



## **Transbay Joint Powers Authority**

Request for Proposals No. 16-02 | Master Lessee  
March 4, 2016

## Transbay Joint Powers Authority

Alameda-Contra Costa Transit District  
California Department of Transportation  
City and County of San Francisco, Board of Supervisors  
City and County of San Francisco, Mayor's Office  
Peninsula Corridor Joint Powers Board  
San Francisco Municipal Transportation Agency

**Executive Director: Maria Ayerdi-Kaplan**

## RFP Schedule

MILESTONE	DATE
RFP released	March 4, 2016
Pre-proposal conference and site tour	March 24, 2016, 11am
Question submission deadline	April 29, 2016, 5pm
Q&A postings online	March 21, 2016 – May 9, 2016*
All proposals due	May 26, 2016, 5pm
Respondents notified of invitation to interview	Week of June 13, 2016
Interviews	Week of June 20, 2016
Respondents notified of the TJPA's decision	Week of July 18, 2016
Anticipated Master Lease execution	Q1 2017

\*The TJPA will post all questions and responses online for respondents to review in batches, as received. The TJPA anticipates releasing responses in two to three week windows within the timeframe noted above.

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# I. Introduction

The Transbay Joint Powers Authority (TJPA) is soliciting proposals from experienced teams (Respondents) to master lease the Transbay Transit Center (Transit Center). The TJPA will select a partner (the Master Lessee) to operate and manage the Transit Center, including its commercial space, promotional platform, and common areas, under a long-term master lease.

**The TJPA is the public agency charged with developing the Transbay Transit Center Program, a \$4.5 billion program to replace the former Transbay Terminal at First and Mission Streets in San Francisco with a modern regional transit station that will connect eight Bay Area counties and the State of California through eleven transit systems.** The Program will be constructed in two phases. Phase 1 includes design and construction of the above-grade portion of the Transit Center, the core and shell of the two below-grade levels of the train station, a new bus ramp, and a separate bus storage facility. The facility will open for operations in late 2017 and is projected to serve approximately 37,000 bus transit passengers and numerous visitors each day upon opening.<sup>1</sup>

A future phase of the program, Phase 2, will serve the Caltrain regional rail network and California high-speed rail. Phase 2 involves the extension of the existing rail alignment from the current Caltrain terminus at Fourth and King Streets to the Transit Center and includes building a new underground station at Fourth and Townsend Streets. At the Transit Center, Phase 2 will include the build-out of below-grade train facilities for Caltrain and high-speed rail, up to 60,000 square feet of additional commercial space, a pedestrian concourse connecting the lower concourse to the existing Embarcadero BART/Muni station, and a new intercity bus facility across from the Transit Center to house Greyhound and Amtrak operations. The Transit Center will serve approximately 100,000 passengers daily upon completion of Phase 2. The Master Lessee will be offered a first right to negotiate for management and commercial programming of Phase 2.

**The Transit Center has been designed by world renowned Pelli Clarke Pelli Architects and is anticipated to achieve LEED Gold certification. In Phase 1, the Transit Center will include:**

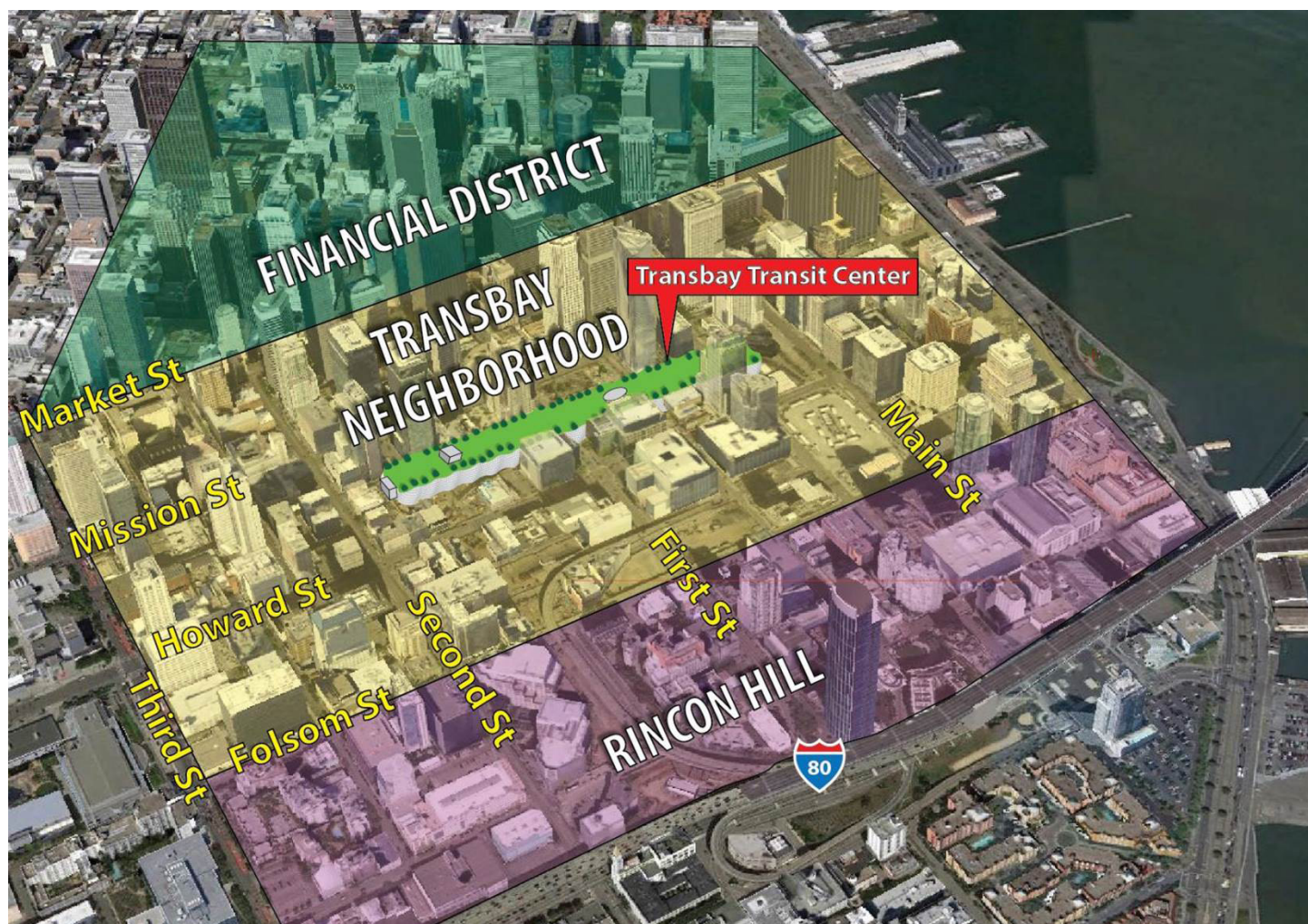
- Approximately 103,300 square feet of commercial space.
- Assets to deliver a promotional platform, including a digital signage program to display transit information and sponsor or advertiser content.
- Unique features for public enjoyment, including a central grand hall, public art installations, and a signature 5.4 acre Rooftop Park designed by Peter Walker and Partners Landscape Architecture.
- A full floor bus deck, ground floor bus plaza, and ticketing facilities serving AC Transit, San Francisco Municipal Transportation Agency (SFMTA), including Muni and Paratransit, WestCAT Lynx, SamTrans, Golden Gate Transit, Greyhound, and Amtrak.

<sup>1</sup>TJPA estimate, based on transit operator ridership projections.



The Transit Center is located within San Francisco's SoMa neighborhood, one of the country's most dynamic urban downtown districts with high density residential and office uses concentrated around the project (Figure 1). Rapid development of this area, fueled by the arrival of major technology industry tenants in search of office space, including Salesforce, Google, and LinkedIn, is shifting the energy of San Francisco's central business district south of Market Street to the area known as the Transbay neighborhood. The neighborhood currently includes 18 million square feet of Class A office space and thousands of residential units, home to approximately 9,400 residents.<sup>2</sup> Completion of projects currently in the development pipeline within a ¾-mile radius of the Transit Center will add 7 million square feet of office space and over 6,400 residential units, but only 200,000 square feet of retail space.<sup>3</sup> The existing daytime employee population (80,000 employees) has an average annual salary of \$138,000 and households within the neighborhood have a median household income of \$141,000, nearly double the median household income of the entire City of San Francisco as a whole.<sup>4</sup> Increased development activity, substantial spending potential, and a lack of local retail options presents a significant opportunity for the Transit Center to capture this commercial opportunity.

Figure 1: Location of Transbay Transit Center



<sup>2</sup> ESRI Business Analyst Online. Business Summary.

<sup>3</sup> "Transbay Transit Center: Key Investment in San Francisco's Future as a World Class City," Seifel Consulting.

<sup>4</sup> ESRI Business Analyst Online. Business Summary.

**The Transit Center also sits in proximity to many of San Francisco's major cultural and civic destinations.** These include the Moscone Convention Center, the newly expanded San Francisco Museum of Modern Art, the Yerba Buena Center for the Arts, the Contemporary Jewish Museum, the Museum of the African Diaspora, the Mexican Museum, currently under construction, and AT&T Park. Local institutions of higher education include the Academy of Art University, Golden Gate University, San Francisco City College, UC Berkeley Extension, the University of San Francisco School of Management, and the Wharton School's San Francisco Executive MBA campus. The unique features and civic space within the Transit Center will also draw visitors to the area, creating an ecosystem of activities within downtown San Francisco.

**As manager and operator of the Transit Center, the Master Lessee will:**

- **Program and manage engaging public and private events within the Transit Center, including promotional events, private events,** and events serving the surrounding community.
- **Program, lease, and manage 103,300 square feet of commercial space,** slated for retail use, to serve a rapidly growing 24-hour population in the heart of downtown San Francisco.
- **Operate a high impact digital signage program and potentially a mobile application** that can be used as a medium for delivery of the promotional platform, promotion of events, and providing Transit Center information to patrons and visitors.
- **Coordinate and oversee a maintenance program** for all spaces associated with the Transit Center, as described in Section II of this RFP.
- **Coordinate with other Transit Center stakeholders,** such as transit operators, as well as the Greater Rincon Hill Community Benefit District (CBD) Owners' Non-Profit Association Board of Directors, specifically for the operation of the Rooftop Park, and owners of neighboring properties connected by pedestrian bridges and a gondola, for purposes of safety, access, and bridge and gondola maintenance.
- **Participate in safety and security management programs** in cooperation and coordination with the TJPA's security team.

The TJPA is inviting qualified respondents to participate in this exciting opportunity to program and manage one of the leading multi-modal transit facilities in the nation.

## II. The Opportunity

The Master Lessee will have the unique opportunity to realize the commercial opportunities presented by Phase 1 of the Transit Center in exchange for its management of the facility.

The specific scope for the Master Lessee envisioned by the TJPA is described below. This scope does not include any role for active management of Phase 2 operations, for which the Master Lessee will have a first right to negotiate.

### Project Goals

The TJPA is seeking a Master Lessee who will:

- **Operate a clean, safe, and well-maintained Transit Center, befitting a world-class transit destination.** The Master Lessee 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 Master Lessee 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 Master Lessee 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 Master Lessee will maximize the value of the facility by executing a premier commercial program that generates a return to the Master Lessee and revenues to the TJPA.

### Master Lessee Scope

The TJPA will provide the selected Master Lessee with a long-term leasehold over the Master Lessee Premises (ML Premises) within the Transit Center, including all building components and systems within the building envelope. The ML Premises include the following spaces. A more detailed description of these spaces is included in Section V of this RFP.

- **Train Platform**  
The lowest level will not be actively used for transit operations during Phase 1. During this time, the Master Lessee will have access to train platform space for back of house functions and routine maintenance. The Master Lessee will also have the option to temporarily program this space with retail, event, or promotional programming, subject to the TJPA's approval of any proposed plans. Any active use of this space will require improvements to access, life safety systems, and other systems on the floor, to be performed by the Master Lessee at its own cost.
- **Lower Concourse**  
The first subterranean level of the Transit Center will house janitorial and maintenance facilities and other back of house spaces such as mechanical, electrical, plumbing, communications equipment rooms, storage, and vehicle ramps connecting from street level to the lower concourse. The Master Lessee will also have the option to temporarily program this space with retail, event, or promotional programming, subject to the TJPA's approval of any proposed plans. Any active use of this space will require improvements to access via vertical transportation, life safety systems, and other systems on the floor, to be performed by the Master Lessee at its own cost.



- **Ground Floor**

The facility's ground level will contain approximately 34,000 square feet of commercial space and the main entrance to the Transit Center, the grand hall. Customer service amenities such as Clipper add value machines (ticket machines), information and security desks, and a large digital schedule board will be clustered in this central area. The easternmost block of the facility will contain the bus plaza, a bus passenger loading area for local bus service (Muni) and Golden Gate Transit. The Master Lessee's scope also includes the exterior areas of the Transit Center, including pedestrian pass-throughs and the continuation of Shaw Alley, as well as the sidewalks immediately outside the Transit Center, Natoma Pedestrian Way, and street islands in First and Fremont Streets within the blocks of the site.

- **Second Floor**

The second floor will contain approximately 58,000 square feet of commercial space. During Phase 1 operations, a 6,800 square foot space will be reserved for use as passenger waiting and ticketing space by Greyhound and Amtrak.

- **Third Floor**

The third floor (known as the bus deck) will be dedicated to transit agency bus operations, including temporary use by Greyhound and Amtrak bus service, and be operated by ACTransit, the primary tenant of the bus deck. The Transit Center bus deck will be connected to Interstate 80 via an overland bus ramp, which will be part of the Master Lessee's maintenance scope.

- **Rooftop Park**

The 5.4 acre Rooftop Park will occupy the full rooftop area of the Transit Center. The Rooftop Park is intended to be a public space providing active and passive recreation space for local residents, employees, commuters, and visitors. Commercial nodes within the park will include a signature restaurant and café. Event spaces will include a 1,000-person capacity amphitheater and the hardscaped main plaza.

## **Revenue-Generating Opportunities**

The Master Lessee will have an opportunity to generate revenue from the following program components:

- **Commercial Spaces:**

Central to the Master Lessee's role as a partner with the TJPA is the opportunity to program, lease, manage, and collect revenue from the 103,300 square feet of leasable commercial space within the Transit Center, located throughout the ground floor, second floor, and Rooftop Park.

The Transit Center is positioned to become a thriving retail center within a rapidly growing and expanding neighborhood. Within the Transbay neighborhood, a daytime population of 80,000 workers, with 50% employed in the professional services, insurance, finance, and technology industries, brings significant spending potential, especially for convenient services and amenities such as food and beverages.<sup>5</sup> Approximately 9,400 residents currently live within close proximity of the Transit Center and over 6,400 new residential units are under construction or planned within ¼ mile of the Transit Center.<sup>6</sup> The surrounding area is also home to numerous civic attractions, including the Moscone Center, which draws over one million annual attendees to a diverse calendar of events.<sup>7</sup>

The TJPA seeks a retail program that includes a variety of tenants catering to commuters, residents, employees, and visitors and reflects the Bay Area's unique character. The TJPA's goal is for the Master Lessee to lease a significant amount of retail space to non-formula retail businesses. Respondent proposals will also be evaluated on the quality of their retail program, especially with regard to their inclusion of locally owned businesses.

Commercial spaces will be delivered with base building facade, structure, and infrastructure for connection to all systems provided, including water, electricity, gas, and sewage, as well as hookup to utilities for the sale of dry goods and, in many spaces, exhaust and ventilation systems intended for use by food and beverage subtenants (utilities will be stubbed to

<sup>5</sup> ESRI Business Analyst Online. Business Summary.

<sup>6</sup> "Transbay Transit Center: Key Investment in San Francisco's Future as a World Class City," Seifel Consulting.

<sup>7</sup> The Moscone Center, [www.moscone.com](http://www.moscone.com).



space, and no further). Exterior-facing retail spaces will be provided with the exterior doors and the Master Lessee will have the opportunity to add additional doors based on its leasing plan. Public restrooms will be provided in common areas (within the Rooftop Park and second floor), while staff restrooms will be located on the lower concourse. The Master Lessee and its tenants may install additional restrooms within leased spaces if desired.

The Master Lessee or tenants will be responsible for additional tenant improvements, including the installation of a topping slab and finished flooring in each retail space, any additional mechanical, electrical, and plumbing, distribution and equipment required to serve the space or individual retailer, and any finishes required (millwork, painting, etc.) to complete the space. Retail design guidelines are provided as Appendix 5, Retail Design Guidelines.

The TJPA's goal is to open a facility activated by retail, events, and a promotional platform in Q4 2017. The Master Lessee should work with the TJPA to lease and fit-out retail spaces and begin facility programming and promotional platform activation in this timeframe, with the further goal that activation of all programmable spaces will occur as promptly after facility opening as possible if not coinciding with this date. Specific spaces used to support building and transit operations, including the Greyhound and Amtrak waiting areas, Greyhound Package Express, and mail room, must be completed and the spaces ready for occupation at facility opening. Within the Rooftop Park, the Master Lessee must exercise its option (described below) to construct a café or activate the area set aside for the café within 12 months of signing a master lease agreement with the TJPA. If this option is not exercised, the TJPA may choose to program this space directly.

The Master Lessee also has some specific obligations and limitations on retail space in Phase 1. These include:

- **Greyhound and Amtrak space:**

6,800 square feet of the retail space on the second floor will be designated for Greyhound and Amtrak use during Phase 1. The TJPA will negotiate leases with Greyhound and Amtrak for these spaces, to be assigned to the Master Lessee. As these leases are not yet in place, their terms are to be determined. The Master Lessee will be responsible for completing the design and fit-out of designated space on the second floor to be used as a passenger ticketing and waiting area for Greyhound and Amtrak, which will be delivered in the same condition as other commercial spaces. These spaces will be vacated by Greyhound and Amtrak during Phase 2 and will then become available for commercial programming. The Master Lessee will also be responsible for the fit-out of the Greyhound Package Express space located at the street level, which will be delivered as nearly finished space, in need of only millwork and painting, and any tenant-specified furnishing and fixtures. The TJPA anticipates reimbursing the Master Lessee for costs up to \$500,000 associated with the fit-out of these two spaces as well as the mail room (described below).

