

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TJPA arranged and HR&A participated in six community meetings the week of January 11, 2016 to provide community groups an overview of the master lease concept and the procurement process. The input of these groups will inform the Master Lessee Request for Proposals (RFP) and the evaluation of responses. This memorandum provides a summary of outcomes from these meetings. HR&A Principal Kumar Kintala, Scott Boule the TJPA Legislative Affairs and Community Outreach Manager, Mark O'Dell and Anne Ording from the PMPC Team and a representative from Singer Associates participated in these meetings. At each of these meetings, HR&A gave a presentation and then responded to questions. The six meetings included:

1. Greater Rincon Hill Community Benefit District Board of Directors on January 11
2. South Beach, Rincon Hill, Mission Bay Neighborhood Association on January 11
3. San Francisco Chamber of Commerce Public Policy Forum on January 12
4. San Francisco Beautiful on January 13
5. Millennium Tower Residents on January 13
6. San Francisco Office of Community Investment and Infrastructure Transbay Citizens Advisory Committee on January 14

HR&A also met with April Ang of Supervisor Kim's office on January 14<sup>th</sup>. It should also be noted that HR&A presented to the TJPA Citizens Advisory Committee on December 8, 2015.

**GREATER RINCON HILL COMMUNITY BENEFIT DISTRICT BOARD OF DIRECTORS**

- The Board underscored the importance of the Transit Center retail and public spaces serving the neighborhood residents rather than just office workers.
- The Board would like to have a better understanding of when events will take place and noise level restrictions. TJPA clarified that a joint committee composed of TJPA and the GRHCBD representatives will be informed about event guidelines, protocol, and other relevant matters. The RFP makes this clear as well.

- A Director wanted to understand whether the master lessee or the GRHCBD would be responsible for Rooftop Park management. TJPA clarified that the master lessee would be responsible for Rooftop Park management.
- The GRHCBD management plan estimates an operating budget for the Rooftop Park. One member wanted to understand whether that budget estimate aligns with TJPA's expectations for the annual operating cost for the Rooftop Park. TJPA clarified that the numbers generally align.

Action item: HR&A will provide a link to the GRHCBD management plan in the RFP.

- The Board noted the importance of ensuring the funding they provide for Rooftop Park operations does not get siphoned off for other use. HR&A clarified that there will be an annual budget approval process between the TJPA and the master lessee. There, the sources and uses of funding for the Rooftop Park will be explicit. The RFP describes the need for this annual budget approval process, and that funding for the Rooftop Park will be coming, in part, from the GRHCBD requiring its oversight via the joint committee.
- A Director recommended that the "experience" category in the selection criteria for the RFP be more explicit about experience with respect to managing transportation facilities. Also, that local retail reference should rather be referred to as locally-owned businesses.

## **SOUTH BEACH, RINCON HILL, MISSION BAY NEIGHBORHOOD ASSOCIATION**

- A resident commented that they would like to see retail that serves neighborhood residents, rather than office workers. HR&A explained that is a goal for this process, to find a master lessee that proposes a retail concept that serves all customer segments (residents, workers, commuters, and visitors) and not just one.
- A resident suggested that more weight be given to the retail proposal criterion in the evaluation criteria.

Action item: HR&A does not recommend adjusting the criteria.

- A resident asked what checks would be on the master lessee for poor performance. HR&A explained that there would be a lease term that would expire, but more applicable elements of the deal include a set of performance standards embedded in the master lease that must be met and a budget approval process for operations & maintenance and capital improvements. The TJPA will be able to ensure performance by enforcing those standards and approving acceptable budgets. It should also be noted that there will be appropriate remedy and liquidated damages clauses in the master lease.
- A resident asked what amenities would be available on the Rooftop Park, particularly whether there would be places for active recreation. TJPA explained the Rooftop Park program, and noted that there would not be sports courts but there would be significant green space for passive recreation.
- A resident asked about opening and closing hours. One resident hoped that the retail would be open later in the afternoon/evening, and another hoped that the Transit Center would generally be active at night. TJPA explained that bus operations will be 24 hours, with reduced service from 1 am to 5am. The Rooftop Park has been envisioned to be open from dawn until dusk, with the exception of the restaurant and the amphitheater in the case of evening events. HR&A explained that retail

developers are likely to see market potential from residents, and not just workers, which would result in retail being open in the late afternoon and evening.

Action item: HR&A and TJPA to explain facility/bus and Rooftop Park opening and closing hours in the RFP. HR&A assumes retail operating hours will be negotiated in the master lease.

- A resident asked how the TJPA will prevent homeless persons from lingering in the Transit Center. TJPA explained that security will be run by the TJPA via its security operations contractor, and that security will not be the responsibility of the master lessee.
- A resident asked about the market potential for the second-floor retail space at the Transit Center given that second floor retail spaces at other buildings face challenges. HR&A and PMPC responded that the second floor space will have strong visibility from the street and from passengers vertically circulating to/from the Rooftop Park and to/from the third-floor bus deck.

## SAN FRANCISCO CHAMBER OF COMMERCE PUBLIC POLICY FORUM

- An attendee wanted to know if San Francisco's formula retail regulations or processes would apply to the master lessee's retail subtenants. HR&A explained its recommendation to not impose a formula retail restriction, given the importance of providing a master lessee the opportunity to maximize revenue to help pay for Transit Center operating costs. HR&A also explained that a key goal is to select a master lessee that can develop and operate the Transit Center with local character and context, and that respondents would score higher if they have experience developing retail with locally-owned businesses and propose a retail concept that calls for locally-owned businesses.

Action item: HR&A will clarify in the RFP that the City's formula retail restrictions do not apply to the Transit Center.

- An SF Chamber representative shared her perspective that the Transit Center should be allowed to cultivate a mix of national, regional, and local tenants to ensure the space can be filled and sustained. The representative noted the Ferry Building as an example that struggled in its early years with its high percentage of local businesses.
- An attendee noted that SFO provides excellent retail featuring regional retailers and restaurants. HR&A explained that SFO is directly managed by government and has in place a large-scale team that deploys an extensive business outreach program.
- An attendee asked how many RFP responses could be expected. HR&A explained that there is a limited universe of potential respondents for these types of market opportunities, citing the Fulton Center master lessee RFP which received two responses. HR&A noted there is no way to predict the number of responses to the Transit Center master lessee RFP, but hoped for a number between 3 and 10 responses.
- An attendee asked what small business opportunities are available. TJPA explained the significant level of small business activity involved with the construction of the Transit Center.

