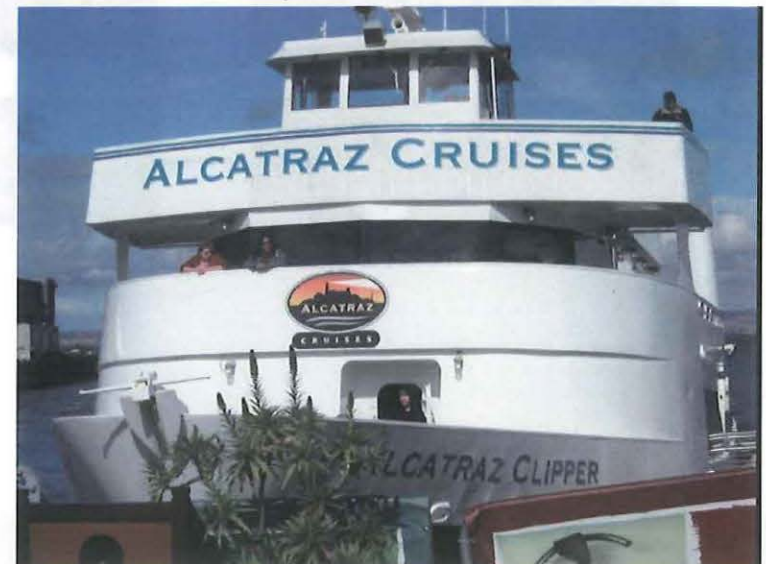


November 16, 2016

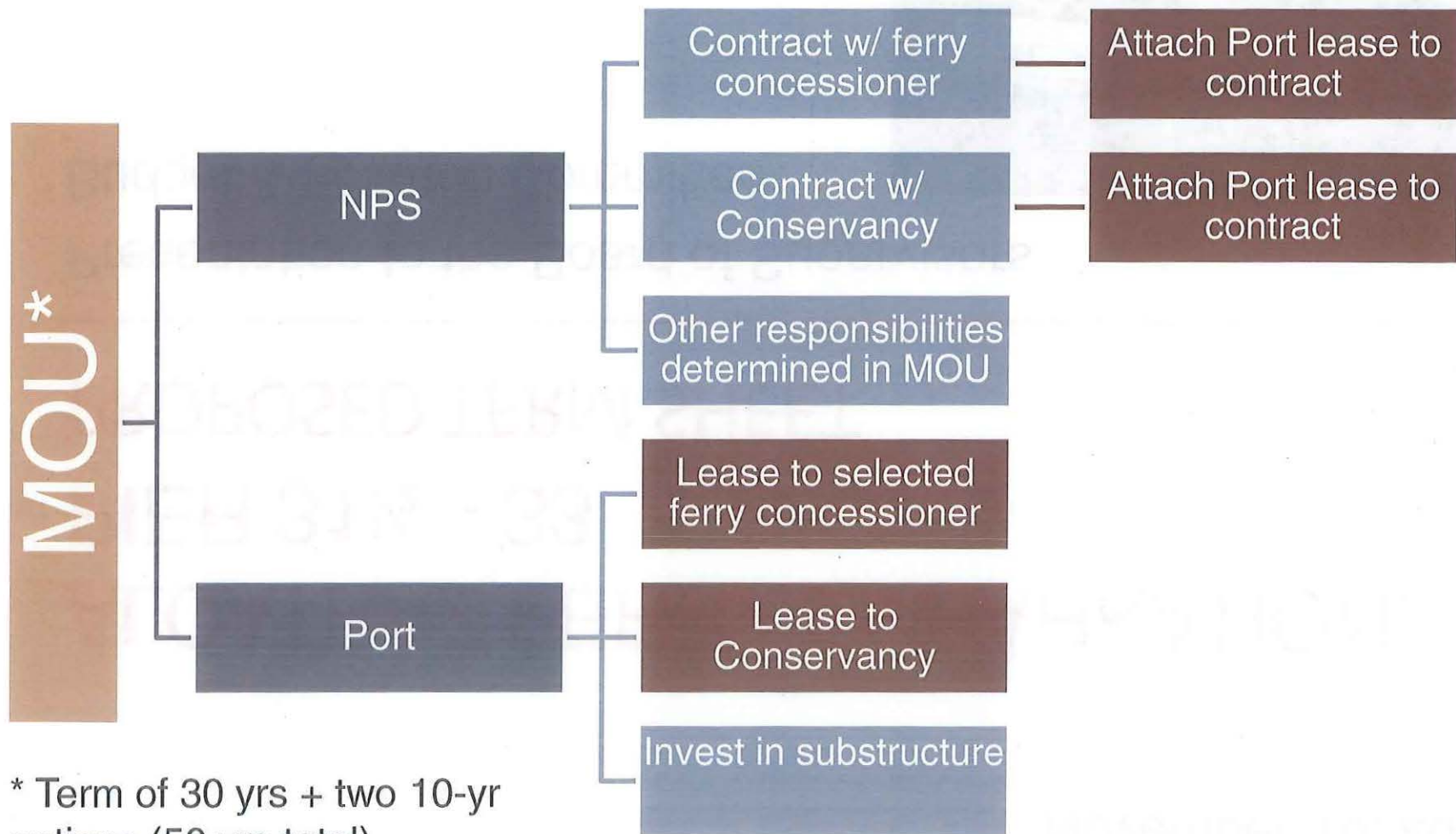
# ALCATRAZ FERRY EMBARKATION: PIER 31½ - 33 PROPOSED TERM SHEET

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Presentation to the Board of Supervisors  
Budget & Finance Committee



# Proposed Framework



\* Term of 30 yrs + two 10-yr options (50 yrs total)

*Handwritten notes:*  
MOU\*  
30 yrs + 2 x 10 yrs = 50 yrs total