- **Mail room:**

The Master Lessee will also be responsible for design and fit-out of the Transit Center's mail room (including specification and procurement of the mail room furniture, fixtures, and equipment, located on the ground floor.

- **Lower concourse and train platform:**

The train box (lower concourse and train platform levels) includes approximately 595,000 square feet of space. During Phase 1 operations these levels will house building-wide systems and the security operations center for the entire facility. In Phase 2, these levels will also accommodate passenger circulation, waiting space, commercial space, and train traffic.

Vacant space in the lower concourse and train platform levels that will not house building-wide systems and back of house spaces during Phase 1 may be made available for commercial opportunities at the Master Lessee's option. Major improvements and renovations would be needed to make the spaces viable for commercial use, including upgrades to building systems and finishes to leased space. These upgrades include code-required fire-life safety systems, including vertical access (elevator, escalator, adequate emergency egress stairs), lighting (emergency lighting, adequate overhead lighting), areas of refuge, fire sprinkler system distribution, environmental controls (HVAC), IT/telecom systems, security systems, and space finishes, including finishes for floors, walls and ceilings, and tenant improvements. All improvements will be performed at the Master Lessee's cost. The operating timeframe for the lower concourse commercial space will be temporary and depend on the anticipated timing for Phase 2 construction. Phase 2 is funding-

dependent. Construction is anticipated to occur within approximately five years after the start of bus operations (Phase 1) with commencement of train operations to follow at a currently unspecified date. Proposed interim uses would be subject to evaluation and approval by the TJPA.

- **Rooftop park retail spaces:**

The Transit Center's 5.4 acre signature open space located on the rooftop level of the Transit Center will be a destination for nearby residents, workers, visitors, and commuters, with pedestrian bridge connections to two or three adjacent towers and a gondola from Mission Square. The locations of under construction and planned adjacent towers and open spaces are indicated in Figure 5.

On the Rooftop Park, the Master Lessee will control a 10,400 square foot signature restaurant space with an elevated terrace. The restaurant will be delivered with base building facade, structure, and infrastructure for connection to all systems provided, including hookups to appropriate utility systems, similar to interior retail, and requiring tenant fit-out.

In addition, the Master Lessee will be encouraged to build a 1,300 square foot café on the park's central plaza based on a design provided by the TJPA (as shown in Figure 14, later in this document). The Master Lessee is not required to follow this design, but any alternative designs will be subject to the TJPA's design review process as detailed in Appendix 6, TJPA Design Review Process.

- **Promotional Platform:**

It is anticipated that the high volume of pedestrian traffic throughout the facility, and the opportunity to coordinate promotional content across the facility, will result in strong advertising potential. The Master Lessee will have the valuable opportunity to create a cohesive promotional platform to be deployed across a variety of assets located throughout the Transit Center and provided by the TJPA as part of the base building (described further in Section V of this RFP). The promotional platform will enable the Master Lessee to integrate media assets through a single content management system and provide advertisers with an exclusive presence throughout the facility. The Master Lessee will also be responsible for creating the content management system, as described in Appendix 8, Digital Content Development Guidelines. The promotional platform can also enable experiential brand activation through events, interactive devices, mobile tools, and web tools. The Master Lessee will be required to provide the content management system for operation at facility opening, anticipated for Q4 2017.

The promotional platform is intended to enhance the Transit Center by:

- Positioning the property as the premier advertising opportunity within the local catchment area.
- Increasing the desirability of the retail assets.
- Attracting and maintaining media sales partners.
- Maximizing advertising, sponsorship, and naming revenue for the TJPA.
- Providing passengers with relevant transit and wayfinding information.
- Providing passengers, local workers, and neighborhood residents with an immersive experience that connects them with premium and local brands.

The TJPA anticipates that the promotional platform will be a significant value-generator for the Master Lessee and the Transit Center, and reserves the right to take on greater involvement in procurement of naming rights and sponsorship agreements if the Master Lessee chooses not to fulfill this scope.

The promotional platform may include the following elements as described below:

- **Advertising:**

Advertising agreements may be made to display advertising content across the facility. Advertising may take place on digital and static signage throughout the facility. The base digital signage system, to be delivered as part of the base building is described in Section V. The TJPA's advertising guidelines are provided within Appendix 8, Digital Content Development Guidelines.

- **Sponsorship:**

Sponsorship agreements will include agreements for limited and long-term sponsorship of the facility. Sponsorship agreements may include sponsorship of facility components such as the Rooftop Park gardens, playground, or amphitheater, the grand hall, public art installations, entry/exit points, and other program or equipment components. These agreements may also include sponsored or promotional events, as well as advertisements linked to the advertising potential described above.

- **Naming rights:**

The Master Lessee may enter into long-term agreements for naming rights of assets throughout the facility. Opportunities for naming rights may include signage on the building's exterior and within the grand hall, Rooftop Park amphitheater, and other building components. The TJPA anticipates that the monetization of naming rights will provide a valuable source of income to the Master Lessee, to be shared with the TJPA. Respondents should propose an approach to seeking naming rights agreements and anticipated income from these agreements.

- **Events:**

The Master Lessee may plan and operate events as part of the above sponsorship opportunities and in addition to those planned by sponsors. These may include sponsored events, public events, or private events.

- **Other Events:**

In addition to holding events as part of the promotional platform (including promotional and marketing events), the Master Lessee may also hold private events, ticketed events available to the public, and free public events. Event programming should be coordinated with the TJPA through an event scheduling protocol and guidelines to be negotiated through the Master Lease. Events held within the Rooftop Park will be coordinated in accordance with the TJPA and Greater Rincon Hill CBD Owners' Non-Profit Association Board of Directors, who will have some oversight with regard to the park.

The Master Lessee will have the opportunity to program the Transit Center with a robust calendar of events within the following areas of the Transit Center: the grand hall; along the easternmost of the three pedestrian passageways that transect the building connecting Minna Street and Natoma Pedestrian Way between First and Second Streets; within Natoma Pedestrian Way, subject to an easement for City and County of San Francisco (City) emergency vehicles as well as any City-required permits or other approvals related to the use of outdoor space and the public right of way; in the amphitheater and the plaza on the Rooftop Park; and potentially within other spaces inside the Transit Center, as long as events do not interfere with transit circulation. Events will support creation of an identity for the Transit Center by bringing foot traffic, enhancing the facility's brand, and bolstering destination appeal. Events held on the Rooftop Park should activate the space and align with the park's role as a central open space for the San Francisco community. Specifically, event programming should emphasize public events and those that do not completely shut the park to public use. The Master Lessee will be responsible both for coordinating facility events as well as managing an intake process for event requests from outside parties. The Master Lessee will be responsible for obtaining any City permits or approvals related to events on the Rooftop Park and throughout the Transit Center, the use of outdoor space on sidewalks, and any use within the public right of way.

- **Facilities Operations and Maintenance Management:**

The Master Lessee will be compensated, through a management fee, for successful and high quality operations and maintenance of the facility. Respondents should propose a fee structure in their proposal.

## Master Lessee Responsibilities

The Master Lessee will be responsible for operating and maintaining the Transit Center in a high quality manner, as outlined below. Appendix 9, Operations and Maintenance Guidelines, provides performance standards for operations and maintenance. The Master Lessee will also participate in safety and security management programs in coordination and cooperation with the TJPA's security team as informed by the Safety and Security Concept of Operations (ConOps) for the facility.

Given the multi-faceted nature of the facility, the ML Premises will be divided into Areas of Control, Areas of Responsibility, and Areas of Shared Responsibility, as illustrated in Figure 2. These areas require varying levels of management by the Master Lessee, described below.

**Areas of Control** are defined as spaces for which the Master Lessee has full control over programming and that support an opportunity to generate revenue. Areas of Control include retail spaces and potential event activation spaces, as well as building systems dedicated to those functions, such as storage space for subtenants and dedicated elevators for commercial use. For all Areas of Control, the Master Lessee has the responsibility for delivering maintenance and management services, including routine janitorial services, preventive maintenance for building components, and capital replacements.

**Areas of Responsibility** are defined as the physical spaces the Master Lessee must maintain on behalf of the TJPA, but for which the Master Lessee does not have a responsibility to program or control operations. Responsibilities in these spaces will include routine janitorial services for open areas and restrooms; routine maintenance of building components including lighting fixtures, building finishes, and mechanical systems; landscaping services for the Rooftop Park; cleaning and maintenance of the public artworks throughout the facility, including the sculpture within Mission Square; preventive maintenance for building systems and finishes; and delivery of capital replacements.

For transit spaces, the Master Lessee will provide routine maintenance of roadway surfaces, passenger waiting areas, and building systems. The Master Lessee will work with transit operators to identify and resolve facility operations and maintenance issues as necessary, but will not be responsible for transit operations.

All spaces will be managed to a high standard of cleanliness and safety, specifically to support passenger and visitor ease, comfort, and enjoyment. These same responsibilities apply to special components of the facility, such as public artworks located throughout.

The TJPA will provide a management fee to the Master Lessee for its operation of these spaces.

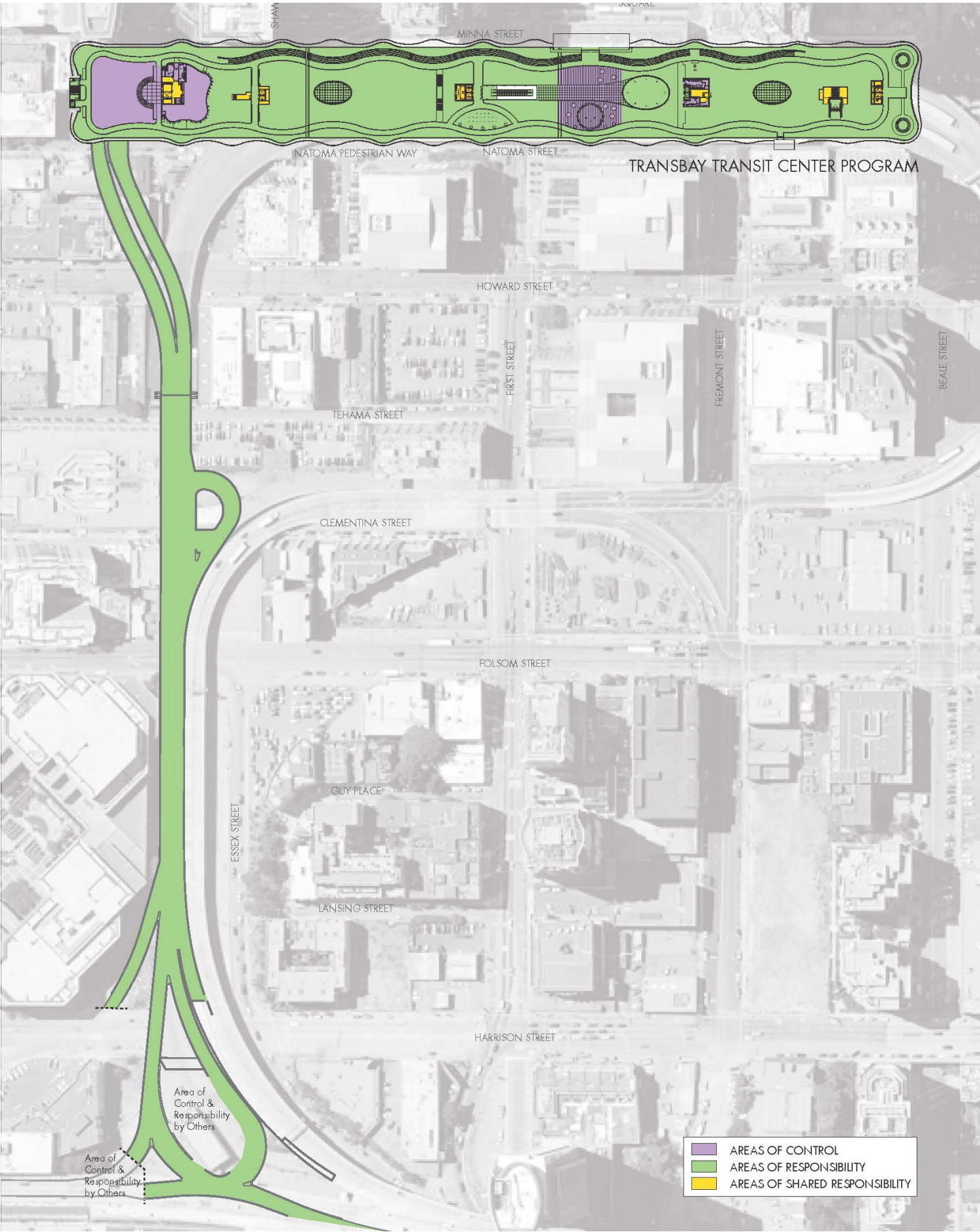
**Areas of Shared Responsibility** are spaces for which the Master Lessee will provide maintenance services, and will share in the cost of maintenance and management with the TJPA. Such spaces include the vertical circulation systems serving multiple areas of the building and other utilities and systems serving areas throughout the building. For these spaces, the Master Lessee will be responsible for day-to-day maintenance, preventive maintenance, and delivery of capital improvements. The Master Lessee will coordinate with transit operators, the TJPA, and the TJPA's security provider to ensure that building systems adequately support all building operations.



Figure 2: ML Premises



Figure 2: ML Premises



The ML Premises and responsibilities will specifically exclude:

- **Security services.** Security for the Transit Center facility and surrounding TJPA facilities, including the bus storage facility, bus ramp, and any future facilities, will be managed by the TJPA and a separately procured security services firm. The Master Lessee will be required to coordinate with the TJPA's security team and procured security services firm to enable security operations.
- **Under-Ramp Park.** The Under-Ramp Park is anticipated to be completed as part of Phase 1 and will be located underneath the bus ramp connecting the Transit Center to Interstate 80, creating a pedestrian connection and providing new open space for the neighborhood. The operations, maintenance, and programming of the Under-Ramp Park will be independently funded and managed by the City, the TJPA, the Greater Rincon Hill CBD, or a combination of these entities. The Master Lessee may have an option to manage portions of the Under-Ramp Park and associated retail in the future.
- **Other TJPA owned public spaces.** The operations, maintenance and programming of other TJPA owned public spaces outside of the Rooftop Park (i.e., Transbay Park (anticipated to be completed after Phase 1) and Howard Square (anticipated to be completed after Phase 2) will be independently funded and managed by the City, the TJPA, the Greater Rincon Hill CBD, or a combination of these entities. The location of these open spaces is indicated in Figure 5.
- **Gondola.** The operation and maintenance of a gondola connecting Mission Square to the Rooftop Park will be funded and executed by its developer. The Master Lessee will be responsible only for janitorial duties around the gondola's glass enclosure landing on the Rooftop Park and coordination of access for the developer, which may include storage of mechanical lift and extension ladders.
- **Pedestrian bridges.** Maintenance and security of any planned or proposed pedestrian bridges connecting adjacent properties to the Rooftop Park, from the seismic joints at which the bridges attach to the Transit Center structure to the adjacent towers, will be funded and managed by their developers. Pedestrian bridges are planned from the Salesforce Tower, 181 Fremont, and future development at Parcel F, on the south side of the facility.
- **Bus storage facility.** The operations and maintenance of the bus storage facility will be separately contracted by the TJPA or AC Transit.

## Master Lease Structure

The TJPA is the owner of the Transit Center and is seeking to enter into a long-term lease with the Master Lessee for the ML Premises described above and throughout this RFP. Under this agreement structure, the Master Lessee will be granted the right to retain revenues from commercial operations in exchange for paying fixed and participation rent to the TJPA, providing operations and maintenance services throughout the ML Premises, and making long-term capital replacements. The TJPA will separately procure security services for the Transit Center, and the Master Lessee will coordinate with this entity, but not be directly responsible for facility wide security services.

The TJPA has dedicated sources of funding that may be utilized to fund a portion of operating and capital expenses, dependent on negotiated agreements with the Master Lessee, as described below. The TJPA is allocated a portion of Regional Measure 2 funds, which are generated from regional bridge tolls. The TJPA has been allocated tax increment funds from local properties, which may initially become available in 2019 to be applied toward capital expenses. The Greater Rincon Hill CBD will provide substantial funding for operation and maintenance of the Rooftop Park, sourced from assessments of local properties, as explained further at the end of this section.

Key business terms will be bid upon by Respondents through this RFP process and finalized during negotiations with one or more Respondents to this RFP.



- **Term.** Respondents must propose the length of the initial lease, number of renewals, and length of each renewal, including a brief description of rationale. The TJPA does not, under any circumstances, intend to sell its ownership of the Transit Center or underlying land.
- **Operating Revenues.** During the term of the lease, the Master Lessee will be entitled to revenues produced through the following activities:
  - **Retail and Commercial Use:** Revenues and reimbursements from retail and commercial subleases.
  - **Promotional Platform:** Revenues derived from advertising, sponsorship, and naming rights agreements, as well as promotional events.
  - **Events and Programming:** Revenues from private and ticketed events organized by the Master Lessee inside the ML Premises.
- **Fixed and Participation Rent.** Respondents must propose a rent payment to the TJPA, consisting of fixed rent and participation rent, with an appropriate escalation over the proposed term. Participation rent refers to rent payments equal to a percentage of the annual gross revenues, received through operations of commercial space, events, and the promotional platform. If renewal options are proposed, the Respondent should describe changes to the amount of fixed and participation rent for these renewal periods, if any.
- **Operating Expenses.** During the term of the lease, the Master Lessee will be responsible for the operations and maintenance of the ML Premises according to the specifications described in Appendix 9, Operations and Maintenance Guidelines, and Key Reference Document 3, Operations and Maintenance Report. Respondents should propose a share of operating expenses to be reimbursed to the Master Lessee by the TJPA. The TJPA anticipates that this share will be determined by the Master Lessee's relationship to each space, in terms of its scope and revenue-generating opportunities. For instance, areas for which the Master Lessee controls all programming and can collect common area charges from tenants are anticipated to be primarily, if not wholly, the Master Lessee's responsibility. Areas that the Master Lessee maintains but does not program extensively, such as the third floor bus deck, may be more heavily reimbursed by the TJPA, if not fully. Building systems and areas of the Transit Center that are shared in responsibility and program, such as HVAC systems, public spaces, and vertical transportation systems, are anticipated to be shared.