The RFP requires respondents to include their plan for leasing space to locally-owned retail tenants and small business owners, and says the TJPA may grant special consideration to proposals that offer a compelling plan.

Action item: TJPA to follow-up with Sheppard Mullin to ensure small business requirements, if any, are made clear in the draft master lease.

## **SAN FRANCISCO BEAUTIFUL**

- The team met with the organization's executive director and its communication manager only.
- The Executive Director underscored that the signage plan for the Transit Center should align with San Francisco's signage policy and intent. TJPA explained that they have been meeting with the San Francisco Planning Department signage team to ensure that any signage at the Transit Center aligns with the Planning Department guidance.

Action item: TJPA to advise HR&A on whether the City has jurisdiction on any additional signage concepts, and how to articulate that in the RFP.

Action item: TJPA to consider secondary outreach to SF Beautiful to clarify signage approach.

- The Executive Director felt that the Transit Center should aspire to be a "community square" with respect to the Rooftop Park and the retail. In other words, the Transit Center should strive to be active and a draw for those living and working in the community. TJPA and HR&A agreed and noted that a goal is to select a master lessee that has experience creating those environments, and proposes an environment that shares that vision.

## **MILLENNIUM TOWER RESIDENTS**

- Residents sought clarity on the opening and closing hours for the Rooftop Park and retail uses. For retail, they expressed that many shops and restaurants in the area close after work hours and hoped that would not be the case at the Transit Center. TJPA responded that the Rooftop Park, with the exception of the restaurant, has been envisioned to be open from dawn until dusk, with exceptions for any evening events at the amphitheater. For retail, HR&A explained that these hours are to be determined and their feedback will be considered in the negotiation process with the master lessee.
- A resident asked whether there would be restrictions on retail mix; specifically, whether national fast food chains would be permitted. HR&A explained its recommendation that the master lessee be provided flexibility to develop a retail program they feel best meets the TJPA's goals which include developing a retail program reflective of local character. HR&A also explained that vision, and the respondent's experience, will be considered in the evaluation criteria.
- A resident asked how the master lessee will be seeking subtenants, and how a business owner could go about leasing space at the Transit Center. HR&A explained that the leasing process will be executed by the master lessee. A business owner could inquire with the selected master lessee, its leasing agent if any, or be in touch with the TJPA who will be closely coordinating with the master lessee.
- Residents asked about dog policy for the Rooftop Park. TJPA explained that the current thinking is that dogs would not be allowed on the Rooftop Park.
- Some tenants said they were not aware that Phase 1 included a Bus Plaza adjacent to 301 Mission. TJPA advised that this had been the plan, and has been public since 2007 (actually 2004 in the

EIR). Also some residents were not aware that a Ground Level Intercity Bus Terminal was planned as part of Phase 2 and will be located at grade between Main and Beale, Natoma and Minna. TJPA agreed to come back and provide a presentation on Phase 2 to Millennium Tower residents at a future date.

## **SAN FRANCISCO OFFICE OF COMMUNITY INVESTMENT AND INFRASTRUCTURE TRANSBAY CITIZENS ADVISORY COMMITTEE**

- A committee member suggested and requested that the selected master lessee meet with the CAC to explain the master lessee's proposed approach to retail and events.

Action item: TJPA to determine whether this is appropriate. HR&A does not recommend obligating the master lessee to meet with the OCII CAC.

- An audience member asked whether the Transit Center is subject to Proposition M, or the Office Development Annual Limit Program. TJPA responded that since the office space contemplated is less than 50,000 SF that Proposition M would not apply.
- Committee members underscored that the Rooftop Park should be a public use and not dominated by private and/or sponsored events. HR&A explained that the master lessee will need to establish a scheduling protocol approved by the TJPA, and that protocol will account for TJPA's goal that Rooftop Park be a public space.
- For the scheduling protocol, committee members suggested that the TJPA consider guidelines such as a cap on the number of events, ensuring some level of event-free public use on the weekends for resident enjoyment, and a reminder to account for the time needed to take-down an event.
- Committee members recommended that retail not only include locally-owned businesses but also innovative businesses in line with San Francisco's status as a hub for innovation. HR&A explained that the TJPA shares this goal, and will be evaluating respondents based on their experience creating and managing retail developments that include such businesses and their vision for creating that type of retail environment at the Transit Center.





July 5, 2017

### TTC Narrative for TJPA Board Staff Report

Throughout the development of the Transbay Transit Center (TTC), the TJPA has sought to create a project that vibrantly reflects the best of the San Francisco Bay Area’s “character and context.” Colliers’ retail vision, as we first outlined in our RFP response and have honed this spring/summer, is to assemble a tenant mix that is uniquely Bay Area, diverse, and accessible to all.

We have developed a plan and program that, we believe, will establish the TTC as the centerpiece of the city’s South of Market area, and as an inviting destination for millions of residents, tourists, employees, and transit riders each year. We focused our planning efforts on defining each of the customer groups that will visit the center and understanding their unique trip purposes. From that, we surveyed the Transbay neighborhood to understand retail needs not being met, and developed a list of tenant categories that would be necessary to meet demand. Once we receive approval for our merchandising plan, we will launch a creative and aggressive marketing program, targeting local business and a well-balanced mix of uses. Our objective is to identify and engage our target tenants as quickly as possible, to minimize the time between the TTC grand opening and the opening of our permanent tenants. Our schedule of projected tenant opening dates is described below, with a chart that follows this narrative.

