

Economic Development Office Update

January/February 2018

Crocker Park High Speed Access:

-We are continuing to work with Etheric Networks. On the Sierra Point side, we have assisted them in working towards an agreement to place antennas on the top of the 2000 Sierra Point Parkway (former Hitachi) building. Etheric has not finalized an agreement yet.

Sierra Point Properties:

Opus Property/Phase 3 – continuing to work with City staff and development partners. Phase 3 has met with Planning Commission and received feedback on their proposed design changes. I have spoken with Tom Schaal and he feels the transaction process is moving along well, and would like to have a discussion on several long-term land ownership issues that need to be addressed. Hoping to have the land transaction from OPUS to Phase3 completed in the near future.

Westport Properties – I have been working with Simon Clark (CBRE) and Brian Vaughn (CRS Architects) on assisting Sangamo Therapeutics on their project to lease and occupy the 7000 Marina Blvd. building. Sangamo has closed an 11-year lease on the entire building and has placed a sign on the structure. There is an expectation that the company could be fully moved in by the end of 2018-early 2019.

Eastridge Pacific Group- we are continuing to work with the Eastridge Pacific Group (Jun Wu / Ruby Wang) on their interest in the Sierra Point/Brisbane sites. We have given them up to date contact information for the various properties available, including the UPC hotel property, as well as the information for Jonathan Scharfman at UPC. There have been no changes since the last meeting as UPC is still planning to develop the site on their own.

HCP – the group is continuing to work through the planning process with the city staff and state agencies to start the development of the Sierra Point biotech site. Test pilings for building 1 have been driven and they are still working with the city and the state agencies to resolve the state-related issue with the pipeline on the property.

Precise Plan Work for Parkside at Brisbane:

- I am continuing to assist interested development partners, current land owners and tenants. I am trying to broker and schedule a meeting between Peter Mau (SFO Apparel) to discuss a mural project for the wall “behind” the skatepark/basketball court.

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San Mateo County / Silicon Valley China Trade Offices:

-Have had follow up meetings and conversations with Victor Wang of China Silicon Valley and have discussed other possible opportunities with him, including firms such as Lee Mah and Alta Motors. There has been no change from the December timeframe. We will continue to work with his group.

Brisbane Quarry Site:

- There is a new potential ownership group evaluating the property. It has been confirmed that Tyler/ Orchard Group is out of the picture. I do not have the name of the prospective new ownership group.

Other Items:

Kannabox – I am continuing to work with Kannabox on their start up cannabis location on Valley Drive. They have made application for a use permit and have a sublease arrangement in process.

Navadeal – I am also trying to work with this company on their real estate search for appropriate spaces for a larger operation. Nothing has been finalized yet.

MightyFoods – I have toured several properties with this group (another cannabis related company) but have yet to find perfect space for them. I have put them in touch with Kannabox to see if there is a business synergy where they may be able to “share” space to take up a larger footprint of the sublease. Many issues need to be worked out prior to this becoming a reality.

“New” Cannabis company – I am working with another prospective cannabis company on the prospect of moving to Brisbane. Very preliminary discussions on Brisbane codes and possible space needs.

Commute.org: I have had discussions with Karen Sumner of commute.org about meeting to discuss their new carpooling resources and how we can reach out to the business community about these programs.

Clay and I discussed doing a joint city/chamber survey to the employers within 94005 on trying to find out the zip codes of where their employees live. (No change from last month)

J-Style@Home: I am working with the owner of this business to try and locate acceptable space to keep the business in Brisbane, as his LL is asking for a very large rent increase. To date we have not uncovered anything suitable. He is now on a month to month.

Sacramento Legislative Trip- I will be participating in a trip to Sacramento to visit with our legislators on March 5, sponsored by the RWC Chamber. Cost is \$150 for anyone else who would like to attend.

CalED Annual Meeting – the CalED annual meeting is in March this year in Monterey. I will be attending.

Food truck island: Following the decision by “Off the Grid” to not move forward with the Bayshore proposal, I will be looking into reaching out to independent operators who are based on Shaw Road in SSF. This is where the main food truck supply house operates from. (I have not been successful yet in procuring one or more food trucks yet. The proximity to the shopping center is a factor as well, according to some operators).

Business News:

- I am working on trying to find space for a potential lease for another biotech company in SSF to relocate. Working with Brisbane Technology Park and Diamond to see if we can assist the company.
- Amazon Fresh is populating the former Monster space. I am working with the SSF Scavenger company to assist them with the recycling and organic disposal process. It seems that Amazon has their own contract with an organics recycler, possibly in violation of the city garbage franchise agreement. SSF is investigating, and will contact me as needed.
- The landlord (DCT) and Purcell Murray were unable to reach an agreement on an extension of their lease at a rate favorable to all parties, therefore PM has relocated to temporary space in San Carlos. PM are in a negotiation with the owner of the facility currently housing See’s Candies. I am in close contact with the PM CFO and am trying to see if we can help them finalize a lease for this space.

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- PSAV has started to move into the former Purcell Murray space. It is my understanding that a 10-year lease was signed for the location.

- Two large parcels within the park have come onto the market in the past 30 days: 240 Valley – the former home of the SF Examiner/SF Chronicle distribution fleet (80,000 square feet); and 400 Valley- the former HQ of bebe (34,310 Square feet). The owner of this parcel is not looking to subdivide and would like to keep the offices intact (maintain bebe’s tenant improvements). Bebe still has a small number of employees working at the site.

- Frito-Lay has expressed interest in working with the city to procure some additional easement property behind their building at 151 West Hill. They would like to participate in some type of “sustainable” improvement (trail, jogging path, etc.) They have had preliminary discussions with planning and myself. Their goal is to procure the space to meet the zoning reqs for additional parking. They have been a long-term tenant in the park and appear to be very interested in something that would be a “win-win” for everyone involved.

- The GM of the Homewood Suites has left his post. They are scrambling to find a replacement.