The terms of sharing these costs will be negotiated and agreed upon through this RFP process as part of negotiations with one or more Respondents to this RFP. Based on the resulting sharing arrangement, the Master Lessee will be required to develop an annual operating budget for review with the TJPA. The TJPA intends for the documentation included in Appendix 9, Operations and Maintenance Guidelines, and Key Reference Document 3, Operations and Maintenance Report, to serve as guidance for the scope of operations and maintenance work. For the purposes of this RFP, and later for budgeting, Respondents should come to their own estimates of the labor and cost associated with operating the facility, based on maintaining a high standard of cleanliness, safety, and operations.

The operating budget developed between the Master Lessee and the TJPA will then be subject to review and approval each year by a Primary Tenant Committee, composed of the primary transit tenants in the facility and the TJPA Board, as described in Appendix 2, Draft Master Lease Agreement.

- **Upfront Capital Expenditures.** The Master Lessee will be responsible for any investment associated with fit-out of the retail areas within the Areas of Control, which will be delivered with base building facade, structure, and infrastructure for connection to systems (utilities, HVAC, etc.) provided. Further information on the condition in which these areas will be delivered is included in Appendix 5, Retail Design Guidelines. These spaces include, among others, all retail spaces in the Transit Center, any space the Master Lessee wishes to use as on-site office space for its own use and office spaces used for building operations controls, the facility mail room, the Greyhound and Amtrak passenger waiting spaces on the second floor, and the Greyhound Package Express space at the street level (less reimbursement up to \$500,000 for the Greyhound and Amtrak spaces and mail room). The Master Lessee will be expected to buy or lease all equipment required for maintenance of the building and Rooftop Park. The TJPA will negotiate leases with Greyhound and Amtrak, and these terms are subject to change.



- **Ongoing Capital Expenditures.** During the term of the lease, the Master Lessee will be responsible for delivering capital replacements and other capital investments according to a five-year budget to be developed by the Master Lessee and approved by the TJPA. The cost of delivering these replacements will be shared between the TJPA and the Master Lessee. Respondents should propose a plan for sharing these costs, aligning with the approach described below.

For spaces and equipment used solely or primarily by the Master Lessee or its tenants, such as scrubbers installed in tenant spaces by the Master Lessee or its tenants, the TJPA anticipates that the Master Lessee will bear the cost of any required replacement or improvement. For equipment used by the Master Lessee as well as other users of the Transit Center, such as vertical transportation systems or other shared systems, the TJPA anticipates that replacement costs will be shared between the Master Lessee and the TJPA. For systems used solely by the TJPA or Transit Operators, the TJPA anticipates reimbursing the Master Lessee for any replacement costs.

Respondents should propose an overall share of capital replacement and investments for which they will bear the cost, or a total dollar amount to which they will pledge to cover costs, based on this guidance.

- **Additional Phase 1 Responsibilities.** The Master Lessee will also be responsible for delivery of certain fit-out, and furniture, fixtures, and equipment within the Transit Center. This includes:
  - The provision of secured, covered bicycle parking for approximately 100 bicycles. The placement and funding for this space is yet to be determined.
  - The fit-out and furniture, fixtures, and equipment for janitorial offices, security offices, security operations center, and loading dock offices. The TJPA has budgeted \$1.7 million that it will make available for these improvements.
- **Phase 2 Program.** The Master Lessee will have a first right to negotiate for a Master Lease for Phase 2 of the Transit Center, which will include both a maximum of 60,000 square feet of additional commercial space at full build-out and operations and maintenance responsibilities in the lower concourse and train platform levels of the Transit Center, and potentially other open spaces and transit-related facilities within the program. The TJPA may also provide the selected Master Lessee the first right to negotiate for the commercial opportunities and operations and maintenance responsibilities for the Under-Ramp Park prior to Phase 2 completion. Any activation of lower concourse and train platform levels during Phase 1 operations will be considered separately from this option, and viewed as temporary. Costs incurred as part of the option to program this space during Phase 1 operations, including both capital costs and ongoing operating expenses, will be the responsibility of the Master Lessee.

## Alternative Proposals

Respondents may propose, and the TJPA may consider at its discretion:

- Alternative terms for the Master Lease that deviate from the agreement structure described above, provided that the Respondent can provide a clear and compelling rationale that the alternative terms are financially advantageous to the TJPA and consistent with Project Goals.
- Activation of the lower concourse and train platform levels for commercial use and programming during Phase 1 operations, within the parameters noted in this RFP.
- Proposals for new or additional promotional platform assets throughout the facility, in accordance with the areas shown in Appendix 7, Digital Assets and Design Guidelines.

- Configurations for commercial program that align with the Respondent's vision for the Transit Center, including:
  - Relinquishing the rights to develop a commercial program in the space slated for the Rooftop Café. If the Master Lessee chooses not to utilize this space within 12 months of signing the master lease agreement, the TJPA may pursue an agreement with another party for development of the café.
  - A kiosk program in specific areas of the facility, potentially including the third floor bus deck, the grand hall, and exterior spaces facing Natoma Pedestrian Way or Minna Street, and other spaces. If Respondents choose to propose a kiosk program, the placement, size, character, and function of kiosks should be described in detail, and the program will be subject to the TJPA's review.

## Project Delivery

Phase 1 of the Transit Center will be delivered in late 2017, and fit-out of commercial spaces may commence in the second quarter of 2017, occurring simultaneously with final building completion. Respondents should note that the Transit Center's construction is being carried out under a project labor agreement (PLA). The PLA may apply to the Master Lessee's tenant improvement work, pending the timing of this work in relation to the Transit Center's completion. This will be determined during lease negotiations between the TJPA and future Master Lessee.

Phase 2 construction and commencement of train operations is expected to occur within approximately five years after the start of bus operations (Phase 1). The TJPA's goal is to bring train operations to the Transit Center as promptly as possible, per Proposition H (November 1999), which made it City law to extend Caltrain to a new or rebuilt station on the site of the former Transbay Terminal. Construction activities will involve the completion of the interiors of the lower concourse and the train platform below ground, and construction of the Downtown Rail Extension tunnel, a new intercity bus facility, and a new underground station at Fourth and Townsend Streets. Construction logistics are not in place, however, it can be expected that the contractor will require use of the service elevator to obtain access to the lower elevations. While the contractor will be required to minimize/avoid disruption to building occupants and transit operations during construction and to coordinate with the Master Lessee, construction noise will be likely. Most construction within the Transit Center will be on the below grade levels, though installation of two new elevators will require work on other levels. Installation of escalators and stairs in Shaw Alley will be required as will the installation of stairs and escalators from the grand hall to the below ground levels, which will eliminate the grand hall G11 commercial space (shown in Figure 10 later in this document).

## RFPTimeline

**All questions relevant to this solicitation and responses may be submitted to [masterlessee@transbaycenter.org](mailto:masterlessee@transbaycenter.org). All questions must be submitted to this address by Friday, April 29, 2016 at 5pm, Pacific Time.** Responses to all questions will be posted on the TJPA's website in batches between March 21, 2016 and May 9, 2016.

**All responses to this RFP are due on Thursday, May 26, 2016 by 5pm Pacific Time.** Respondents are required to submit five bound originals and one electronic version of their response to the TJPA at the address provided in Section VII of this RFP.

**The TJPA anticipates selecting parties for negotiations by the week of July 18, 2016.** The TJPA would then enter into negotiations with a selected Respondent or Respondents with the goal of executing a Master Lease. Additional details on the RFP schedule and evaluation stage of this solicitation can be found in Section VII of this RFP.

## Existing and Future Agreements

The Master Lessee will coordinate with transit operators who will hold leases or other agreements directly with the TJPA, or as subtenants to ACTransit or SFMTA. The primary transit operator within Phase 1 of the Transit Center is ACTransit, whose lease is described below. Other agreements for transit operations, including agreements with SFMTA, WestCat, Golden Gate Transit, SamTrans, Greyhound, and Amtrak, are yet to be determined. Other agreements may include, but are not limited to, the security agreement, agreements with neighboring property owners regarding pedestrian bridges and Mission Square, and an agreement with the City for Natoma Pedestrian Way.

### ACTransit

The TJPA currently holds a lease with ACTransit for use of the Temporary Terminal and future use of the third floor bus deck within the Transit Center. ACTransit's leasehold is for use of the entire third floor bus deck for a term extending to 2050, or until ACTransit pays down its total capital contribution to the Transit Center's development. ACTransit has committed \$57 million to development of the Transit Center, to be paid between 2011 and 2050. Per the terms of this lease, ACTransit will pay no direct rent and will contribute only to the TJPA's net operating expenses, defined as operating expenses after Transit Center revenues have been netted out, and only for their pro rata share of space. ACTransit may sublease space within its lease area to other transit operators. The TJPA retains the right to enter into concession agreements for retail kiosks on the bus deck subject to ACTransit approval.

### Greyhound and Amtrak

Greyhound and Amtrak buses will utilize the third floor bus deck during Phase 1, before construction of the intercity bus facility, which will accommodate these services in Phase 2. Greyhound and Amtrak passenger ticketing and waiting areas will be included within the west area of the Transit Center's second floor commercial space and there will be a Greyhound Package Express space near a loading dock at the street level. The TJPA will negotiate lease agreements with Greyhound and Amtrak for this space during Phase 1, for which Greyhound and Amtrak will pay rent. The TJPA will assign these leases to the Master Lessee. These agreements are not currently in place and are subject to change. The Master Lessee will be responsible for delivering fit-out of these spaces, for which the TJPA anticipates funding the cost of this work up to \$500,000 (also intended to include fit-out of the Transit Center mail room).

### Greater Rincon Hill Community Benefit District

The Greater Rincon Hill CBD will provide nearly 80 percent of the funding required for operation and maintenance of the Rooftop Park. The amount of this funding is estimated to be as much as \$1.6 million annually, sourced from assessments of local properties.<sup>8</sup> The Greater Rincon Hill CBD Owners' Non-Profit Association Board of Directors will review the operations and maintenance budget for the Rooftop Park and the calendar of events held on the Rooftop Park. Specific information about the Greater Rincon Hill CBD can be found in Key Reference Document 9, the Greater Rincon Hill Community Benefit District Management Plan.

<sup>8</sup> Based on 2017/2018 projection included in the Greater Rincon Hill Community Benefit District Management Plan, p. 34.

# III. Project History

The new 1.2 million square foot Transit Center replaces the original Transbay Terminal and will be a multi-modal transit station and anchor of the rapidly growing neighborhood.

The original Transbay Terminal opened in 1939, connecting the East Bay to downtown San Francisco via rail across the new Bay Bridge. At its peak in the 1940s, the terminal served 26 million train passengers annually. After train service to the Transbay Terminal was discontinued in 1958, use of the terminal declined steeply. Plans to redevelop the site intensified in the 1990s, leading to creation of the TJPA, described below, in 2001, and adoption of the Redevelopment Plan for the Transbay Redevelopment Project Area in 2005. The Transit Center District Plan, adopted in 2012, set out to capitalize on the major transit investment taking place at the site of the Transbay Terminal with revised planning principles to both encourage and accommodate new development. The District Plan focused on fostering a mix of uses to encourage a 24-hour character for the area, supporting the physical growth of the area to support growing businesses and creating a pedestrian friendly public realm. The development of the Transit Center and immediately adjacent office developments are at the heart of this area and mark major progress toward these goals.

**In 2001, the City and County of San Francisco, the Alameda-Contra Costa Transit District (AC Transit), and the Peninsula Corridor Joint Powers Board (PCJPB) joined to create the Transbay Joint Powers Authority, a joint exercise of powers authority, in order to replace the aging Transbay Terminal with a new Transit Center, the “Grand Central Station of the West.”<sup>9</sup>** The TJPA has primary jurisdiction with respect to all matters pertaining to the financing, design, development, construction, and operation of the new Transit Center. Since its inception, the TJPA has taken an active role in support of the neighborhood’s growth, particularly through the sale of TJPA-owned properties, including once unusable parcels underneath the former bus ramp to the former Transbay Terminal that are now developable areas.

After several years of planning, and relocation of bus service to the nearby Temporary Terminal, the TJPA began demolition of the original Transbay Terminal in 2010. The new Transit Center is now rising above the site of the former terminal. The facility will centralize multi-modal transit within downtown San Francisco and act as an anchor for the growing neighborhood, providing a world-class civic space along with retail goods and services for area residents, workers, commuters, and visitors. Phase 1 development is expected to be complete by the end of 2017.

Phase 2 will bring high-speed rail and Caltrain commuter rail to the Transit Center, further strengthening San Francisco’s connection to the region and to the rest of the state.

<sup>9</sup>A six-member Board of Directors (TJPA Board) governs the TJPA. Each of the following government and transportation entities participating in the Program appoints one member to the TJPA Board: the PCJPB, AC Transit, the Mayor of San Francisco, the SFMTA Board of Directors, the San Francisco Board of Supervisors, and Caltrans. The member representing Caltrans is an ex officio (non-voting) member of the TJPA Board.



## IV. Market Context

The Transbay Transit Center is in the heart of San Francisco's Transbay neighborhood, a rapidly developing mixed-use neighborhood.

### Transbay Neighborhood

**The Transit Center is at the center of San Francisco's Transbay neighborhood.** This ¼-square-mile neighborhood lies just south of the Financial District in downtown San Francisco. Over the past 10 years, the Transbay neighborhood, inclusive of the adjacent Rincon Hill residential neighborhood, has experienced enormous growth, and is now one of the region's premier business, cultural, and residential hubs with significant development under way (Figure 5).

**The Transbay Redevelopment Plan (adopted in 2005) and the Transit Center District Plan (adopted in 2012) lay out a vision for a high-density, mixed-use, transit-oriented neighborhood.** They include plans for significant improvements to the neighborhood's pedestrian experience and public realm, including more than 11 acres of new open space, and creating the opportunity for new development and increased density surrounding the Transit Center.

### Demographics

**Many workers will visit the Transit Center each weekday as they commute from throughout the Bay Area to downtown San Francisco.** By 2018, approximately 37,000 bus trips are expected to originate or end at the Transit Center each weekday. 20,500 passengers (55% of the Transit Center's daily riders) will arrive from Alameda and Contra Costa Counties via AC Transit bus service. Of these passengers, 55% have household incomes above \$75,000, and 36% of passengers have household incomes above \$100,000 according to a 2012 AC Transit survey.<sup>10</sup> Along with local residents and workers, transit riders will also bring significant spending potential to the Transit Center.

**Office tenants in the Transbay neighborhood employ 80,000 workers, approximately 50% of whom work in high income professions including professional services, insurance, finance, and tech.**<sup>11</sup> In 2013, area employees had an average compensation of \$138,000, bringing significant spending potential and driving a strong market for retail and services.<sup>12</sup>

**Additionally, the central location and attractive residential offerings of the Transbay neighborhood have attracted a well-educated and high-income resident population.** Since 2000, the population of the neighborhood has increased by 225%; approximately 9,400 people live in the area today.<sup>13</sup> The population is expected to continue to increase significantly as a large number of residential units are delivered throughout the neighborhood. Current residents in the Transbay neighborhood have a median household income of \$141,000, nearly double the median household income for the City of San Francisco overall.<sup>14</sup> 84% of adults in the Transbay neighborhood have a bachelor's degree or higher, one of the highest rates in the United States.<sup>15</sup>

### Retail Market

**San Francisco's strong retail market continues to boom as the increasing population of residents and employees creates demand for new, high quality retail offerings.** Within downtown San Francisco vacancy rates are low and rents are climbing. Concentrations of retail include Union Square, west of the Transbay neighborhood, which has over 3 million square feet of retail, and the Financial District north of the Transbay neighborhood, which has 700,000 square feet of retail, including 354,000 square feet of retail in the mixed-use Embarcadero Center.<sup>16</sup> Downtown San Francisco's largest indoor malls are located to the southwest of the Transbay neighborhood and include the Metreon (350,000 square feet) and the Westfield San Francisco Centre (1.25 million square feet).

<sup>10</sup> AC Transit. 2012 On-Board Survey.

<sup>11</sup> ESRI Business Analyst Online. Business Summary.

<sup>12</sup> United States Census. Zip Code 2013 Business Patterns.

<sup>13</sup> ESRI Business Analyst Online. Market Profile.

<sup>14</sup> ESRI Business Analyst Online. Market Profile.

<sup>15</sup> ESRI Business Analyst Online. Market Profile.

<sup>16</sup> Costar. Submarket Reports.

**The rapid expansion of Class A office space and luxury residential units, and the influx of area employees and residents, is driving increasing retail demand in the neighborhood.** Growth of the area's workforce and population has kept retail rents high and vacancy low, and will continue to drive demand for new retail space. The broader area, including Transbay and Rincon Hill, is undersupplied with retail uses. The Financial District, with a much smaller population, has more than three times the retail square footage per 1,000 feet of Class A office space, in stark contrast to the relative lack of retail in the Transbay neighborhood (Figure 3). In comparison to the Financial District, the Transbay neighborhood's mix of residents and employees creates need for a greater diversity of retail and services open throughout the day and evening.

**Figure 3: Retail Space Comparison, Q1 2015**

	FINANCIAL DISTRICT	TRANSBAY NEIGHBORHOOD
Total Class A office space	19.7 million SF	18.2 million SF
Total retail space	700,000 SF	260,000 SF
Ratio of retail to Class A office	35 SF/1,000 SF office	15 SF/1,000 SF office
Total population	1,300 residents	9,400 residents

Source: CBRE: San Francisco Office Market Overview, Q1 2015; Costar; Esri Business Analyst Online.

**There is a limited supply of retail in the Transbay neighborhood, presenting a great opportunity to serve the significant demand from local residents and employees through new retail at the Transit Center.** Existing retail consists primarily of restaurants, bars, and convenience retail. Existing retail space totals 260,000 square feet, mostly in small storefront spaces, and an additional 70,000 square feet of retail is planned or under construction. In particular, demand exists for locally serving shops and restaurants for the increasing population of residents and employees.

**New retail offerings at the Transit Center have the potential to create a central focus of retail activity and enhance the neighborhood's brand.** Adding to the strength of the nearby Westfield San Francisco Centre and the Metreon, a distinctive retail program within the Transit Center will build the Transbay neighborhood's identity as a highly amenitized local neighborhood and regional shopping destination.