The TTC’s first retail occupants will be ‘pop-up’ and temporary tenants that will activate the project from date of opening in spring 2018. While we work with our long-term tenants to sign leases and guide them through their process to construct and open stores, we will ensure that the TTC is well-populated on the ground level, bus deck level, and rooftop park with temporary uses such as carts, food trucks, kiosks, and cordoned-off areas for recurring events such as a farmers market. Our temporary tenant leasing initiative is a primary objective of the early marketing stage and essential to establish and define the TTC’s character and sense of place.

Although we have begun outreach for our temporary tenants, we have been careful to not start formal marketing efforts for our permanent program until the TJPA Board approves the merchandising plan. However, media buzz about the TTC has already generated significant tenant interest. Within the past two months, we have received inquiries from more than three dozen established operators:

- Full-service restaurants (including two celebrity chefs): 5
- Quick-service/fast-casual restaurants: 4
- Coffee: 1
- Specialty food (juice, desserts, etc.): 4
- Fitness: 2

- Non-food retail: 18
- Grocery: 2
- Services: 3

### Tenant Outreach Strategy

Throughout our marketing program, we will be working closely with our partners BRV and Pearl Media. As we have discussed previously, we will target tenants that are willing to contribute more to the TTC than their storefront. We want businesses interested in partnering with us on common-area events, on reciprocal marketing programs (and potentially those that incorporate our transit partners), and contributing to the positive image of the TTC in the community.

While the TTC is located in the heart of downtown San Francisco, we will not limit our outreach to businesses that operate only in the City. We are fortunate to have here some of the world's best and most innovative operators, especially in the food scene. Therefore, we are defining "local" as the 9-county San Francisco Bay Area served by the transit operators slated to use the TTC: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma Counties.

We have been asked to project what percentage of our tenants will be local. While the market will ultimately dictate what is possible, we aim for at least 50% of our tenants to be based in, or operated by, Bay Area residents. At the same time, to have a balanced project, it may be necessary to include non-local tenants, especially in categories without a strong local operator (i.e. cellular service provider, full-service bank, etc.). Additionally, regional or national operators with multiple existing locations tend to be larger and better-capitalized, which means they are able to pay higher rent. In leasing space to them, we subsidize our efforts to include smaller and emerging businesses that will be vital to the TTC's success.

Diversity in a retail mix reflects several components, and we are considering each to ensure that the needs of all of our targeted customer groups – local employees, residents, commuters, and tourists—are met.

- 1) Tenant categories: Balance between food and non-food (aka "specialty retail" or "dry goods), between types of restaurant service ("quick-serve" or "grab-and-go" versus sit-down dining), and a variety of ethnic cuisines to reflect the Bay Area's diverse residents. A balanced tenant mix ensures that the TTC will adequately serve each of its expected customer groups and trip purposes. Our accompanying PowerPoint presentation includes a floor plan with retail use "emojis" layered on top of each leasable space, representing one category of tenant that might be well-suited to it. It is important to note that market demand will drive the type of uses that we are ultimately able to secure, and therefore the final tenant mix may not match this plan.
- 2) Price points: Our goal is to make the TTC accessible to all, which means assembling a tenant mix that offers products and services at a range of price levels. For example, we will have at least one gourmet, "white-tablecloth" restaurant, but we also plan to seek out

“grab-and-go” food operators where customers can pick up inexpensive tacos or veggie wraps. We want the TTC to become an everyday experience, not just an occasional shopping trip or celebratory evening out.

- 3) Hours of operation: A successful project maintains a high energy level and traffic flow throughout the day. We are paying close attention to the positioning of tenants in specific locations, each with different foot traffic patterns, matching expected traffic with suitability of use and placing complementary uses together.

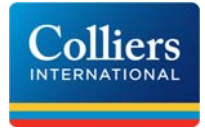
For the TTC to fully reflect the vibrancy and diversity of the Bay Area, its retail tenant mix must include operators from multiple neighborhoods, not just the upscale or trendy retail corridors in San Francisco. Colliers’ retail outreach program includes “field trips” by our leasing team to food fairs, music events, and ethnic festivals as well as neighborhood walking tours including the Richmond, Mission, Bayview-Hunters Point, Chinatown, West Portal, Bernal Heights, and the Haight. Our goal is personal outreach to these small business owners, retailers and restaurateurs, focusing on those we’ve pre-identified by their strong Yelp reviews (to generate social buzz if they open in the TTC). We hope that by meeting these entrepreneurs, talking with them about the TTC, answering questions in a one-on-one setting, we can learn more about their businesses and, if they’re interested in expanding, start a discussion regarding a potential tenancy at the TTC. Lastly, we will be doing outreach to local businesses through the Office of Economic and Workforce development (OEWD) and other programs to ensure local businesses can compete for leases and merchants, when hiring, are aware of the strengths and capabilities of local staff. This will be inclusive of SBE/WBE businesses.

### Leasing Schedule

Once the TJPA Board approves our merchandising plan, Colliers will begin aggressively marketing the retail spaces, following the outreach program that we have outlined previously. Given the level of advance (and unsolicited) interest we have received, we are confident to have many more interested tenants than we will be able to accommodate, especially in the food categories. Strong tenant demand, however, does not translate into a fully occupied center upon opening. The lead time necessary to negotiate a lease, obtain construction and ABC permits, and complete both Landlord’s and Tenant’s construction, can range anywhere from 12-24 months from receipt of a Letter of Intent, which typically doesn’t occur for at least 2-3 months after marketing begins.

The accompanying schedule provides our estimates for tenant opening dates, which assume that by January 2018 it has been confirmed that all spaces have required tenant infrastructure to support their targeted use. Tenants’ opening dates also tie to the completion of Landlord’s work as required, prior to Landlord turning the space over to Tenant.

We have divided the retail spaces into tranches based on their location, proximity to the densest pedestrian traffic, and differences in buildout time based on anticipated tenant use. The categorization of spaces and letter naming signifies where the space fits into the timing series



and is not an indication of its quality. It is possible that some “B” or “C” spaces may be leased before “A” spaces. As we explained in our May presentation to the TJPA Board, the retail leasing process for a large project is defined (and driven) by the early commitments of the “bellcows”: the celebrity tenants who create buzz, set the tone for the project, and give others confidence to follow them.