# Business Terms: Estimated Capital Spending

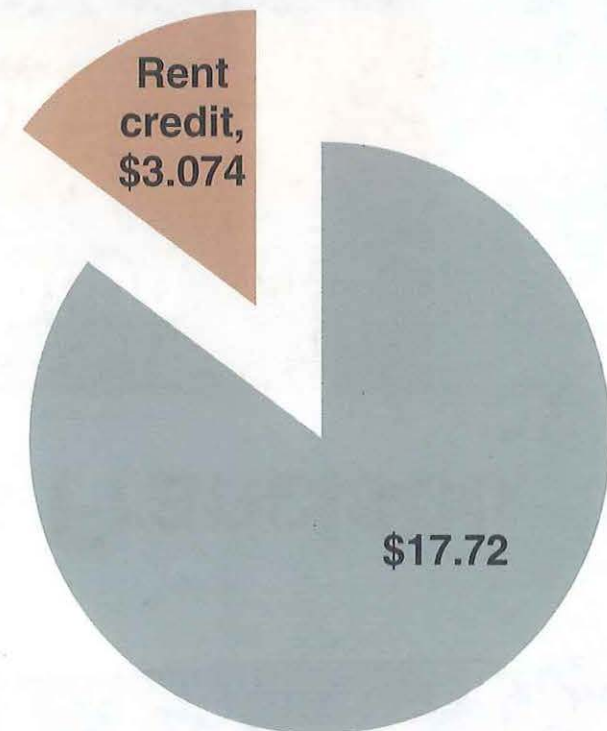
## Tenant-Superstructure

- \$20.8M investment
- \$3.074 of which is rent credited
- Rent credits paid back over 4 years

## Port-Substructure

- \$5M major substructure repair

## Superstructure Capital Investment



A panoramic view of the San Francisco skyline across the water, with the Golden Gate Bridge visible on the left. The foreground shows a concrete structure and a group of people walking on a path.