## Office Market

**The Transbay neighborhood contains a large and growing office district, with 18 million square feet of existing Class A space today.**<sup>17</sup> A significant development pipeline includes 7 million square feet under construction and in the planning stages within ¾ mile of the Transit Center.<sup>18</sup> Salesforce Tower, the centerpiece of Salesforce's future 2 million square foot urban campus, will rise adjacent to the Transit Center. This 1.4 million square foot tower, developed by Boston Properties and Hines, will be the tallest building in San Francisco when it opens in 2017.

**Office growth in the Transbay neighborhood is driven by strong interest from leading technology firms.** Google (242,000 square feet), LinkedIn (450,000 square feet), Yelp (102,000 square feet), and Salesforce (1.16M square feet, including 714,000 square feet within the Salesforce Tower) have signed major new leases in the neighborhood since 2014.<sup>19</sup> These firms' day-to-day operations, as well as major events such as Salesforce's annual Dreamforce conference, Oracle's Open World conference, and Apple's World Wide Developer Conference, each at the nearby Moscone Center, have enlivened the area. Despite only recently gaining status as a competitive business district, the area's office stock is already outperforming the Financial District, with an average rent of \$72 per square foot and vacancy rate of 5.7% as compared to \$69 and 8.1%, respectively, in the Financial District.<sup>20</sup> These metrics are shown in Figure 4.

<sup>17</sup> CBRE. San Francisco Office Market Overview, Q1 2015.

<sup>18</sup> Transbay Transit Center: Key Investment in San Francisco's Future as a World Class City, Seifel Consulting.

<sup>19</sup> Colliers. San Francisco Office Reports.

<sup>20</sup> CBRE. San Francisco Office Market Overview, Q1 2015.

Figure 4: Office Market Comparison, Q1 2015

	FINANCIAL DISTRICT	TRANSBAY NEIGHBORHOOD
Total Class A space	19.7 million SF	18.2 million SF
Class A Absorption, Q1 2015	80,000 SF	250,000 SF
Class A vacancy	8.1%	5.7%
Average Class A Rental Rate	\$69 PSF	\$72 PSF

Source: CBRE: San Francisco Office Market Overview, Q1 2015

## Residential Market

**The Transbay neighborhood is emerging as a choice residential neighborhood.** It offers excellent access to jobs, regional transportation, and amenities, and is home to new luxury towers, many with expansive views of San Francisco Bay. Recent developments include the 419-unit Millennium Tower adjacent to the Transit Center, the 650-unit Infinity Towers, and One Rincon Hill, including a 396-unit south tower and 298-unit north tower. Major residential developments underway in the Transbay neighborhood and Rincon Hill include 181 Fremont, a mixed-use tower adjacent to the Transit Center with 67 condo units developed by Jay Paul Company and designed by Heller Manus Architects and Orlando Diaz-Azcuy; the Lumina, a 655-unit Tishman Speyer condo building designed by Arquitectonica; a 554-unit tower designed by Rem Koolhaas and developed by Related California; a 418-unit Hines tower designed by Arquitectonica; a 456-unit Essex/TMG condo building designed by Skidmore, Owings, and Merrill; and a 399-unit Tishman Speyer condo tower designed by Jeanne Gang. The high income local population drives the area's high housing prices, with recent condo sales reaching an average of \$1.9 million for a two-bedroom and an average asking rent of \$6,000 per month for a new two-bedroom apartment.<sup>21,22</sup>

<sup>21</sup> Zillow. Average of condo unit sales 2014-2015.

<sup>22</sup> Zillow. Average of active listings, June 2015.



[illegible]

**The Transit Center is within walking distance to many of San Francisco's cultural institutions and destinations.** Surrounding museums, the Yerba Buena Center for the Arts, the San Francisco Museum of Modern Art (SFMOMA), the Contemporary Jewish Museum, the Children's Creativity Museum, the Museum of the African Diaspora, and the under-construction Mexican Museum, are clustered around Yerba Buena Gardens within a major cultural district emerging immediately southwest of the Transit Center. The SFMOMA is currently undergoing a \$305 million renovation and expansion and is projected to draw one million visitors annually upon completion in 2016. A direct pedestrian connection will be created between SFMOMA and the Transit Center along Natoma Street. Local institutions of higher education include the Academy of Art University, San Francisco City College, Golden Gate University, UC Berkeley Extension, the University of San Francisco School of Management, and the Wharton School's San Francisco Executive MBA campus.

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# V. Transbay Transit Center Overview

Phase 1 of the Transbay Transit Center Program will include commercial space, assets to support a promotional platform, public circulation space, and open space.

## Transit Center Program

The Transbay Transit Center Program (Program) will be completed in two phases. This RFP opportunity pertains to Phase 1 of the Program. Current usage plans for the facility are shown in Figure 7, and the areas of each use by floor are included in Figure 8. Vertical circulation systems, including elevators and escalators, will provide connections between the different components of the facility, and are illustrated in Figure 9.

The facility will include the following uses, described by floor:

- **Train Platform.** During Phase 1, the Master Lessee is anticipated to have access to the train platform space for back of house functions and required routine maintenance. Phase 2 includes the build-out of six tracks and three platforms for Caltrain commuter and California high-speed rail service. Any active use of this space will require improvements to access via vertical transportation systems, life safety systems, and other systems on the floor, to be performed by the Master Lessee at its own cost, and be subject to approval by the TJPA. Regardless of level of use, the Master Lessee will be required to maintain this space including routine maintenance and cleaning of core and shell space (base building facade, structure, and infrastructure for connection to all systems provided).
- **Lower Concourse.** The first subterranean level of the Transit Center will house janitorial and maintenance facilities and other back of house spaces such as mechanical, electrical, plumbing, communications equipment rooms, storage, and back of house vehicle ramps connecting from street level. The rest of the lower concourse, which will contain rail ticketing, passenger waiting space, up to 60,000 square feet of commercial space, and support areas for future rail service, will not be permanently programmed until Phase 2 build-out is completed. The vacant space in the lower concourse that will not house building-wide systems and back of house spaces may be made available for interim commercial opportunities during Phase 1. Any active use of this space will require improvements to access, life safety systems, and other systems on the floor, to be performed by the Master Lessee at its own cost, and be subject to approval by the TJPA. Regardless of level of use, the Master Lessee will be required to maintain all lower concourse spaces including routine maintenance and cleaning of core and shell space (base building facade, structure, and infrastructure for connection to all systems provided).
- **Ground floor.** The facility's ground floor will contain commercial space, the main entrance to the Transit Center, the grand hall, and customer service amenities, including Clipper add value machines, information and security desks, and a large digital schedule board. The easternmost block of the facility will contain the bus plaza and a bus passenger loading area for local bus service (Muni and Golden Gate Transit). The main entrance to the Transit Center will be at the mid-point of the facility providing access from Mission Square into the grand hall. West of the grand hall, a two-block-long commercial space will open onto Minna Street and Natoma Pedestrian Way, and the open, programmable exterior spaces lining these.
- **Second floor.** The second floor contains three nodes of commercial space, two on the westernmost end of the building and one directly above the bus plaza. During Phase 1 operations, passenger waiting and ticketing for Greyhound and Amtrak will occupy an area within the western end's commercial space. These uses will be relocated upon completion of an intercity bus facility connected to the Transit Center during Phase 2, and this space can then be converted to leasable commercial space.

- **Third floor.** The third floor (known as the bus deck) will be dedicated to transit agency bus operations, as well as temporary use by Greyhound and Amtrak bus service. The bus deck will connect to an elevated exterior bus ramp that will connect bus traffic to the San Francisco–Oakland Bay Bridge and to an off-site bus storage facility located at ground level under Interstate 80 to the west of the bus ramp.
- **Rooftop Park.** The 5.4 acre Rooftop Park will occupy the full rooftop area of the Transit Center (part of which is shown in Figure 6). It can be accessed via a ground floor elevator on the west end of the facility, from interior elevators and escalators running through the facility, and via at least two pedestrian bridges from adjacent office and residential towers currently under development (additional bridges could be added at future developers' option). The developers of Salesforce Tower also will install a gondola to bring visitors to the park directly from Mission Square.

The Rooftop Park is intended to be a public space, providing active and passive recreation space for local residents, employees, commuters, and visitors. Active spaces within the park include a 1,000-person capacity amphitheater, a restaurant and café, a ½-mile perimeter loop trail for walking and jogging, and a 10,000-square-foot hardscaped main plaza.

The park will contain 13 unique gardens reflecting both international and local environments as well as sophisticated graywater management systems. The park is intended to be a valuable teaching tool, and its environments will be accompanied by detailed informational graphic displays.

Innovative programming of a wide variety of public and private events on the Rooftop Park will draw foot traffic to the space and create a vibrant and active public space for the local community. The Master Lessee will be responsible for creating a robust calendar of events, including sponsored, non-sponsored, public, and private events. Events should be appropriate for the diverse audience that will pass through the Transit Center and visit the Rooftop Park, and should avoid prohibiting park users from enjoying portions of the park during events. The Master Lessee will also manage the intake process for all requests from outside parties to utilize the Rooftop Park for events and special uses.

The Master Lessee will negotiate a comprehensive operating protocol with the TJPA, which will govern specific elements of the Rooftop Park's operations and clearly outline the Master Lessee's responsibilities. This protocol will become part of the master lease agreement. Items for negotiation include, but are not limited to, mandated public park opening hours, any prohibited activities, the process for approval of events, maximum capacity, and restrictions on events including number, type, and hours.

**Figure 6: Rooftop Park**





Figure 7: Space Usage by Floor

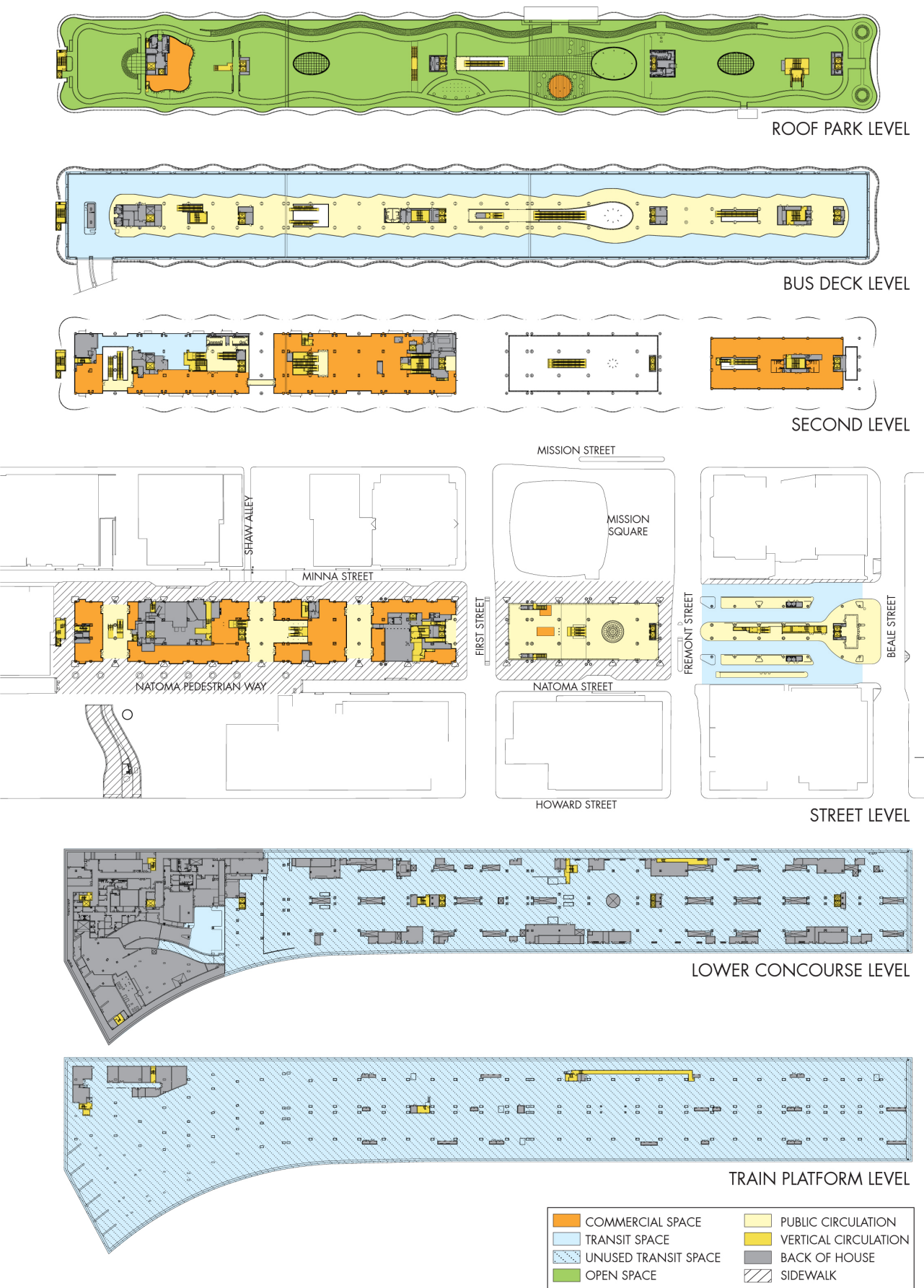
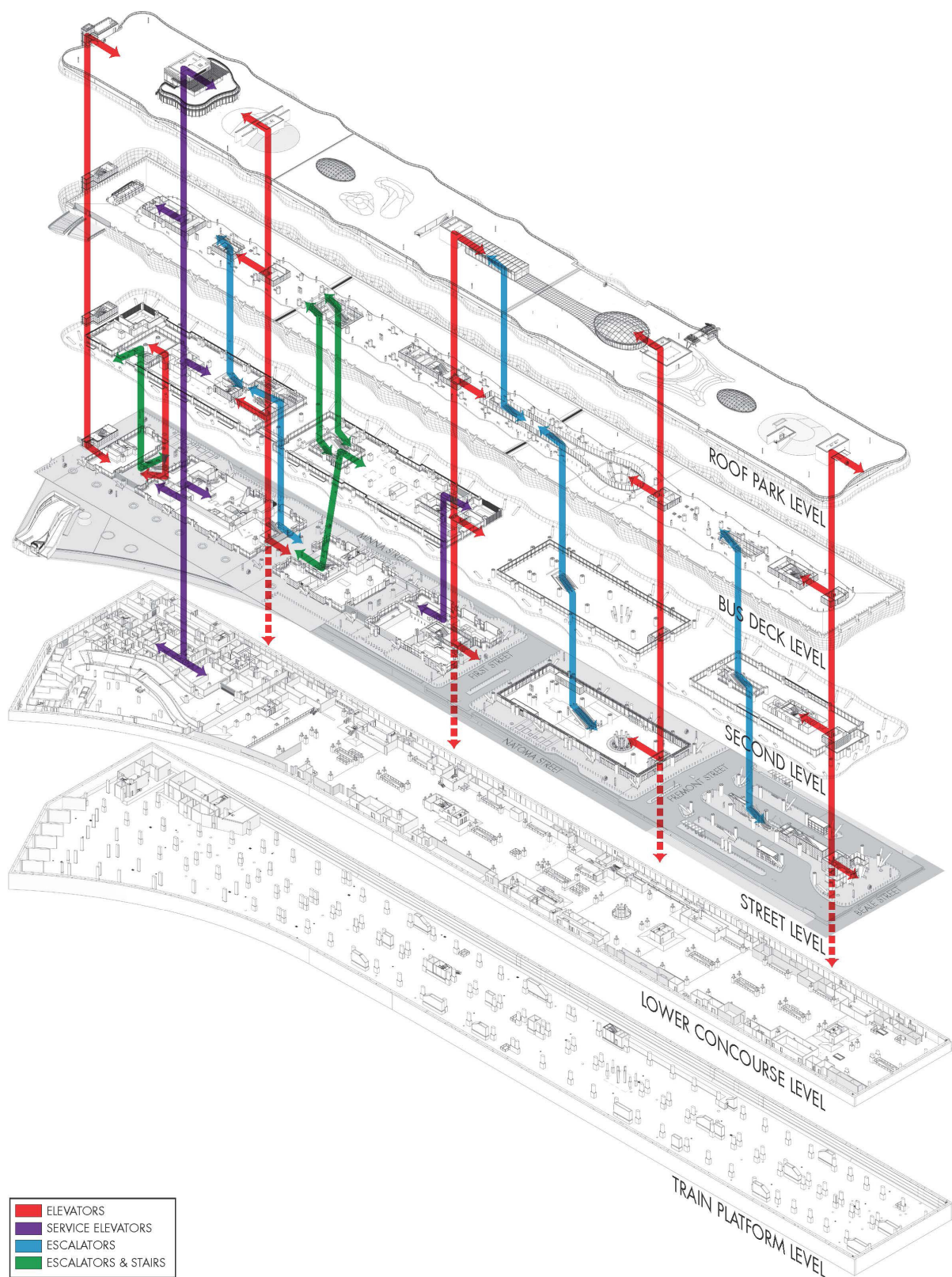


Figure 8: Transit Center Square Footage by Floor

LEVEL	COMMERCIAL AREAS	PUBLIC CIRCULATION	VERTICAL CIRCULATION	BACK OF HOUSE	TRANSIT	OPEN SPACE	TOTAL SQUARE FOOTAGE
Train Platform			2,600	18,200	276,700		297,500
Lower Concourse			3,500	108,300	185,700		297,500
Ground Floor	33,700	64,100	10,000	17,200	27,100		152,100
Second Floor	57,900	5,400	10,400	11,400			85,100
Third Floor (bus deck)		69,100	8,100	7,800	113,700		198,700
Fourth Floor (Rooftop Park)	11,700	1,700	5,600	6,500		202,200	227,700