Our ground-floor “A” series spaces are small, highly visible, with at least one space that may not be food (so it would require fewer permits). Even as we market the entire center, lead tenants seeking highly visible spaces with strong foot traffic will respond first to this high-profile cluster of spaces. The park spaces, even with strong interest and focus, are likely to take longer to open because they will be restaurants requiring more approvals for design and construction.

On the second level, we estimate that the “E” and “F” series spaces may also open early because they will likely be service providers who are choosing the TTC for its location in South of Market, not because they need the added flow of transit commuter traffic. They are also not likely to be food.

Our ground-floor “B” and “C” series spaces are not “As” only because corners typically lease first. The Bs and Cs are highly visible to the thousands of people who walk through Shaw Alley and the plaza adjacent to 535 Mission, and the tenants interested in the Bs and Cs will want to know who will be taking the corners before they make a commitment.

Our “D” series spaces have the longest lead time because nearly all of them on the ground floor will be full-service restaurants with an outdoor seating component. We expect the operators will want to customize their concept for the space, and may wait to submit LOIs until they can see the TTC open to get a sense of flow and light without all the construction equipment. The “D” space on the second floor, if it ends up as a food hall, will likely require more time than would a fitness operator.

Sincerely,

Julie Taylor

Lic. #009988395

Erika Elliott

Lic. #01234477

Ann Natunewicz

Lic. #01935970



# Retail Merchandising Plan Transbay Transit Center

July 13, 2017



Presented by:  
Erika Elliott  
Ann Natunewicz  
Julie Taylor

## 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 a diverse population.





## WHAT IS A “LOCAL” TENANT?

The 9 Counties of the Bay Area



Anticipate certain demand from consumers and users of the TTC for local merchants

Local: 9-county Bay Area serviced by transit operators in the TTC

Expectation is that 50% of tenants will be local

Outreach to local businesses through Office of Economic and Workforce Development (OEWD) and other programs to ensure local businesses can compete for leases, and merchants are aware of the strengths and capabilities of local candidates when hiring

OEWD outreach also encompasses SBE/DBE businesses

# RETAIL VISION

## Tenant Categories



**DRY GOODS**

WILLIAMS SONOMA  
SAN FRANCISCO GIANTS DUGOUT  
BODY TIME EST. 1970 BERKELEY, CA  
**SEPHORA**  
ATHLETA  
CHROME

**FOOD & ENTERTAINMENT**

BARCHA  
WORK TO WALK  
THE ORGANIC COUP  
SUPER DUPER  
quality foods WISE SONS since 1771  
ANTI GA  
Spitz Coffee  
sweetgreen  
Kara's Cupcakes  
Smitten ICE CREAM  
PACIFIC COOKIE COMPANY  
OSHA THAI RESTAURANT & BAR  
ANCHOR & HOPE  
BLUE BOTTLE COFFEE  
THE TREASURY  
Salt House  
Specialty's  
central kitchen  
flour + water  
DOSA  
Mission Chinese Food  
JOE & THE JUICE  
PIEDLOGY pizzeria  
MIXT  
TRICK DOG  
THE PLANT CAFE ORGANIC  
STEEL SPAIL  
HAVEN  
Blanc et Rouge wine bar  
BLUE BARN  
Kungsten

**NON TRADITIONAL**

WORKSHOP CAFE  
THE MARKET HALL  
the MARKET  
**SPiN**

**SERVICES**

FELLOW BARBER  
VANITY BEAUTY LOUNGE  
one MEDICAL GROUP  
Pinkies NAIL SALONS  
SPARGO  
Shoe Biz A Different Kind of Shoe Store

**FITNESS**

Pilates ProWorks  
FITNESS SF corepower YOGA  
Orangetheory FITNESS








5

RETAIL VISION

Activating the Transit Center



	Gourmet deli	Fitness operator	Restaurants & Bars	Restaurants	Newsstands
	Park picnic basket program	Yoga in the Park	Multiple on-site events with retailers and restaurants	Hand-cart program in the Park	Reading Carts
	Broadcast by Pearl	Broadcast by Pearl	Broadcast by Pearl		



# 6

## DESCRIPTION OF POP-UP PROGRAM



Upon Opening (March 2018) - Temporary Activation Throughout the Transit Center



Farmers Market



Food Trucks



Outdoor Fitness



Hand Carts



Outdoor Market



Mobile Service Kiosks



Vending Machines

# 7

## RETAIL MERCHANDISING

### Our Process



### PEDESTRIAN 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 will not be 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 the infrastructure adequate?
  - Preferred grouping of tenants: Juice likes to be near fitness