# MISSION ALIGNMENT: NPS & the Port of San Francisco

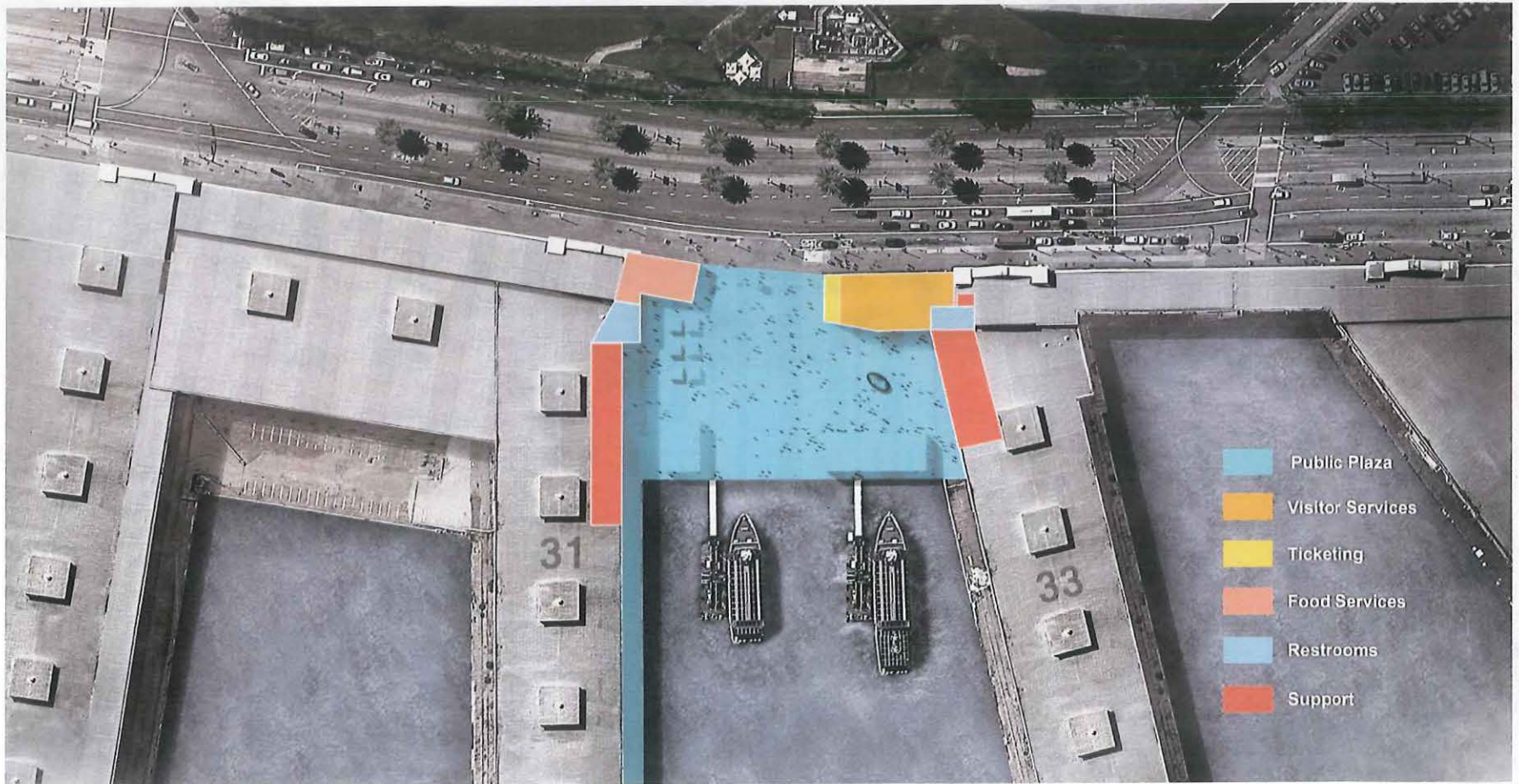
Waterfront Revitalization

Historic Preservation

Visitor Experience & Interpretation

Maritime History & Future

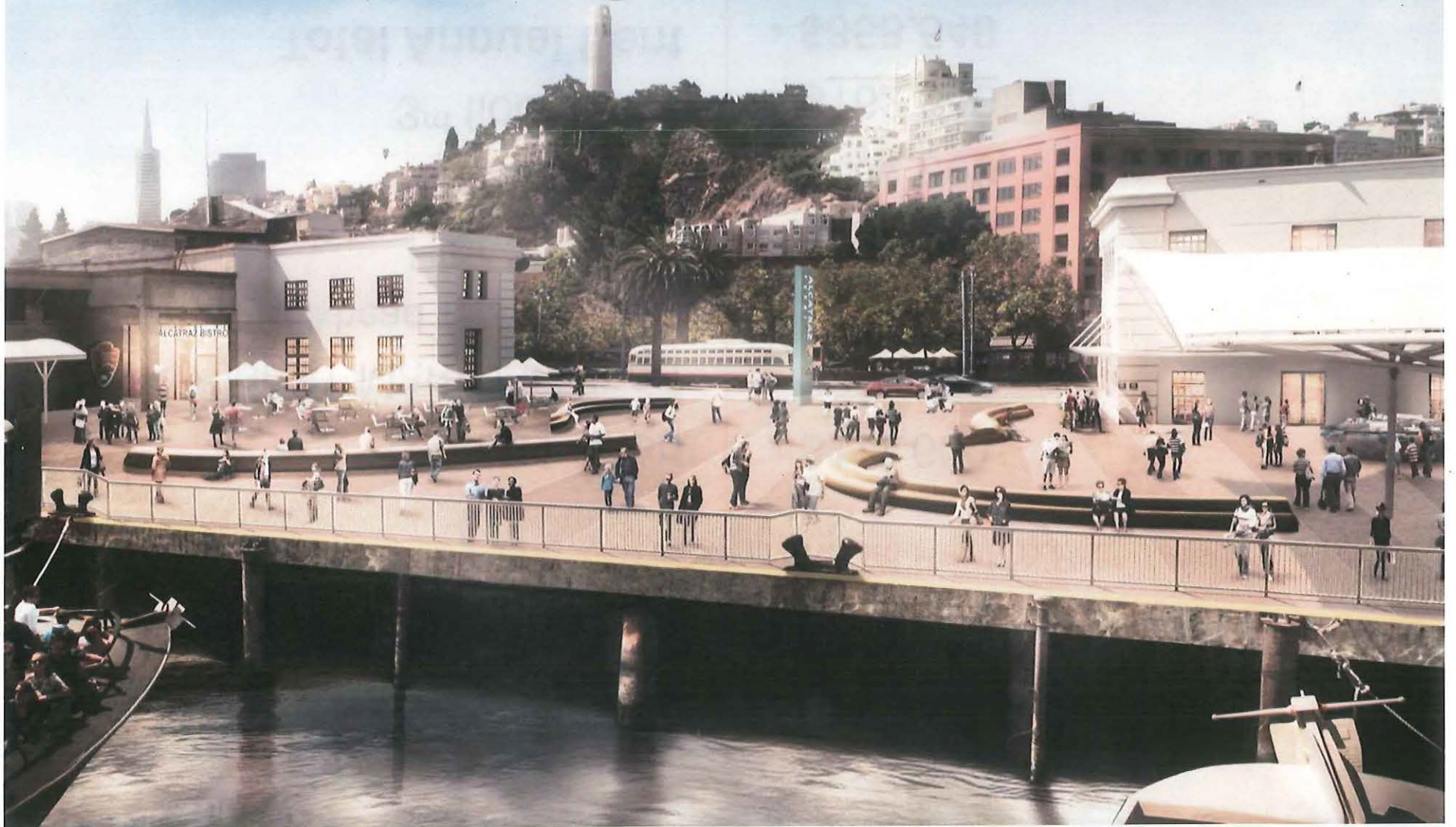
# Proposed Site Plan



# A Revitalized Waterfront for National Park & Port Visitors



# A Welcoming and Open Pier with Quality Public Amenities



# Ferry Concessioner / Conservancy Proposed Base Rent

Leasehold	Annual Rent to Port
Pier 31 Shed	• \$111,600
Pier 31 Marginal Wharf	• \$206,400
Pier 33 Bulkhead 1 <sup>st</sup> FL & Mezz	• \$126,000
Pier 33 Shed	• \$108,000
Berth Space	• \$144,000
3 <sup>rd</sup> floor office	• <u>\$162,540</u>
<b>Total Annual Rent</b>	• <b>\$858,540</b>
<i>Conservancy Base Rent</i>	• <i>\$330,000</i>

- Base rent increases by 2.5% per year.
- Office rent increases by 3% per year.



# Proposed MOU Percentage Rents\*

Business Line	Rent to Port (% Gross Receipts)
Ferry service	• 7.50%
Ferry retail	• 8.00%