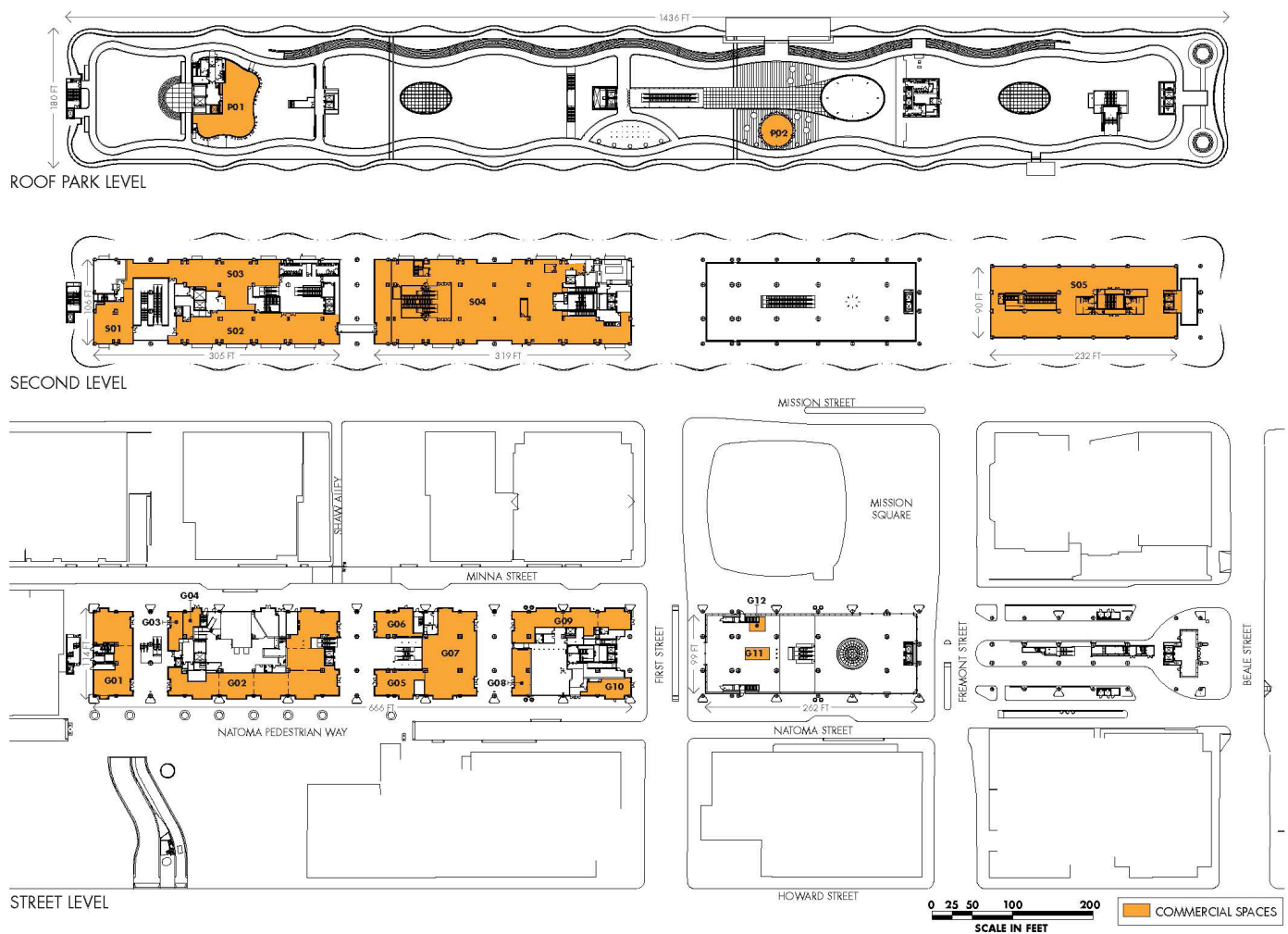
Figure 9: Transit Center Vertical Circulation



## Commercial Space

Commercial space within Phase 1 will be distributed as described below and shown in Figure 10. The relationship of ground floor commercial space to the external streetscape is shown in Figure 11. The Master Lessee will have flexibility in the use of commercial space (whether as dry goods retail, food and beverage retail, office, or other commercial uses). Additional commercial space, including two kiosks in the grand hall and the café in the Rooftop Park, will not be included in the base building package but could be built out at the Master Lessee's choosing. The vacant space in the lower concourse and train platform, which will not house building-wide systems and back of house spaces during Phase 1, may be made available for interim commercial opportunities during Phase 1. Transit Center construction documents are available as Key Reference Document 10, and a guide to the construction drawings pertaining to commercial space is provided in Appendix 11, Guide to Retail Area Drawings.

**Figure 10: Commercial Space Plan**



- **Ground floor commercial space (G01-G03, G05-G10):**

This area is made up of four interior commercial nodes, divided by three pedestrian walkways connecting Minna and Natoma Streets, providing street and pedestrian passageway commercial frontage, as illustrated in Figure 12. The easternmost pedestrian way may be available for commercial use, such as seating for adjacent commercial uses and other activation, including events.

- **Greyhound Package Express (G04):**

A share of the leasable commercial space on the ground floor will be designated as a customer service space for Greyhound Package Express operations.

- **Natoma Pedestrian Way:**

Space directly outside of the Transit Center facing Natoma Pedestrian Way may be used for café or restaurant seating, as illustrated in Figure 13. A portion of this area will be subject to an easement for City of San Francisco emergency vehicles. Retail uses and events programmed on Natoma Pedestrian Way will be subject to the City permit and approval process for use of public rights of way and outdoor spaces.

- **Second floor western retail space (S01, S02, S04):**

Spaces have been prepared to house small, distinct retailers, but could be used by a larger vendor with appropriate building system reconfigurations. The Master Lessee could also develop a two-story space utilizing commercial space at the ground and second levels, as the base building structure allows.

- **Greyhound and Amtrak waiting area (S03):**

A share of the leasable commercial space on the second floor will be designated as ticketing and waiting room space for Amtrak and Greyhound during Phase 1.

- **Second floor eastern commercial space (S05):**

Space at the easternmost end of the facility could be developed as office or retail space for lease, or this area could be used as on-site office space for Master Lessee operations. Alternatively, space within the lower concourse may also be purposed as on-site office space for the Master Lessee.<sup>23</sup>

- **Rooftop Park restaurant (P01):**

The Rooftop Park will include commercial space intended for use as a two-level, signature restaurant with outdoor seating on a rooftop terrace. This space is directly adjacent to the Rooftop Park amphitheater at the western end of the park, supported by a dedicated elevator.

- **Rooftop Park café (P02):**

The Master Lessee will be encouraged to build a café within the Rooftop Park's Central Plaza. The café is envisioned as a circular space with a glass façade (designed as shown in Figure 14). The Master Lessee is encouraged, but not required, to build the café according to this design. Any proposed design modification will be subject to the TJPA's design review process.

- **Grand hall central kiosk (G11):**

Within the grand hall, space behind the central escalators will be available for construction and operation of a retail kiosk, shown as a bar or cafe in Figure 15. Additional space around this area may be available for seating. This location will be available only for the duration of Phase 1, as this location will be used for vertical circulation in Phase 2.

- **Grand hall northwest kiosk (G12):**

Within the grand hall, a space in the northwest corner of the grand hall will be available for construction and operation of a retail kiosk. Additional space around the kiosk may be available for seating. This location will be available for both Phase 1 and Phase 2.

<sup>23</sup> Programming in addition to tenant improvements is the responsibility of the Master Lessee.

Figure 11: Illustrative Ground Floor Plan - West Side Detail

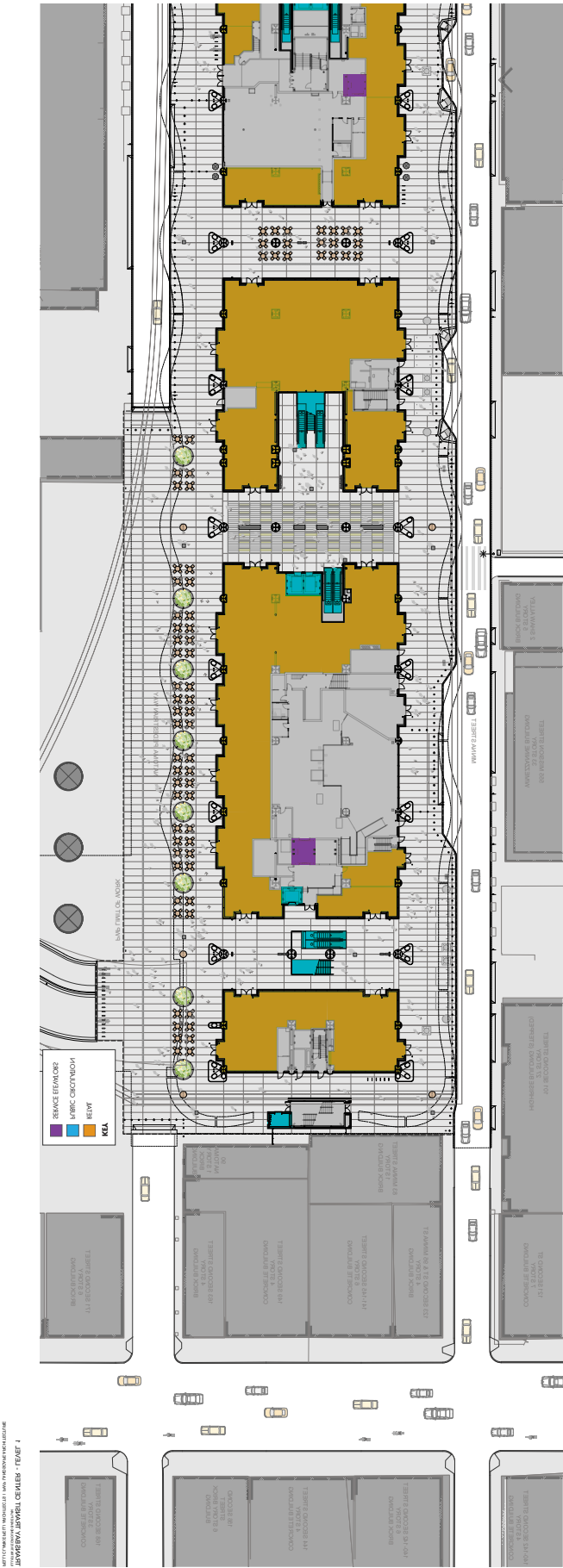




Figure 11: Illustrative Ground Floor Plan - East Side Detail

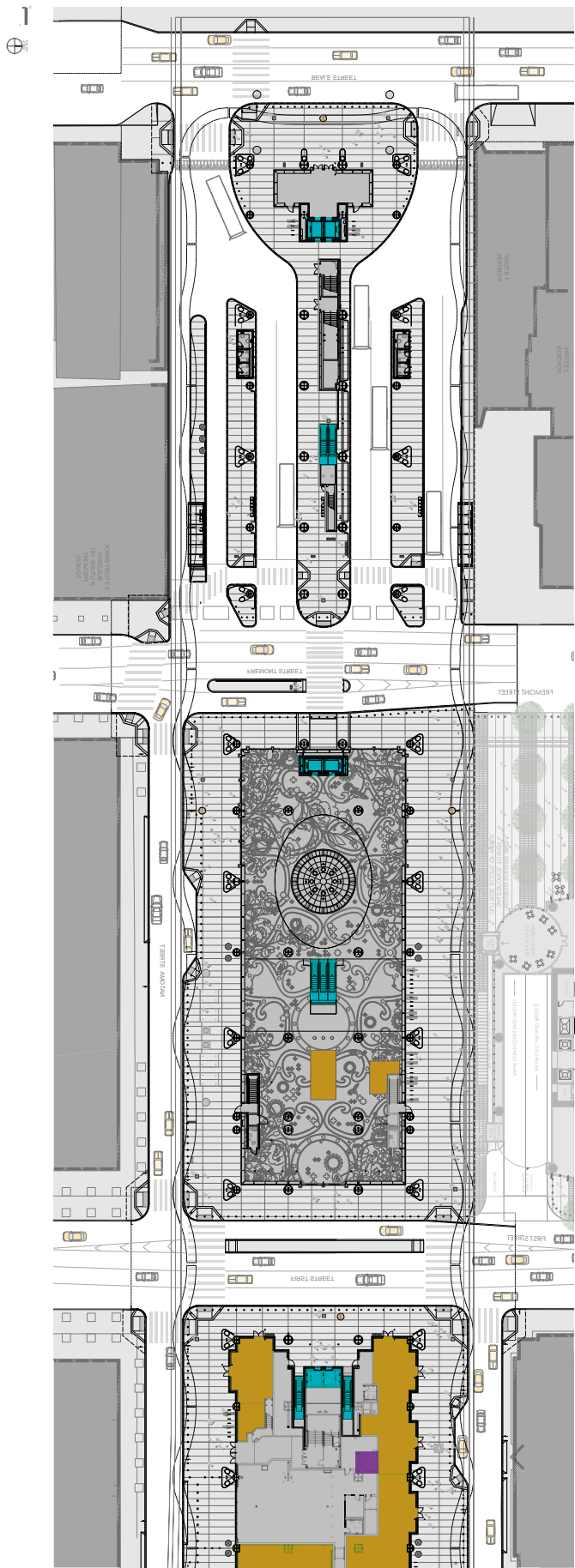




Figure 12: Retail Frontage on Shaw Alley



Figure 13: Natoma Pedestrian Way





Figure 14: Rooftop Park Café





Figure 15: Grand Hall Retail





## Promotional Platform

The Promotional Platform will be delivered on a suite of assets provided in the base building, with the option for the Master Lessee to add to these to bolster activation through the addition of digital signage or activation of other assets, described below. The Master Lessee will have the opportunity to generate revenue through advertising, sponsorship, and naming rights agreements as well as promotional events. All advertising will be required to follow the TJPA's advertising policy as described in Appendix 8, Digital Content Development Guidelines.

### Promotional Platform Assets

#### Digital Signage

The Transit Center will be delivered with 274 digital screens within various signage types as well as a large 61-foot X 109-foot schedule board in the grand hall that provides a prominent promotional medium. 104 screens will be available for promotional purposes, while the remaining 170 screens will be dedicated to transit and wayfinding information. Locations, technical specifications, and a description of supporting infrastructure for the base digital signage system are described in Appendix 7, Digital Assets and Design Guidelines, and renderings of the base digital signage are provided as Key Reference Document 1, ADS Signage Design Intent Package.

The base digital signage system was designed primarily to convey dynamic visual information to passengers and visitors, but also presents an opportunity for the Master Lessee to deploy promotional content.

To best serve transit users, the greatest concentration of signage, including schedule boards, is located in the grand hall, ground floor bus plaza, and third floor bus deck areas of the facility. Additional screens are located throughout the facility, including limited placement on the Rooftop Park.

The three primary types of digital displays are LCD panels, larger video walls, and information kiosks. The base digital signage system for the Transit Center includes:

- **Wall-mounted digital displays - Sign Types SS1, SM1 (total of 34 individual screens):**  
These screens display directions, maps, transit schedules, advertisements, and other general information that changes often.
- **Grand hall schedule board - Sign Type SX1 (total of 99 individual screens):**  
The 61 foot x 109 foot grand hall schedule board, which will display transit schedules, clocks, news, emergency notifications, and advertising (Figure 16).
- **Information kiosks - Sign Types KC1, KP1, KP3, and KM1 (total of 86 individual screens):**  
Digital information kiosks provide wayfinding, advertising, and general information about schedules and activities in the building and the locality. Select kiosks will be interactive and have audiovisual capabilities. KC1 kiosks will be provided with touch screen digital displays.
- **Bus pylon identifications - Sign Types PD1, PD2 (total of 154 individual screens):**  
Bus pylons provide bus routes, transit information, maps, clocks, event information, and emergency notifications when necessary. PD1 kiosks on the third floor bus deck level can also display some advertising.

See Appendix 7 for a preliminary overview of allowable promotional content program by type and placement of screen, additional detail on the type of information to be displayed on each screen, and the TJPA advertising guidelines, which the future Master Lessee will be required to follow.