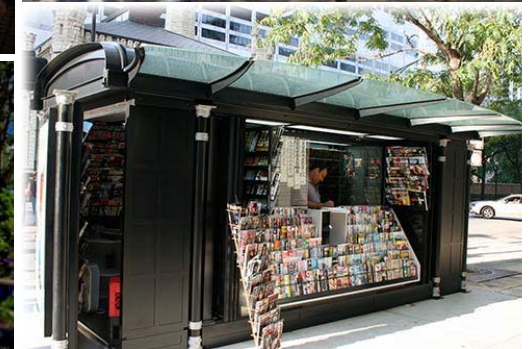
# 8

## 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



# 9

## 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

## Merchandising Plan



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



**GROUND FLOOR**

\*Final retail mix subject to tenant needs and market demand



# RETAIL MERCHANDISING

## Merchandising Plan



- Dry Goods
- Food/Entertainment
- Market/Food Hall
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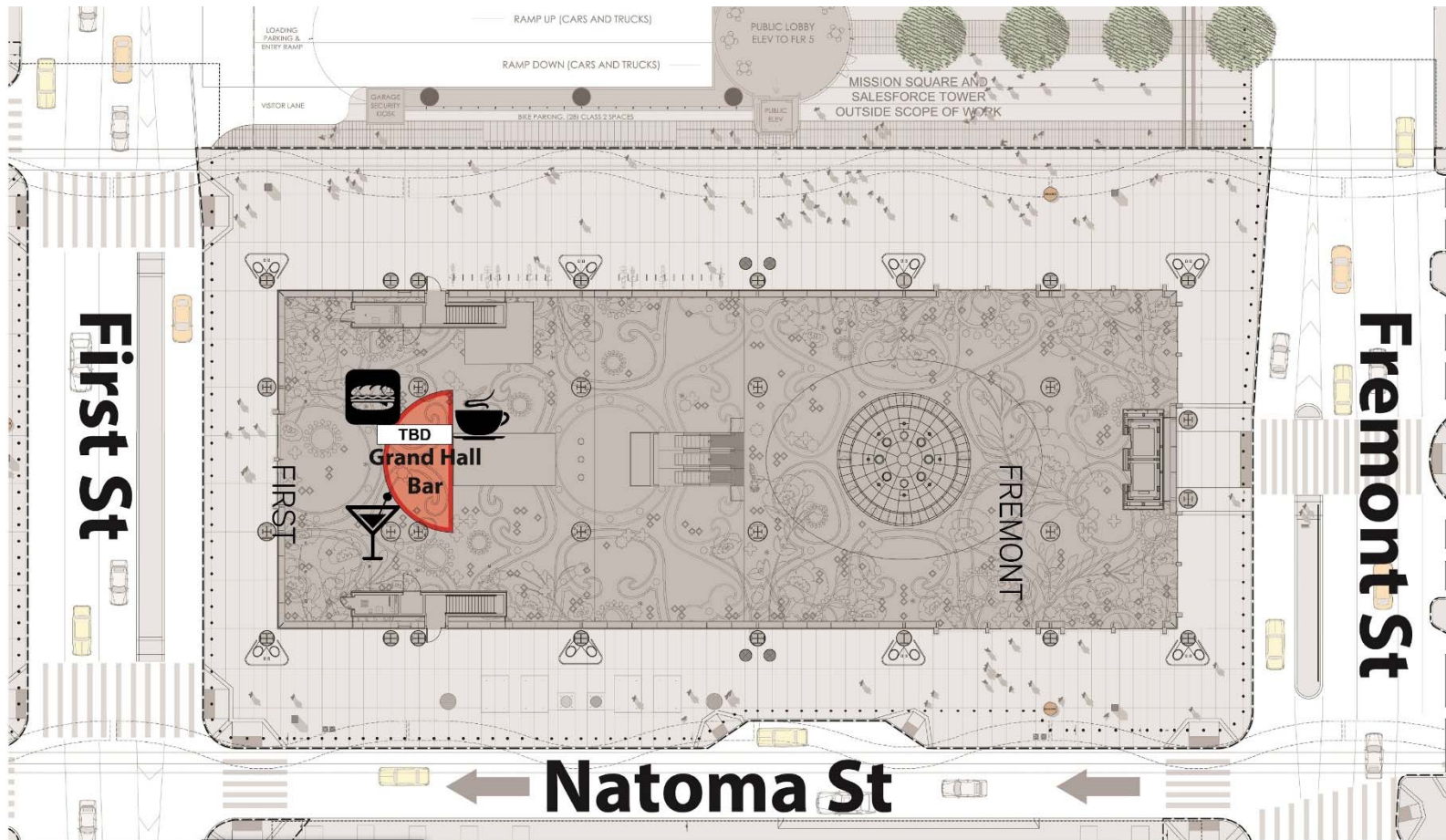
GROUND FLOOR



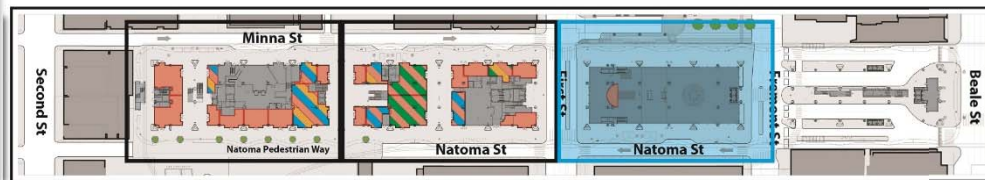


# RETAIL MERCHANDISING

## Merchandising Plan



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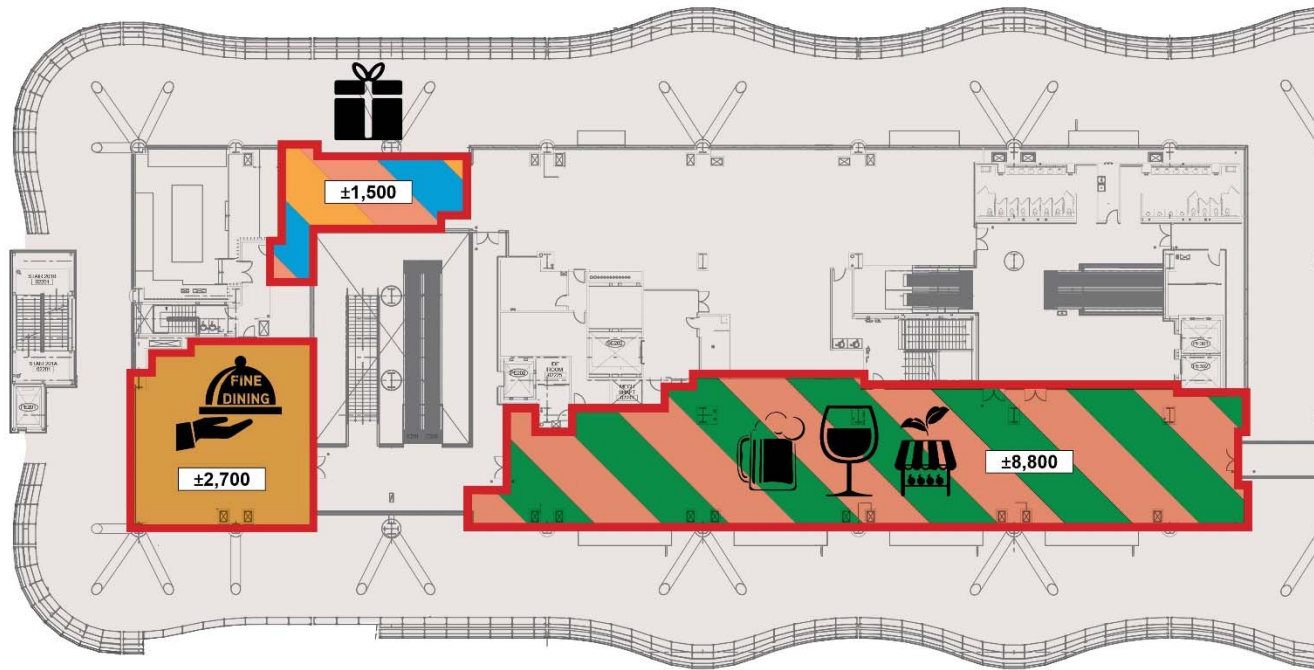
GROUND FLOOR