Ferry food/beverage	• 7.25%
Café	• 7.50%
Retail	• 7.50%

\*Terms negotiated by Port | NPS staff;  
Analytic support from Seifel Consulting  
(real estate economics) and R. Blum +  
Associates (appraisal)

# Proposed MOU Business Terms-Results

Item	Perc Rents/ Annual Office Rent/ Rent Credit	Est. 2020 Rent to Port
Ferry Operations	7.50%	\$2,350,000
Ferry Retail	8.00%	\$137,000
Ferry F&B	7.25%	\$76,000
Pier 31 Café	7.50%	\$300,000
Pier 33 Retail	7.50%	\$225,000
Pier 33 Office	\$162,000	<u>\$162,000</u>
		\$3,250,000
Rent Credits (\$Ms)	\$3.074 @0%, 4yrs	(\$768,500) (for 4 yrs)

# Next Steps

- Term Sheet endorsed by Port Commission in July:
  - Seek Board of Supervisors' Term Sheet endorsement & Sole source waiver
  - Update advisory groups
  - Finalize MOU, ferry concessioner form lease, Conservancy form lease
  - Concurrently conduct CEQA
  - Initiate BCDC & Army Corps consultation
  - Bring MOU w/ form leases to PC and BOS for approvals



# PORT & PARK: Partnership