Figure 16: Grand Hall Schedule Board

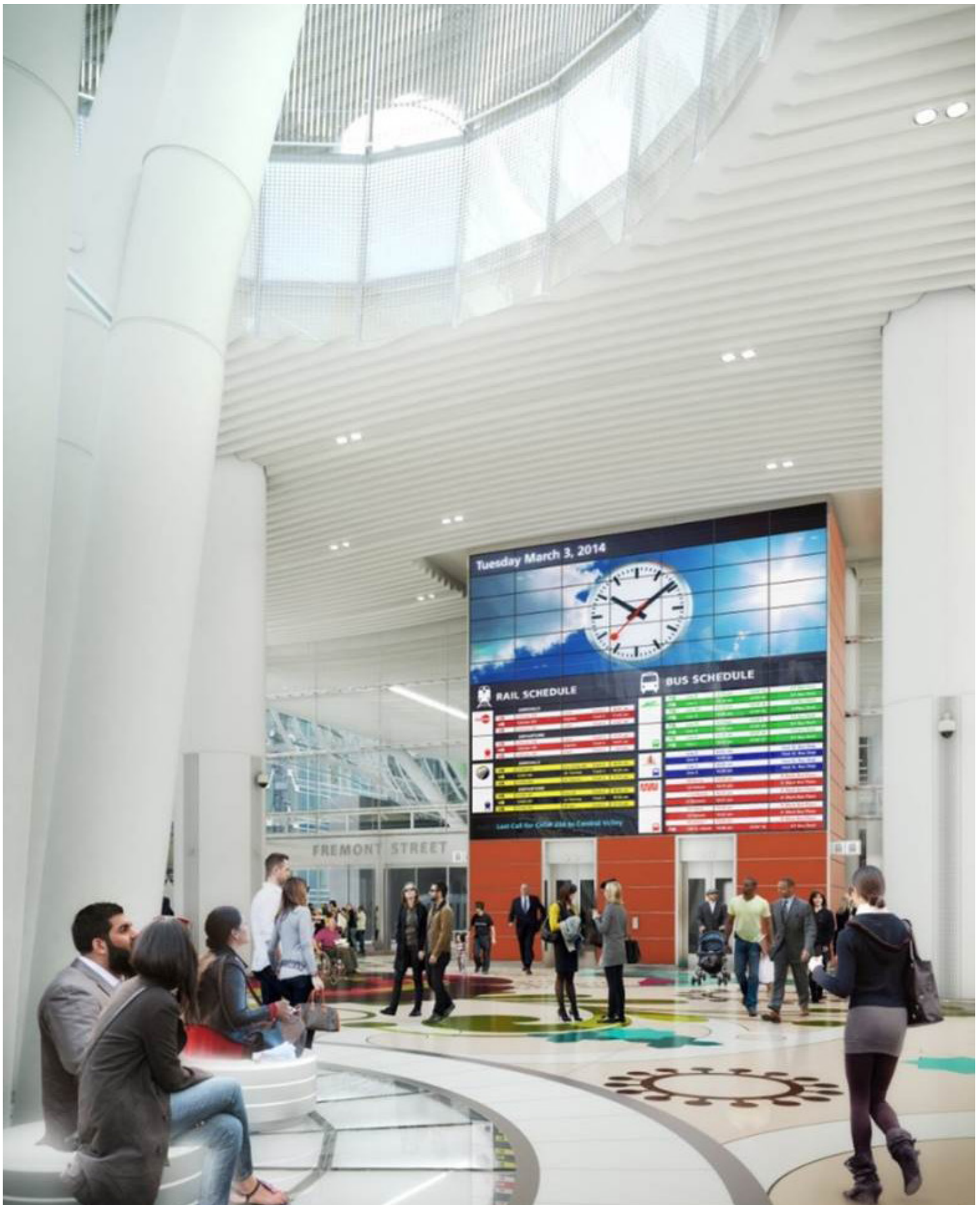
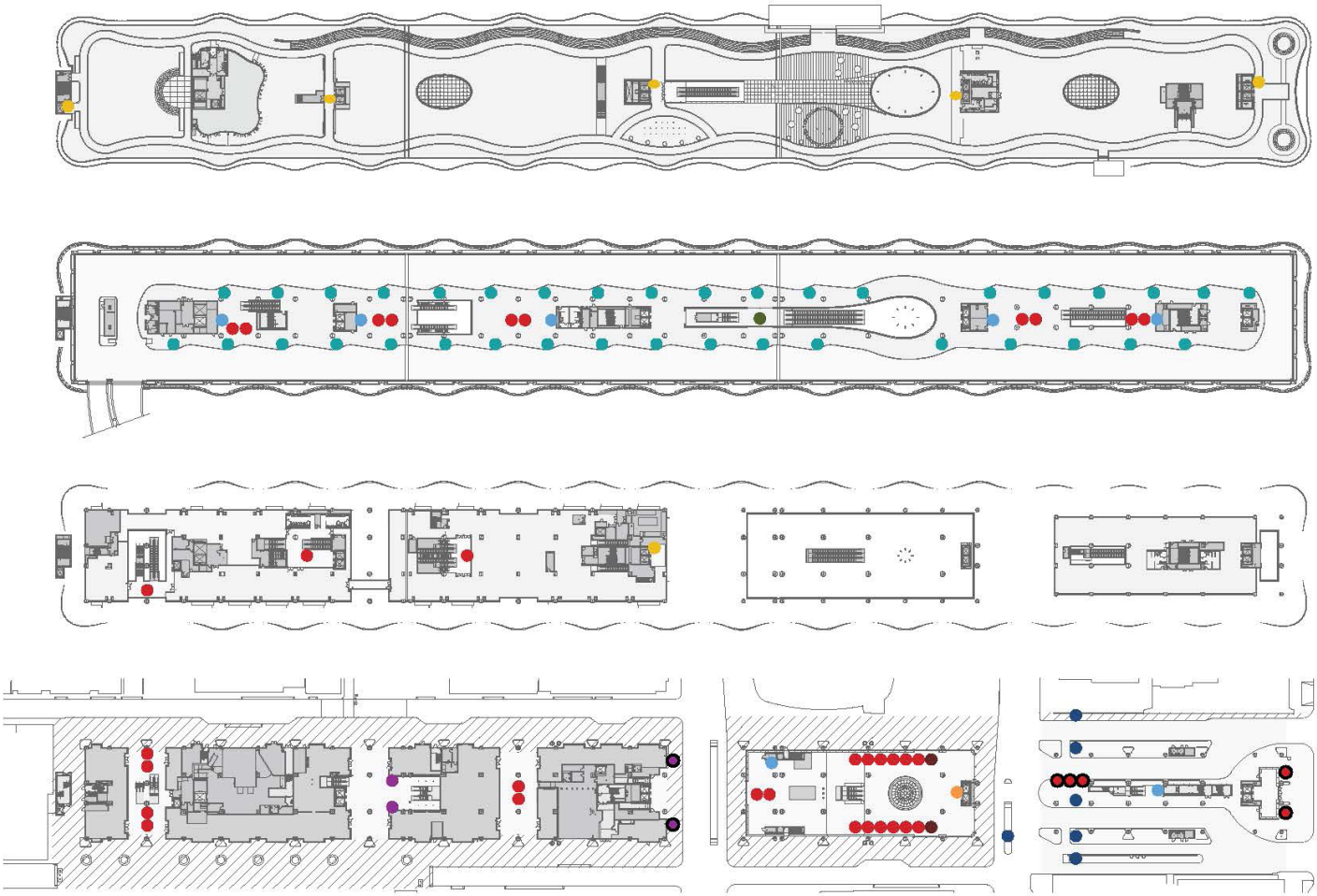


Figure 17 shows the placement of signs included in the base digital signage system, and more information about the base digital signage system is available in Appendix 7.

Figure 17: Location of Base Package Digital Signage



LEGEND	
<span style="color: #008080;">●</span>	PD1: Bus Deck Dock ID
<span style="color: #000080;">●</span>	PD2: MUNI Plaza Bus ID
<span style="color: #ffff00;">●</span>	SS1: Wall-Mounted Digital Display
<span style="color: #6495ed;">●</span>	SM1: Wall-Mounted Schedule Board
<span style="color: #ffa500;">●</span>	SX1: Grand Hall Schedule Board
<span style="color: #ff0000;">●</span>	KC1.a: Combined Directory and Digital Display
<span style="color: #ff0000;">●</span>	KC1.b: Combined Directory and Digital Display (MUNI Plaza)
<span style="color: #800080;">●</span>	KP1.a: One Sided Digital Display
<span style="color: #800080;">●</span>	KP1.b: One Sided Digital Display (Street Facing)
<span style="color: #6b8e23;">●</span>	KP3: Information Kiosk with Digital Display
<span style="color: #8b4513;">●</span>	KM1: Static Map with Digital Display

The Master Lessee is encouraged to propose additional digital displays elsewhere in the Transit Center, in areas designated for additional signage (also described in Appendix 7, Digital Assets and Design Guidelines), subject to approval by the TJPA and at the Master Lessee's cost. Responses to the RFP should clearly indicate the type, function, and placement of additional digital displays, if proposed. The TJPA's digital platform consultant developed a layout for the allowance of additional digital assets in order to maximize advertising revenue. Allowance of additional digital screens throughout the facility is described in detail within Appendix 7, and illustrated in Key Reference Document 2: Additional and Modified Digital Signage Asset Renderings. Placement of additional and modified digital signage assets is illustrated in Figure 28, Additional Digital Signage Allowance, within the appendix.

### **Other Assets**

Other assets throughout the facility will also be available for deployment of the promotional platform. The availability of assets for the purpose of the promotional platform will be determined by the TJPA during negotiations with the Master Lessee, but may include elements such as the amphitheater, plaza spaces, playground, and gardens within the Rooftop Park, entry and exit doorways and public spaces, such as the grand hall, and public art pieces. The Master Lessee may also propose other Transit Center assets through which the promotional platform will be delivered, if they are considering additional strategies for activation.

### **Content Management System**

The Master Lessee will be responsible for providing and operating a digital content management system that will gather digital content from external sources, manage the scheduled, interactive, and live playback of content, and present content to all connected and remote devices and systems. The content management system should be fully functional upon the facility's opening. Content and applications will require customization specific to the Transit Center and its various users' needs (including those of transit operators, future commercial tenants, and visitors or passengers). The Master Lessee is encouraged to develop content to a high graphic standard that will complement the Transit Center's architectural language and art installations.

The content management system will include, at a minimum, the ability to manage the following inputs:

- Web-based feeds for transit schedule information.
- Web-based advertiser content, including social media activations.
- Interactive input from mobile devices, web-based users, and on-site interactive displays.
- Locally based advertiser content, such as digital images and video files.
- Locally based live video and audio from on-site events.
- Instructions and queries from on-site retailer point of sale devices.
- Instructions and queries from on-site emergency messaging systems.



The content management system will include, at a minimum, the ability to manage the following outputs:

- Digital images, video, and audio to LED and LCD displays of various resolutions and aspect ratios.
- Responses to interactive experiences through mobile devices, web-based users, and on-site interactive displays.
- Live messaging, whether scheduled or on-demand.

The content management system will include, at a minimum, the following advanced capabilities:

- Ability to play and schedule content on demand to any or all of the connected devices and displays, whether individually or within pre-determined groups.
- Scalability to allow expansion and reconfiguration, both by adding additional output devices and by adding additional input sources.
- Managed permissions to enable multiple administrators' control of the system or portions of the system.
- Detailed reporting tools.

## Digital Content Development

The Master Lessee will also be encouraged to develop a mobile application and a web site for the facility intended to provide similar content to the digital screens with potential to also serve as a valuable advertising platform. Mobile application and web site functions may include access to real-time transit schedule information, wayfinding, integration with commercial tenant functions, connection to the emergency notification system, presentation of advertising or sponsorship messages, and communication with the content management system, among other features and functionalities. Appendix 8, Digital Content Development Guidelines, includes detailed guidelines and the specific requirements for digital program operations, for the digital signage system, the mobile application, and the web site.

## Events

The Master Lessee will have the opportunity to collect revenue from events held within the Transit Center, including in the grand hall, Rooftop Park, easternmost pedestrian passageway, and Natoma Pedestrian Way. Use of Natoma Pedestrian Way will be subject to an easement for City of San Francisco emergency vehicle functions as well as the City permitting process for use of public rights of way and public outdoor space, and potentially other areas. The TJPA anticipates that events may range from those linked to corporate promotions, as part of the sponsorship opportunity described above, to private special events to public community-oriented events, and encourages the Master Lessee to think creatively about this opportunity. Events should also be sensitive to the surrounding community as guided by the TJPA, and for events on the Rooftop Park, as guided by the TJPA and the Greater Rincon Hill CBD Owners' Non-Profit Association Board of Directors. The TJPA will reserve the right to prohibit events that it deems inappropriate or not in keeping with the character of the Transit Center as an integral part of the surrounding community.

## Design Guidelines

The TJPA has established design guidelines for the Master Lessee, included in this RFP as Appendix 5, Retail Design Guidelines, to ensure that the use and fit-out of subtenant spaces present a visually appealing experience for visitors throughout the entire Transit Center. The Master Lessee will utilize the guidelines provided by the TJPA to develop a set of tenant standards in order to guide tenant space fit-out. These guidelines include:

- General design principles intended to inform the design of commercial and public areas, aimed at optimizing the quality and aesthetics of the Transit Center.
- Specific details regarding the condition in which spaces will be delivered, including an overview of the structural and utility elements that will be included in the base building for each type of commercial space.
- Details regarding the level and type of finishes included throughout the facility, in subtenant spaces and public circulation space, for the Master Lessee's consideration in estimating future maintenance efforts and costs.

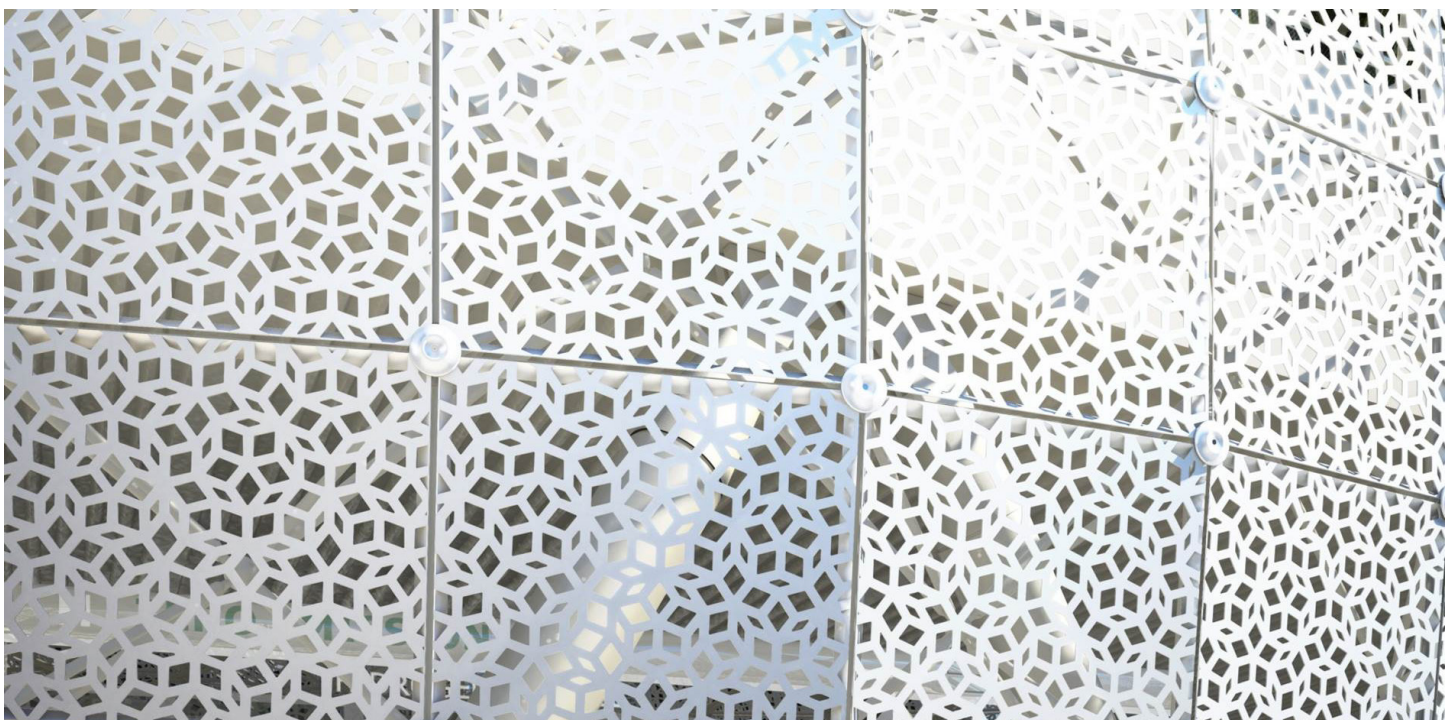
## Design Features

The Transit Center is a unique facility featuring many design elements that enhance its identity and character, as described below.

### Penrose Pattern Exterior

An undulating perforated aluminum awning floating above the street on angled steel columns will wrap the entire Transit Center. The pearlescent white aluminum skin is perforated in a Penrose pattern named for the eminent British mathematical physicist, Dr. Roger Penrose, who discovered the geometric pattern. The pattern will leave 35% of the wall's surface open to light and air, creating a breathable, visually appealing enclosure for the structure (Figure 18).

**Figure 18: Penrose Building Skin**



## Public Art Program

The Transit Center's public art program features five major artworks created by Bay Area and international artists. The artworks have been commissioned by the TJPA and will be installed as part of the base building (placement is shown in Figure 19). Each piece is designed to engage, stimulate, and enrich the experience of daily commuters and visitors (illustrated in Figure 20). The San Francisco Arts Commission oversees public art in the City of San Francisco and will be a resource for guidance regarding the maintenance of these artworks.

- **James Carpenter, light installation in Shaw Alley:**

James Carpenter's light sculpture includes two parallel fields of luminous fins and pavers, along the ceiling and ground, as well as lighted benches, in Shaw Alley. This dramatic landscape of light celebrates movement and creates a sense of directionality through the pedestrian passage.

- **Julie Chang, terrazzo floor in the grand hall:**

Expressing the juxtaposition between Victorian and modern architecture found throughout San Francisco, the 20,000 square foot terrazzo floor designed by Julie Chang will cover the grand hall with images of the area's local ecology, including California poppies and jewel-toned hummingbirds.

- **Tim Hawkinson, sculpture in Mission Square:**

Tim Hawkinson's monumental figure, standing 40 feet tall and composed of approximately 10 blocks of concrete salvaged from the former Transbay Terminal facilities, will welcome travelers and others into the grand hall and bid them "safe travel."

- **Jenny Holzer, LED artwork on the bus deck:**

At the third-floor bus deck, on the glazing encircling the light column running vertically through the Transit Center and visible from the grand hall, Jenny Holzer's text-based scrolling LED installation will create a striking visual impact with words and phrases drawn from historical and literary sources, as well as her own work.

- **Ned Kahn, bus jet fountain on the Rooftop Park:**

Known for his seamless synthesis of nature, art and technology, Ned Kahn will install a series of water jets, making up a 1,000-foot linear fountain along one side of the Rooftop Park, whose frequency and motion will respond to arriving and departing buses on the deck below.

The Master Lessee will be responsible for care of these art pieces. Specific guidelines for regular maintenance are detailed in Appendix 13, Art Conservation Guidelines.