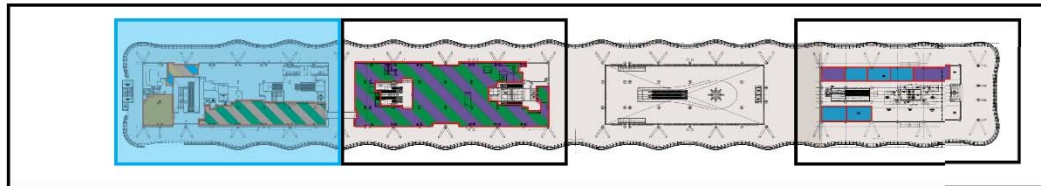


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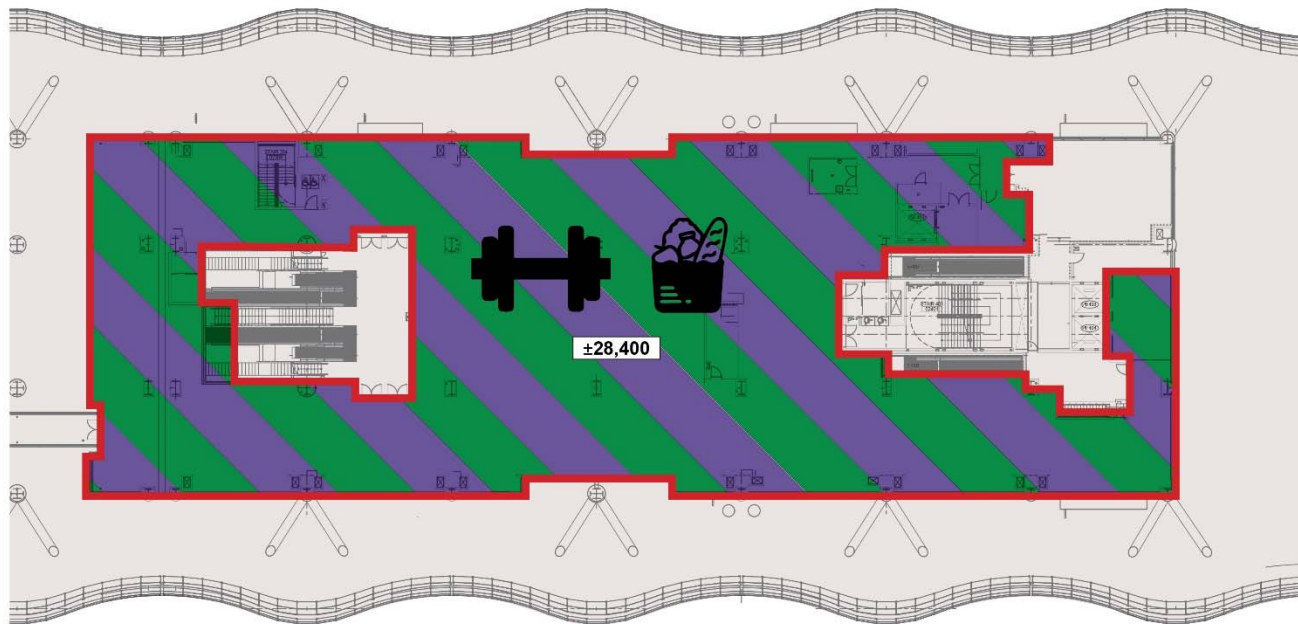