Figure 19: Public Art Program Locations

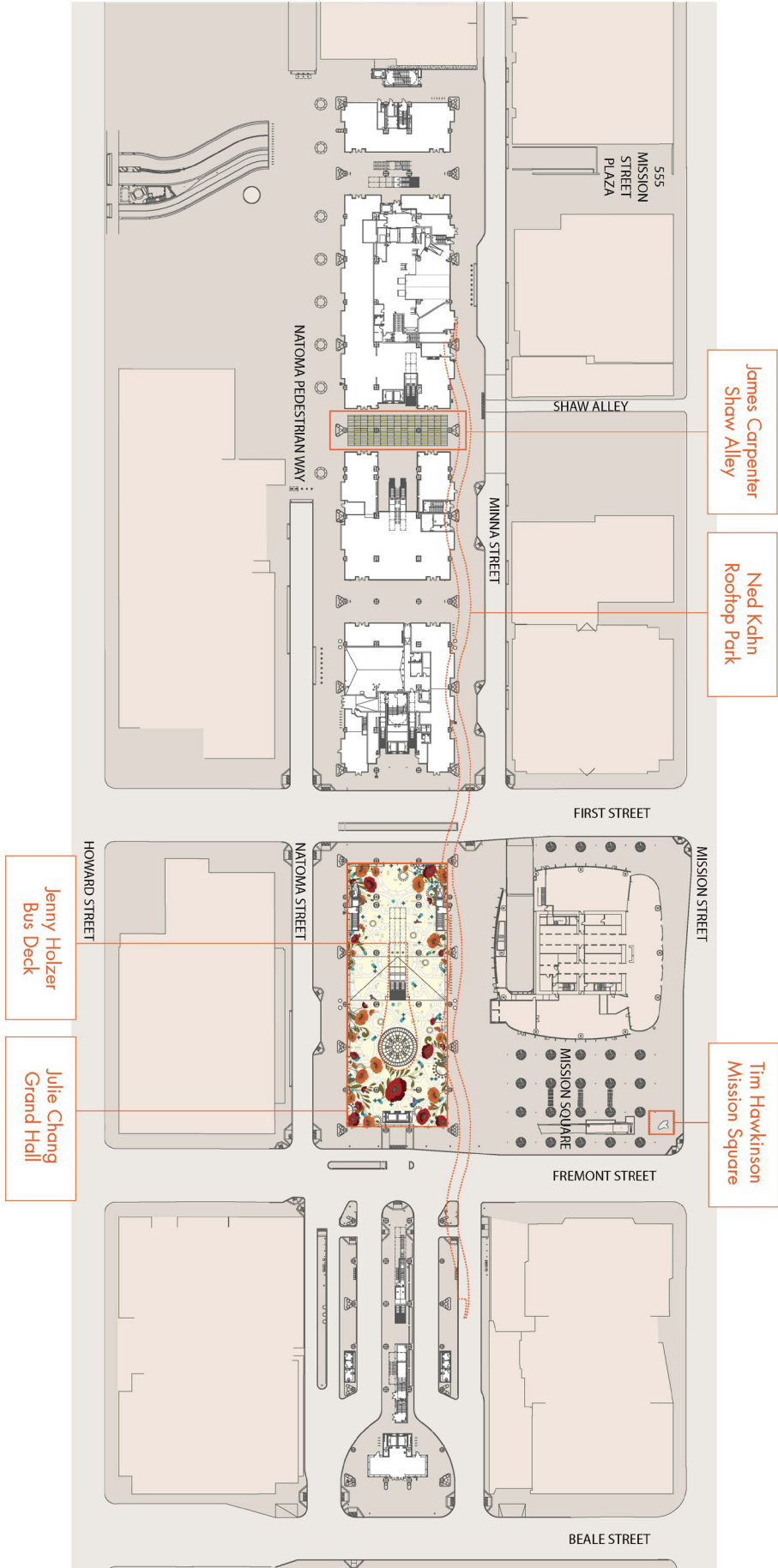




Figure 20: Public Art Program Pieces



Public Art Program Images (clockwise from left): Tim Hawkinson, sculpture in Mission Square; Julie Chang, terrazzo floor in the grand hall; Jenny Holzer, LED artwork on the bus deck; James Carpenter, light installation in Shaw Alley.





Ned Kahn, bus jet fountain on the Rooftop Park.

## Operations and Maintenance

The Master Lessee will ensure that the Transit Center is a clean, safe, and well-maintained facility, consistent with the high standards achieved by other visible, world-class public venues. This responsibility is described in greater detail in Appendix 9, Operations and Maintenance Guidelines, Reference Document 3, Operations and Maintenance Report, and additional technical information of building systems is provided in Key Reference Documents 5-8 and 10-11. The Master Lessee's responsibilities for comprehensive operation and maintenance of the facility will include the procurement, oversight, and management of all non-transit services, whether self-performed or contracted, excluding provision of security services. Operations and maintenance responsibilities will include, but may not be limited to, the following:

- Management of cleaning and preventive maintenance for the interior and exterior spaces including sidewalk space outside of the Transit Center, Rooftop Park, and the bus ramp.
- Compliance with the management and implementation of the TJPA's Safety and Security ConOps and other protective security strategies.
- Management and coordination of equipment maintenance and upgrades for the facility.
- Management of insurance coverage for facilities in coordination with the TJPA risk management procedures.
- Enforcement of Transit Center policies, procedures, rules and regulations.

The Master Lessee will be required to work with the TJPA and consultants during the negotiations phase to create a comprehensive operations and maintenance protocol, according to Appendix 9, Operations and Maintenance Guidelines, and Key Reference Document 3, Operations and Maintenance Report. These standards will become part of the master lease agreement. The operations and maintenance manuals will be made available during the negotiations phase, and a description of the scope is included in Appendix 9, Operations and Maintenance Guidelines. The Master Lessee's planned maintenance program, incorporating all operations and maintenance requirements provided in the operations and maintenance manuals, will be submitted to the TJPA for review and updated on an annual basis.

### **Service Contracts**

The TJPA has secured maintenance contracts for vertical transportation systems (10 years for elevators and 11 years for escalators) to be installed in Phase 1, and for Rooftop Park landscape maintenance (2 years). The elevator and escalator maintenance contracts cover all testing, and preventive and corrective maintenance activities for these periods. Upon execution of lease documents, these contracts will be transferred to the Master Lessee for direct management, and the Master Lessee will be responsible for the annual cost of these contracts, and any contracts to be procured beyond the expiration of these initial agreements.

### **Insurance**

Insurance should be obtained by the Master Lessee to insure the TJPA against property loss or damage, general liability, and loss or damage and liability extending from a terrorism event. Management of insurance coverage for facilities will be done in coordination with the TJPA risk management procedures. More information regarding the amount and estimated cost of appropriate insurance coverage is included in Key Reference Document 3, Operations and Maintenance Report.

### **Security**

To ensure the safety and security of the passengers, employees, transit operators, tenants, retailers, visitors, and other members of the public using the Transit Center, the TJPA has undertaken numerous studies to determine the appropriate security measures for the facility. In 2012, the TJPA prepared a Risk and Vulnerability Assessment (RVA) that expanded and updated a 2009 RVA. The RVA included extensive Design Guidance Criteria (DGC) to inform the design, construction, and operation of the project facilities. The TJPA has retained world-class architects, engineers, and security subject matter experts and, utilizing the RVA and DGC documentation, has designed a facility that incorporates the DGC into the Transit Center development. The Safety and Security ConOps for the facility is currently under development to guide security operations within the facility. An outline of the ConOps is provided in Appendix 12, Security Guidelines. The ConOps will be completed at a later date and shared with the Master Lessee once engaged.

The Master Lessee will participate in safety and security programs administered by the TJPA's security team which will require cooperation with the security provider contracted directly by the TJPA. This will include provision of engineering or other services as required by emergency responders as part of incident response protocols, and maintenance and operation of critical systems under the jurisdiction of the Master Lessee to support day-to-day safety and security programs. Space in the lower concourse will be delivered with a security operations center that will be controlled by the TJPA and its security services provider. The Master Lessee will also be responsible for routine security within its commercial spaces.

The Master Lessee will also participate in the management of physical security systems (i.e., training and exercise programs, key maintenance, security systems repairs, loading dock protocols and operations, etc.), as elucidated in the Transit Center's ConOps documentation and program.

The TJPA will apply for designation or certification under the SAFETY Act, administered by the Department of Homeland Security. To support the TJPA's application, the TJPA recommends that the Master Lessee endeavor to procure vendors and equipment certified or designated under this act.

## Building Systems

Upon delivery, the Transit Center will be fitted with complete building systems, including heating and cooling, water/plumbing, electrical, fire protection, communications, sewage, and exhaust/ventilation systems. The Transit Center's sustainable systems are designed both to meet City codes and to set a high standard in sustainable building design for transit facilities of this scale. A summary of building systems can be found in Appendix 10, Building Systems, and additional technical information of building systems is provided in Key Reference Documents 4-8 and 10-11.

## Public and Staff Restrooms

Public restrooms will be provided in the Rooftop Park and the second floor and staff restrooms will be provided in the lower concourse. The Master Lessee and its tenants may install additional restrooms within commercial areas if desired.

## Codes & Compliance

### Local Building Codes

The Transit Center complies with the 2007 San Francisco Building Code (California Building Code as adopted and amended by City of San Francisco). The below grade rail levels and the bus deck comply with NFPA (National Fire Protection Association) 130. A more detailed and thorough description of the codes and regulations used to design the Transit Center is available in the Key Reference Documents attached to this RFP.

### TJPA Design Review and Approval Process

The TJPA is committed to making the design review and approval processes as efficient as possible. The Master Lessee and all tenants in the Transit Center are required to follow the TJPA's design review process. The Master Lessee will have a single point of contact within the TJPA who will oversee the design review process, which is outlined in Appendix 6, TJPA Design Review Process. The Master Lessee will be responsible for submitting all required plans and material on behalf of its tenants. Tenants shall not submit any materials or engage in correspondence directly with the TJPA. All improvements are subject to the TJPA's approval and shall conform to all TJPA design guidelines.

The Master Lessee will also be required to submit plans and materials to the San Francisco Department of Building Inspection (SFDBI). SFDBI will issue a construction permit after its review and approval of the final design documents and code-related submittals. This process and the TJPA design review process may proceed in parallel. The California Building Code as well as applicable local codes and ordinances will apply.

## Phase 2 Construction

The Master Lessee will be required to coordinate with the TJPA and its consultants in order to facilitate construction of Phase 2 of the facility. The Master Lessee will make spaces within the facility available as needed for Phase 2 construction purposes and work with the TJPA to ensure that quality operations of the facility continue during construction periods.



# VI. Required Submission Contents

Respondents are required to submit five bound originals and one digital version (on a USB drive) of their response to this RFP. Responses should be delivered to the TJPA at the address given in Section VII of this RFP by 5pm Pacific Time on Thursday, May 26, 2016.

For submissions to be deemed complete and evaluated by the TJPA selection committee, Respondents must provide:

1. A cover letter introducing the Respondent, clearly stating how and why the Respondent is the best candidate to become Master Lessee.
2. Team profile, including an organizational chart.
3. Three to five examples of relevant experience, as described further below.
4. Concept narrative.
5. Letters of interest from retailers to support Respondent's concept.
6. Project drawings and diagrams to illustrate the Respondent's concept.
7. Narrative describing the intended operations and maintenance plan for the facility.
8. Narrative describing the means by which the Master Lessee will coordinate and cooperate with the TJPA in supporting safety and security programs.
9. Proposed terms for the Master Lease, according to the items described below.
10. A completed pro forma for Transit Center operations (the required template is included as Appendix 1, Pro Forma Template).
11. Proposed revisions to the Draft Master Lease Agreement, included as Appendix 2, Draft Master Lease Agreement.
12. Required forms and statements indicated below.

## 1. Cover Letter

The cover letter should introduce the team's members and state how and why the Respondent is the best candidate to become the Master Lessee based on experience, merits of the team, and overall offer to the TJPA. This letter must be signed by a principal of the Respondent (or the Respondent's lead firm), and include contact information for the Respondent's primary contact.

## 2. Team Profile

The Respondent should demonstrate that the proposed team has the necessary capabilities and experience to operate the Transit Center. The Respondent will provide qualifications material including the following information about the Respondent:

- A profile detailing the firm's (or firms') history and expertise in this area of operations.
- Profiles of the key professionals who will make up the Master Lessee team and anticipated responsibilities within the team.
- Years of experience for each key team member.
- Any licenses or accreditations held by key team members.
- Small Business Enterprise/Disadvantaged Business Enterprise (SBE/DBE) registration status per firm.
- An organizational chart describing team hierarchy and anticipated roles and responsibilities.

### 3. Relevant Experience & Qualifications

The Respondent should demonstrate that it has experience successfully executing projects of a similar scale and scope of services. Respondents are encouraged to form teams and include other firms as partners or subcontractors in their proposals to deliver the full scope requested, particularly with regard to park operations and promotional platform development, and to optimize the commercial opportunities included in the Transit Center. For each firm included on the team, the Respondent should include three to five examples of past engagements in which they have exhibited:

- Experience managing mixed-use facilities, with an emphasis on public transit facilities.
- Experience in retail tenancing and establishing and maintaining a retail destination.
- Experience in planning and programming events in complex, mixed-use spaces.
- Experience operating a large-scale facility, including facilities with high pedestrian traffic.
- Experience operating facilities with environmentally sustainable practices.
- Experience managing a multi-faceted promotional platform, maintaining digital signage systems, and providing design and delivery of digital content.
- Experience managing landscaping and horticulture.
- Experience participating in security programs for large facilities including components such as retail, transportation, and park venues.

Within each qualification, the Respondent should include:

- Length of term of involvement to date, including first year of involvement and final year of involvement, if relevant (with a preference for projects over five years in length).
- Project description narrative, including location of the facility, total size of facility/area of management.
- Specific roles and responsibilities fulfilled.
- Full team (firms) included in management of the facility.
- Term of involvement with the project, including total economic value of the contract.
- References for the Respondent and/or any assigned key staff for each example engagement. References should include reference names, addresses, telephone numbers, email addresses and the name or title of specific projects with which the reference is associated.

## 4. Concept

The Respondent should submit a compelling vision narrative for the opportunities presented under a Master Lease of the Transit Center. The vision should directly respond to the design, location, and the TJPA's operational goals. The Respondent's narrative should clearly explain how the Respondent plans to maintain a clean, safe, and secure world-class transit facility and program commercial space and signage to create a focus of activity within the Transbay neighborhood. In addition to a broad vision for the facility, the Respondent should address the following specific components:

- **Commercial Space.** Describe the Respondent's vision for the commercial components of the facility. The vision should include the proposed mix of retail and other commercial uses for the first floor, second floor, and Rooftop Park retail components, any proposed activation of the lower concourse and train platform through commercial use, and any plans for leasing to locally owned (within the Bay Area) businesses or small business owners.

The TJPA's goal is for a significant amount of retail leasing to be met by non-formula retail. Formula retail is defined in Section 303.1 of the San Francisco Planning Code as:

*a type of retail sales activity or retail sales establishment that has eleven or more other retail sales establishments in operation, or with local land use or permit entitlements already approved, located anywhere in the world. In addition to the eleven or more other retail sales establishments located in the World, maintains two or more of the following features: a standardized array of merchandise, a standardized facade, a standardized decor and color scheme, a uniform apparel, standardized signage, a trademark or a servicemark. In other words, retail stores with multiple locations and a recognizable "look" or appearance.*

The Respondent should indicate how they intend to achieve this goal, including the portion of commercial space that will be allocated to non-formula retail, and additionally, describe strategies for leasing to locally owned businesses. The City of San Francisco Office of Economic and Workforce Development will be available as a resource to the Master Lessee to connect with locally owned businesses during leasing. The retail program and inclusion of locally owned businesses will be evaluated as described in Section VII.

- **Promotional Platform.** Describe a vision for revenue generation through the promotional platform including advertising, sponsorship, and naming rights agreements as well as promotional events. The concept should include approaches for the three different types of promotional opportunities and an initial understanding of the assets that will comprise the promotional platform. Respondents should specify their approach to selling the various components of the promotional platform and creating a comprehensive activation strategy for the Transit Center, as well as specifying the team members who will oversee this strategy. If the Respondent is proposing additional signage or other assets, include an additional signage and advertising plan distinct from the base digital signage system.
- **Digital Content.** Describe the Respondent's plan for developing multimedia content for the facility's digital signage and potentially developing a corresponding mobile application reflective of the TJPA's mission and the high quality architecture of the Transit Center. Describe how such potential promotional platform content would be integrated with and complement critical transit, wayfinding, building, and public safety information.
- **Events.** Provide a concept for private or public events intended to supplement promotional events. Describe how programmed events on the Rooftop Park and other public spaces will both enhance the Transit Center's role as an active and vibrant central public space and generate revenue. Describe how the Respondent will coordinate with the Greater Rincon Hill CBD Owners' Non-Profit Association Board of Directors for events within the park.

## 5. Letters of Interest

The Respondent should provide any letters of interest or commitment from potential commercial tenants to support their proposed commercial concept. The Respondent is strongly encouraged to secure and provide letters of intent from potential commercial tenants that could locate at the Transit Center, particularly key anchor tenants and locally owned businesses.

## 6. Project Drawings

Respondent should submit conceptual plans and images to support the narrative description of the concept envisioned for the Transit Center.

Plans should indicate the proposed subdivision of commercial space and tenant vision for each space. Any images included should illustrate a vision for the commercial spaces within the facility. Suggested images include those indicating desired fit and finish, tenant types, and signage design, consistent with the guidelines included in Appendix 5, Retail Design Guidelines.

## 7. Operations and Maintenance Plan

The Respondent should include a description of the proposed operations and maintenance plan for the facility, including a commitment to operate the facility in a manner consistent with the security and operations and maintenance guidelines and requirements. The operations and maintenance plan should identify how operations and maintenance functions will be designated among the Respondent team. Any functions intended to be delegated to subcontractors not identified in the team profile should be indicated.

The Respondent should provide a clear explanation of their understanding and approach to the Operations and Maintenance (O&M) responsibilities outlined in Section II and Appendices 9 and 13, Operations and Maintenance Guidelines and Art Conservation Guidelines, respectively, of this RFP. Their approach should include the following:

- Overall approach including the Respondent's intended level of performance and strategy for achieving indicated level of performance for each category of O&M responsibility. O&M responsibilities that the Master Lessee intends to subcontract should be indicated. The O&M standards outlined in Appendix 9, Operations and Maintenance Guidelines, and Key Reference Document 3, Operations and Maintenance Report.
- Projected annual cost of the proposed O&M approach. While anticipated staffing and equipment needs are described in Appendix 9, Respondents should rely on their market knowledge and experience to independently estimate costs associated with maintaining the Transit Center to world-class standards. In obtaining a private partner to carry out this scope, the TJPA intends to increase efficiency in these operations and their associated budgets.
- Any proposed modifications to the O&M responsibilities.
- Indication of the Respondent's plans for coordination with the TJPA, transit operators, the TJPA's security services firm, and, within the park, the Greater Rincon Hill CBD Owners' Non-Profit Association Board of Directors.



## 8. Economic Proposal Term Sheet

The Respondent should return a term sheet that describes the Respondent's proposed agreement structure, responding to the structure outlined in this RFP or specifying an alternate approach. This term sheet should also indicate the Respondent's proposed terms for the following items. The Respondent's term sheet should clearly describe the projected terms in narrative format and be accompanied by tables and formulas to illustrate these, as needed. This term sheet should be aligned with the pro forma to be submitted, as described below.

### Term

- *Initial Term:* The Respondent should propose an initial term of the Master Lease.
- *Renewals:* The Respondent should propose an anticipated term for subsequent renewals of the Master Lease.