SECOND FLOOR

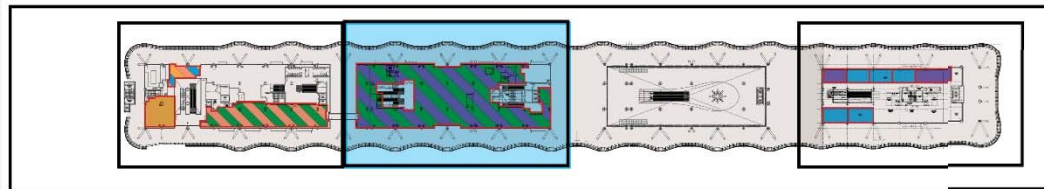


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Merchandising Plan



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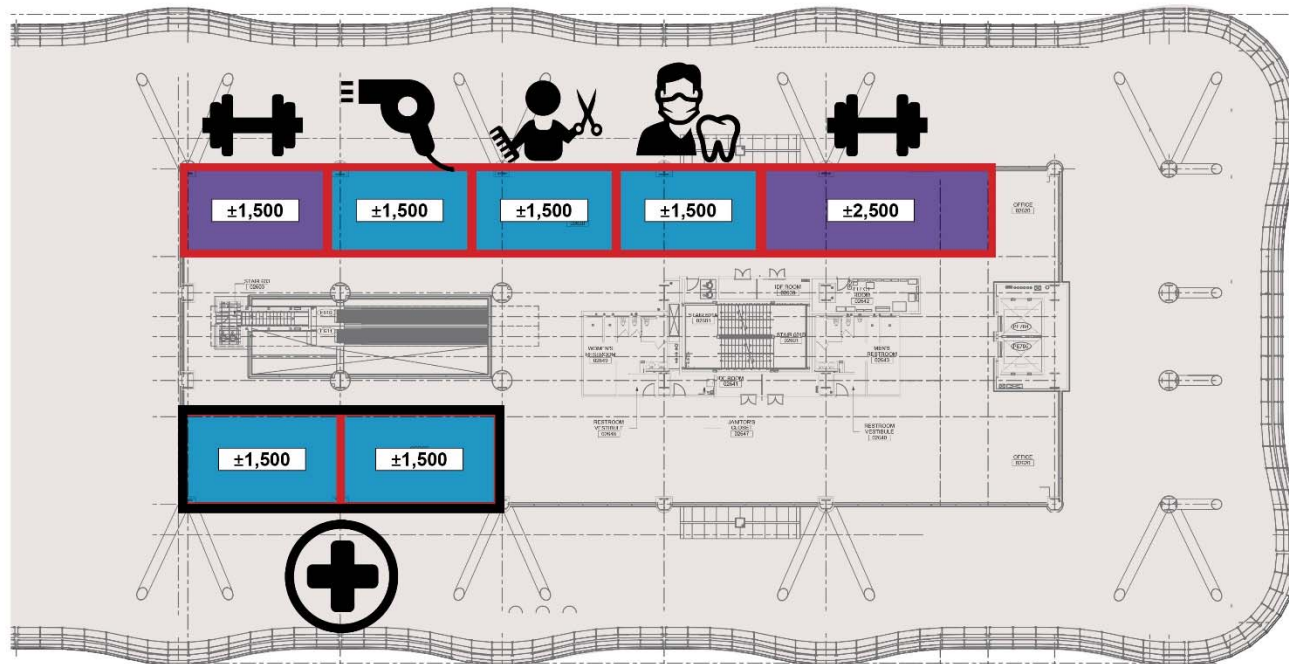


SECOND FLOOR



# RETAIL MERCHANDISING

Merchandising Plan



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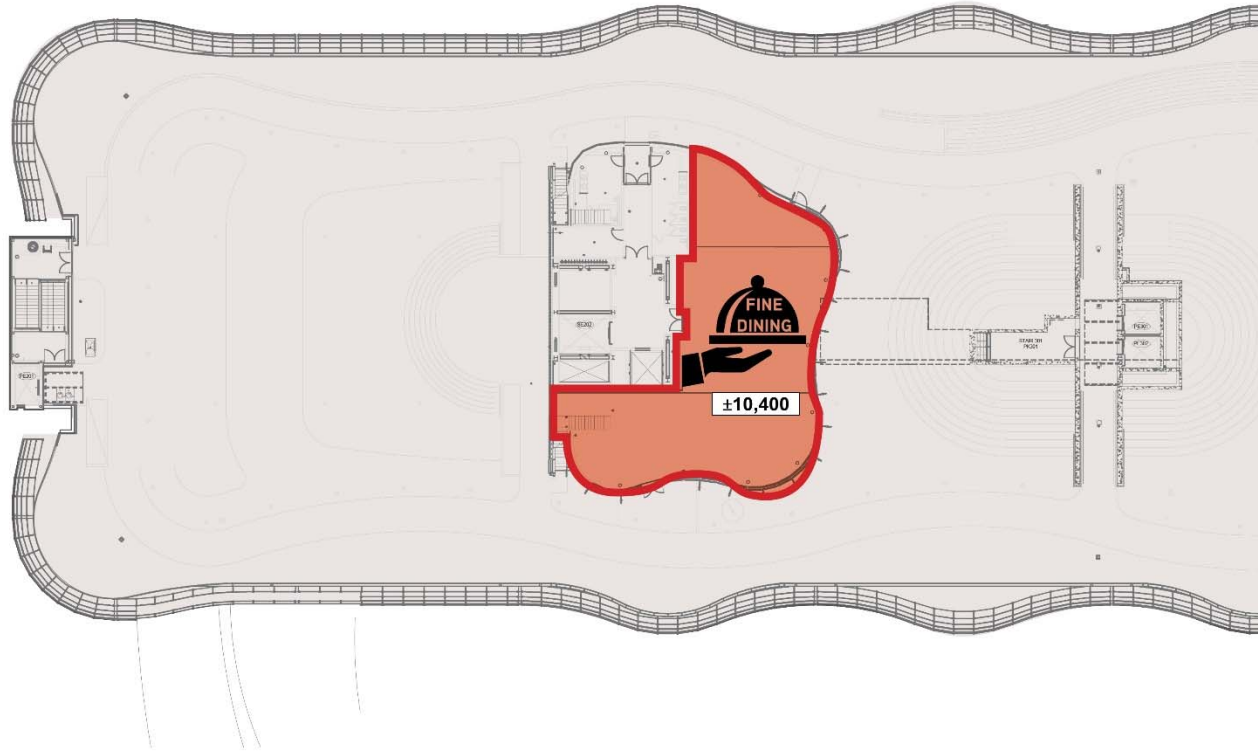