### Rent paid by the Master Lessee to the TJPA

- *Fixed Rent:* The Respondent should propose a projected amount of fixed rent which the Master Lessee would pay to the TJPA annually and a proposed structure for incremental increases to the base rent amount.
- *Participation Rent:* The Respondent should propose a structure under which the Master Lessee would pay participation-based rent to the TJPA.

### Operating Expense Reimbursement

The Respondent should project annual costs for operating expenses, and sharing of these expenses for areas where they operate and maintain public spaces, including a description of the breakdown of these spaces.

### Management Fee

The Respondent should specify the annual management fee for providing operations and maintenance services to areas for which costs will be shared.

### Capital Expenditure Sharing

The Respondent should propose its share (or total dollar amount) to be allocated to capital replacements and other capital investments for the first five years of operations.

### Cost Overrun Sharing

The Respondent should propose the share of expenses the Master Lessee would be required to pay in the instance that operating expenses for Areas of Responsibility and Areas of Shared Responsibility exceed the operating expense budget approved by the TJPA, with the remainder to be paid by the TJPA.

Respondents who wish to propose alternative terms that deviate from the proposed agreement structure must provide the following supplementary items:

- A brief statement of their concerns with the proposed structure, indicating the portions of the structure they intend to change.
- A rationale for each of the proposed changes.
- A summary of how the alternative structure is financially advantageous to the TJPA and consistent with Project Goals.

## 9. Pro Forma

Respondents should detail their financial offer, based on the terms proposed, in a brief statement accompanied by a pro forma and summary tables, using the templates provided in Appendix 1, Pro Forma Template. This should expand on the terms proposed per the above, including detailed information on the annual payments to the TJPA over the term of the initial lease and any proposed renewals. Any modifications to the template should be noted.

## 10. Review of Draft Master Lease Agreement

Respondents should review and either acknowledge acceptance of, or provide revisions to, the Draft Master Lease Agreement (included as Appendix 2). A marked-up version of the Draft Master Lease Agreement should be returned as part of the Respondent submissions. Mark-up should be provided to the extent that the Respondent would be comfortable entering into the Draft Master Lease Agreement as modified, recognizing that any changes will be finalized during negotiations.

## 11. Forms & Required Statements

Respondents shall complete the forms described below and submit them as part of the Proposal. The following forms are required and included as Appendix 4, Required Forms.

- TJPA Confidentiality Agreement
- FTA Certifications: Fly America; Buy America; New Restrictions on Lobbying; Debarment & Suspension
- Disadvantaged/Small Business Enterprise Program Requirements; Bidders/Proposers Information Request Form; Good Faith Efforts Form
- A copy of the Respondent's nondiscrimination program or equal employment opportunity policy statement

# VII. RFP Schedule

## Request for Proposals Schedule

The RFP process, from release to evaluation, will follow the process described in Figure 21, below.

Figure 21: RFP Schedule

MILESTONE	DATE
RFP released	March 4, 2016
Pre-proposal conference and site tour	March 24, 2016, 11am
Question submission deadline	April 29, 2016, 5pm
Q&A postings online	March 21, 2016 – May 9, 2016*
All proposals due	May 26, 2016, 5pm
Respondents notified of invitation to interview	Week of June 13, 2016
Interviews	Week of June 20, 2016
Respondents notified of the TJPA's decision	Week of July 18, 2016
Anticipated Master Lease execution	Q1 2017

\*The TJPA will post all questions and responses online for respondents to review in batches, as received. The TJPA anticipates releasing responses in two to three week windows within the timeframe noted above.

All responses to this RFP are due by 5pm Pacific Time, on Thursday, May 26, 2016. Respondents are required to submit five (5) bound originals and one electronic version (on USB drive) of their response to this RFP. Responses should be delivered to:

**Mrs. Sara Gigliotti DeBord**

Chief Financial Officer  
Transbay Joint Powers Authority  
201 Mission Street, Suite 2100  
San Francisco, CA 94105

Responses to this RFP that are not received by the time and date specified herein, do not contain all the required information and completed forms, or do not meet the required skills and experience identified in Section VI shall be deemed non-responsive and rejected.

Beginning on the date this RFP is issued and made available to prospective Respondents, there will be no communications concerning this RFP between members of the TJPA Board, TJPA staff, other consultants already engaged by the TJPA or members of the selection committee, and prospective Respondents and their employees or agents, except as provided herein. Questions about the RFP may be directed in writing to the TJPA. TJPA staff will consider all questions received by the close of business on the date noted in the RFP schedule as the deadline for submission of questions and, as appropriate, respond in writing. Any violations of the above restriction will result in the immediate disqualification of the Respondent making said contact from further participation in the Program. This restriction will end when contract award notification has been made.

## Questions and Clarification

All questions must be submitted by April 29, 2016 at 5pm PacificTime. Responses to questions will be posted on the TJPA's website in batches as received, between March 21 and May 9, 2016.

Questions about the RFP may be submitted in writing (via mail or email) to:

### **Transbay Joint Powers Authority**

201 Mission Street Suite 2100

San Francisco, CA 94105

(415) 597-4615 fax

Email: masterlessee@transbaycenter.org

Respondents are to promptly notify the TJPA, in writing, if the Respondent discovers any ambiguity, discrepancy, omission, or other error in this RFP (see Appendix 3, TJPA General Conditions, Item B.) As set forth in Appendix 3, Item D, Respondents may telephone the TJPA at (415) 597-4620 before submitting a proposal to determine if the Respondent has received all addenda.

Respondents should not contact TJPA staff, board members or consultants with questions related to this RFP or content within this RFP by any other means than the email address provided above, and may not request information outside of the period specified above.

## Supporting Materials

Key Reference Documents providing additional context and detail on this solicitation and the Master Lessee opportunity and scope have been posted to the Current Contract Opportunities section of the TJPA's website at <http://transbaycenter.org/rfp/master-lessee>.

These materials will include all documents shown in Figure 22 below.

**Figure 22: Key Reference Documents**

1	ADS signage design intent package
2	Additional and modified digital signage asset renderings
3	Operations and Maintenance Report – Phase 1
4	Façade and awning maintenance report
5	Fire & life safety strategy
6	MEP systems overview
7	Non-potable water system report
8	Projected fuel usage and needs
9	Greater Rincon Hill Community Benefit District Management Plan
10	Transit Center construction documents
11	Bus ramp construction documents



# VIII. Evaluation and Selection

## Selection Criteria

The TJPA will evaluate complete proposals based on Respondents' experience in the core capabilities required to manage and operate the Transit Center, economic proposal to the TJPA, overall financial health, and quality of the proposal. Only complete proposals, addressing all elements described in Section VI, will be evaluated.

These criteria will be graded, as described in Figure 23, with a maximum number of points allowed in each category. Each category will be considered independently, and respondents may receive partial or full points for each criteria. Points awarded within each category will be added to calculate a preliminary score out of 270, to be combined with a potential interview score of 30, for a total of 300 points. Specific items required to fulfill this criteria are described in Section VI of this RFP. The TJPA reserves the right to consider criteria other than the criteria listed in Section VI and to adjust evaluation criteria and scoring as it deems necessary.

Figure 23: Proposal Scoring Criteria

CRITERIA	MAXIMUM SCORE
QUALIFICATIONS AND EXPERIENCE	80 points
Experience managing large-scale, mixed-use facilities, with an emphasis on high traffic facilities.	20 points
Experience in local and destination-oriented retail tenanting, and event management.	20 points
Experience managing open spaces, including landscaping and horticulture.	20 points
Experience managing fully integrated promotional platforms, including content design and delivery.	20 points
CONCEPT	90 points
A compelling vision for the retail program, including a strong local retail component. Up to 15 points within this category will be awarded to Respondents who present a plan that incorporates a significant amount (number or area) of high quality, locally owned businesses in their concept.	60 points
A compelling vision for the development of a promotional platform including naming rights, sponsorship, advertising, and events. A compelling vision for open space management and programming.	30 points
ECONOMIC PROPOSAL	100 points
Overall economic offer to the TJPA inclusive of proposed deal terms and projected revenue generation.	70 points
Financial capability to operate the facility and provide a steady stream of funds to the TJPA over the long-term.	30 points
PROPOSAL EVALUATION SUBTOTAL	270 points
INTERVIEW	30 points
TOTAL MAXIMUM POINTS	300 points

## Selection Process

Based on review and evaluation of responses to this RFP, the TJPA intends to designate one Respondent as Master Lessee. The TJPA will review all proposals for completeness and compliance with the requirements and criteria described in this RFP. Proposals will be evaluated to ensure that the Respondent satisfies the requirements described in Section VI of this RFP and the selection criteria described above. The TJPA reserves the right, at any time during this process, to request additional or supporting information in addition to the Respondent's original submission. Except at this request from the TJPA, Respondents will not be entitled to change their proposals after submission.

Respondents must receive a minimum of 220 points to qualify to enter the interview phase with the TJPA. The TJPA may invite some or all qualified Respondents to participate in oral interviews at a specified time, date, and location. The TJPA shall impose a time limit for each oral interview. During the oral interview, Respondents will be required to deliver a brief presentation and respond to questions from the selection committee, including questions concerning the Respondent's proposal and presentation. The proposed key individuals of the Respondent's team will be expected to actively participate in the interviews and to respond to the selection committee's questions.

Upon completion of the interview phase, the TJPA and the selection committee will score the remaining 30 points allocated to the interview based on Respondents' presentation, consistency with their proposal, and thoroughness in addressing open questions during the interview. Respondents must receive a total score of 240 points to move forward to negotiations with the TJPA. If multiple Respondents receive a score of 240 or more points, the TJPA may choose to negotiate with one or more Respondents.

The final selection of a Master Lessee and the business terms of this agreement will be subject to approval by the TJPA Board. The TJPA anticipates moving forward with this review and interview process following the schedule described in Section VII of this RFP.

The TJPA reserves the right, at any time, and at its sole discretion and without liability, to accept or reject any and all proposals. The TJPA may also, at any time, exclude proposals that are deemed to fail to comply with the requirements of this RFP.

# IX. TJPA Policies

## TJPA Disclosures

The TJPA accepts no financial responsibility for any costs incurred by any entity in preparing a response to this RFP.

This solicitation shall not create any legal rights or responsibilities. Without limiting the foregoing, any and all contracts will be contingent upon approval of the TJPA Board of Directors. The TJPA reserves the right to reject all responses and cancel the opportunity at any time.

All Respondents will be required to adhere to the TJPA's policies, including federal procurement requirements, TJPA Project Labor Agreement and Labor Representation Policy, and the policies described below.

## Disadvantaged Business Enterprise/Small Business Enterprise/Nondiscrimination Policy

It is the policy of the TJPA to ensure nondiscrimination on the basis of race, color, sex or national origin in the award and administration of Department of Transportation (DOT)-assisted contracts. It is the intention of the TJPA to create a level playing field on which DBEs/SBEs can compete fairly for contracts and subcontracts relating to the TJPA's construction, procurement and professional services activities. Pursuant to 49 CFR Section 26.13, the TJPA is required to make the following assurance in every DOT-assisted contract and subcontract:

*The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the TJPA deems appropriate.*

The TJPA recommends that Respondents review the Doing Business with the TJPA web page, available on the TJPA website at <http://transbaycenter.org/tjpa/doing-business-with-the-tjpa>.

Pursuant to the monitoring requirements outlined in both the DBE Program and the SBE Program, each Respondent (or lead firm, if the Respondent includes multiple firms in partnership) will be required to complete and submit the TJPA's Bidders/ Respondents Information Request Form with its proposal at the RFP stage, regardless of DBE/SBE participation. Upon award of any agreements, the Master Lessee will be required to submit various forms reporting on DBE and SBE participation on a monthly basis. These forms are available on the TJPA website: <http://transbaycenter.org/tjpa/doing-business-with-the-tjpa>.

## Equal Employment Opportunity

The TJPA encourages Respondents to actively recruit minorities and women for their respective workforces. The TJPA requests copies of any nondiscrimination or equal opportunity plans that the Respondents have in place.

In addition, the TJPA may give special consideration to proposals that offer retail leasing opportunities to small businesses, and/or artisanal regional and local enterprises.

## SBE Utilization Goal

The TJPA has established a SBE utilization goal of 18% for operations and maintenance services under this contract. TJPA accepts certifications from the following as SBEs: any state's Unified Certification Program for DBEs, California Department of General Services, and the San Francisco Contract Monitoring Division. A Good Faith Efforts Form must be submitted if any SBE utilization goal is not being met.

## Questions Regarding DBE/SBE/Nondiscrimination Requirements

Written questions concerning DBE/SBE/nondiscrimination requirements should be addressed to:

**Mrs. Sara Gigliotti DeBord**

Chief Financial Officer

Transbay Joint Powers Authority

201 Mission Street, Suite 2100

San Francisco, CA 94105

Fax: (415) 597-4615

Email: masterlessee@transbaycenter.org

## Levine Act

The Levine Act (Government Code § 84308) is part of the Fair Political Practices Act that applies to elected officials and their alternates who serve on appointed boards, such as the TJPA Board. The Levine Act prohibits any TJPA Board member (including a Board member's alternate) or officer who has received \$250 or more from an applicant for a contract with the TJPA within the previous twelve months from participating in or influencing the decision on awarding that contract. The Levine Act also requires a Board member or officer of the TJPA who has received such a contribution to disclose the contribution on the record of the proceeding in which a contract is being considered. In addition, TJPA Board members and officers are prohibited from soliciting or accepting a contribution from a party applying for a contract while the matter of awarding the contract is pending before the TJPA and for three months following the date a final decision concerning the contract has been made.

Each Respondent must disclose any contributions of \$250 or more that it has made to a TJPA Board member or officer within the twelve-month period preceding the submission of its Proposal. This requirement applies to the Respondent, as well as to any member firm or individuals on the Respondent's team, subsidiaries, parent companies, other firms associated with the Respondent and agents of the Respondent. If such a contribution has been made, the Respondent must include in its Proposal a written statement setting forth the date and amount of said contribution(s).

## Members of the TJPA Board of Directors are:

<b>Greg Harper, Chair</b>	H.E. Christian Peebles, Alternate
<b>Mohammed Nuru, Vice Chair</b>	No Alternate
<b>Jeff Gee</b>	No Alternate
<b>Jane Kim</b>	No Alternate
<b>Edward Reiskin</b>	No Alternate
<b>Bijan Sartipi, Ex Officio</b>	No Alternate



## **Confidentiality of Information Transmitted and Received**

Respondents may consider certain documents provided to the TJPA in response to the RFP to contain sensitive financial, commercial, or other proprietary business information (Confidential Information). Such Confidential Information shall exclude information that (i) was already known to or in the possession of the TJPA or its Representatives prior to its disclosure by Respondents hereunder from a source not known by the TJPA or its Representatives to be prohibited from disclosing the information by a contractual, legal, or fiduciary obligation to the Respondent; (ii) is obtained by the TJPA or its Representatives from a third party who is not known by the TJPA or its Representatives to be prohibited from disclosing the information by a contractual, legal, or fiduciary obligation to the Respondent; (iii) is or becomes publicly available (other than as a result of disclosure by the TJPA or its Representatives); and (iv) is independently developed, discovered, or arrived at by the TJPA or its Representatives without the aid, application, or use of the Confidential Information. The TJPA's "Representatives" includes employees, officers, directors, agents, consultants, contractors, and cooperating public agencies. Where the Respondent marks submitted documents with the word "Confidential" in the upper right hand corner of each page, the TJPA will not disclose such Confidential Information, except to its Representatives, unless the TJPA is otherwise required to disclose such Confidential Information by law. If the TJPA receives a request to disclose Confidential Information pursuant to law, and if the TJPA intends to disclose the same under a presumed legal obligation to do so, the TJPA will give notice thereof to the Respondent. If the Respondent desires that such Confidential Information not be disclosed, Respondent may, at its own expense, take appropriate legal action to seek to prevent such disclosure. The TJPA shall not be deemed in breach of any obligation as a result of disclosure of Confidential Information pursuant to a good faith presumption of legal obligation.

## **Ownership of Ideas**

The TJPA shall maintain the use of any information submitted as part of a response to this RFP, including but not limited to portions of Respondent program concepts, ideas, and specific program elements.

Once submitted, proposals become the property of the TJPA, for which the TJPA reserves the right to publish any proposal or portion of a proposal without permission from or compensation to the Respondent or future Master Lessee.

## **General Conditions**

The TJPA makes no representations or warranties as to the accuracy or completeness of information contained in this RFP as it relates to the progress of development of the Transit Center and condition of the property.

Respondents should perform their own analysis and evaluations of lease terms and potential incomes and expenses associated with operations and management of the Transit Center, with regard to commercial programming opportunities as well as building systems.

The TJPA's full General Conditions are attached included as Appendix 3, General Conditions.

## **Not an Offer**

This RFP does not in any way constitute an offer to lease the ML Premises described here. The TJPA will not incur any obligation or liability for any proposal made in response to this RFP unless or until these are accepted as part of a fully negotiated and agreed upon Master Lease. Any agreement will be subject to approval by the TJPA Board.

## Protest Procedures

### Protest Submittal

Should Respondents protest any decision made within this RFP process, a protest describing the nature of the disagreement must be submitted in writing to the TJPA no later than five (5) days following notification of proposed award.

The letter of protest shall contain a description of the protest and shall be signed and dated. Protests shall be addressed to:

**Ms. Maria Ayerdi-Kaplan, Executive Director**

Transbay Joint Powers Authority  
201 Mission Street, Suite 2100  
San Francisco, CA 94105

### Executive Director's Decision Final

The Executive Director shall inform the protester in writing of the decision, stating the reasons for the decision, and responding at least generally to each material issue raised in the protest. The Executive Director's letter to the protester shall state that the protester may contact the Executive Director to discuss the response, and the protester has the right to address the TJPA Board on the date when the Master Lease is calendared to be awarded if the Executive Director denies the protest.

The decision of the Executive Director is final. The protester may seek a remedy in state or federal court, as appropriate, from the final action of the TJPA.

### Protest to Federal Transit Administration (FTA)

FTA may only entertain a protest that alleges that the TJPA (1) failed to have written protest procedures, (2) failed to follow its written protest procedures, or (3) failed to review a complaint or protest. A protest to FTA must be received by the cognizant FTA regional office or headquarters within five (5) working days of the date the protester knew or should have known of the violation. A protester must exhaust all administrative remedies with the TJPA before pursuing a protest with FTA.