**SECOND FLOOR**

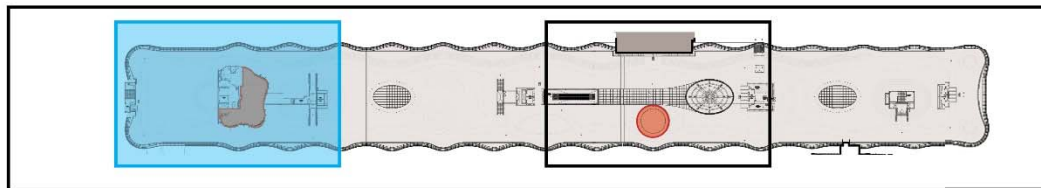


# RETAIL MERCHANDISING

Merchandising Plan



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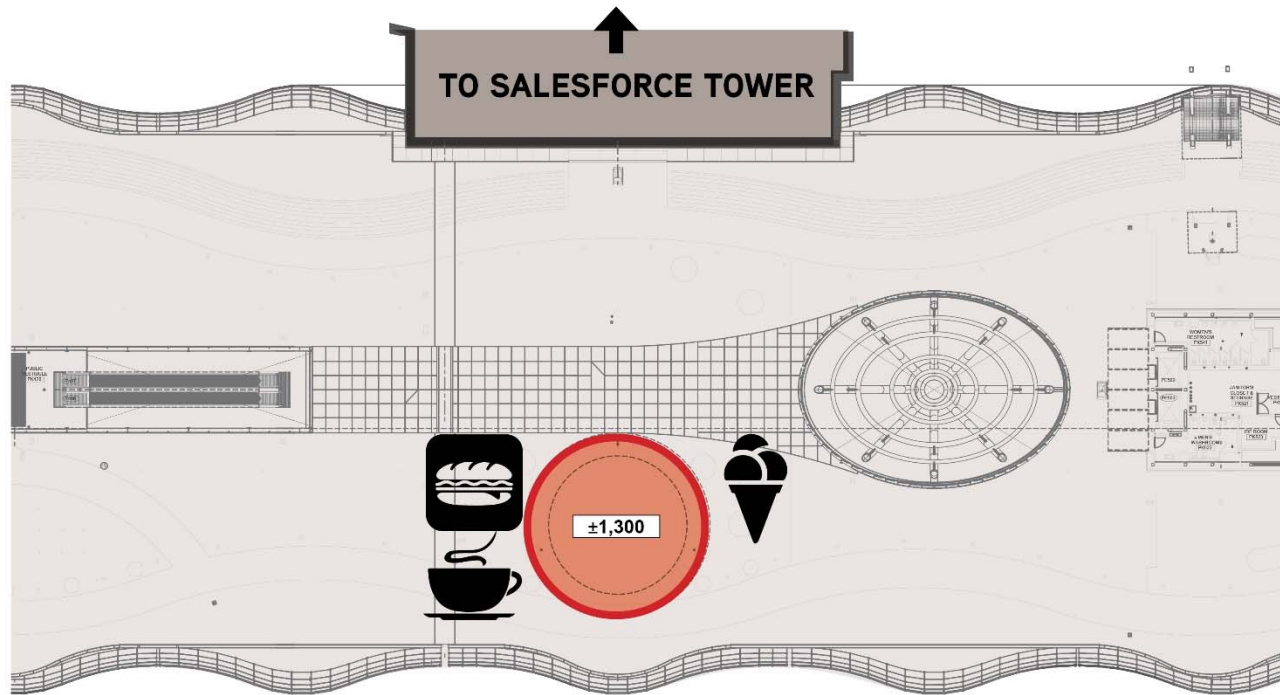


PARK LEVEL

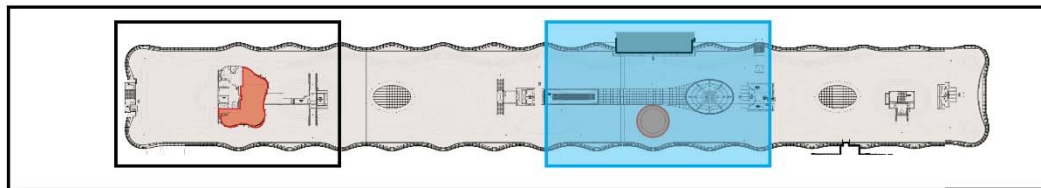


# RETAIL MERCHANDISING

## Merchandising Plan



- Dry Goods
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- Services
- Fitness



PARK LEVEL







- OEWD outreach to include SBE/DBE
- Email/phone outreach to +/- 300 tenant rep brokers regionally and nationally. They may not represent our target tenants, but outreach builds buzz in the marketplace and allows information about the project to “trickle down.”
- Conduct walking tours of multiple San Francisco neighborhoods, including Dogpatch, Bernal Heights, the Haight, Richmond, Bayview-Hunters Point, and more to meet-and-greet local business owners
- Attend select local/regional food fairs, ethnic festivals, and concerts to seek out smaller operators that might not have a brick-and-mortar presence
- Develop 60-second video
- Develop and launch TTC retail website to introduce potential tenants to the project

THROUGHOUT ALL OF THESE EFFORTS, WE WILL REMAIN FOCUSED ON:

- Balance of tenant categories – provides variety
- Balance of local, established, and emerging businesses – provides flavor and interest
- Balance of price levels – provides accessibility
- Balance of operating hours – provides day-long project activation





We have been careful to not start formal marketing efforts until the TJPA Board approves our plan. However, the media buzz about the TTC has generated many inquiries already. Within the past two months, we have received inquiries from more than three dozen established operators:

- Full-service restaurants (including two celebrity chefs): 5
- Quick-service/fast-casual restaurants: 4
- Coffee: 1
- Specialty food (juice, desserts, etc.): 4
- Fitness: 2
- Retail: 18
- Grocery: 2
- Services: 3



# SCHEDULE

## Estimated Opening Dates – Calendar



Each point represents the anticipated opening date of a space.

Opening dates will shift when and if delivery conditions are completed past January 2018.

	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020
<b>A SERIES</b> <i>GROUND (4 Spaces)</i>			●●●●						
<b>B SERIES</b> <i>GROUND (5 Spaces)</i>			●●●●●						
<b>C SERIES</b> <i>GROUND (7 Spaces)</i>			●●●●●●●						
<i>SECOND (1 Space)</i>				●					
<b>D SERIES</b> <i>GROUND (6 Spaces)</i>				●●●●●●					
<i>SECOND (2 Space)</i>					●●				
<b>E SERIES</b> <i>SECOND (3 Spaces)</i>			●●●						
<b>F SERIES</b> <i>SECOND (5 Spaces)</i>			●●●●●						
<b>PARK LEVEL</b> <i>PARK - A Spaces (2 Spaces)</i>				●●					
<b>TOTAL</b>			13 Spaces	14 Spaces	8 Spaces				

### SPACE BREAKDOWN & NOTES

Space count may vary according to Tenant size requirements  
 Spaces may actually be leased in a different sequence  
 Dates will shift for spaces that require construction of improvements prior to Delivery to Tenant

GROUND FLOOR	SECOND FLOOR	PARK LEVEL
A - 4 Spaces		Park - 2 Spaces
B - 5 Spaces		
C - 7 Spaces	C - 1 Space	
D - 6 Spaces	D - 2 Spaces	
	E - 3 Spaces	
	F - 5 Spaces	
<b>TOTAL</b>	22 Spaces	2 Spaces



