Request for Proposals for the Operation and Management of the Golden Gate Park Stanyan Edge Food and Beverage Kiosk

CITY AND COUNTY OF SAN FRANCISCO

London Breed, Acting Mayor

SAN FRANCISCO RECREATION and PARK COMMISSION

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Allan Low, Vice President
Gloria Bonilla, Commissioner
Tom Harrison, Commissioner
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Kat Anderson, Commissioner
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January 5, 2018
Request for Proposals for the Operation and Management of the Golden Gate Park Stanyan Edge Food and Beverage Kiosk

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Exhibits:

A. Premises
B. Kiosk concept plan and finishes
C. Sample lease agreement
Summary of Offering

Opportunity: The San Francisco Recreation and Park Department (the "Department") is seeking proposals for the management and operation of the Golden Gate Park Stanyan Edge food and beverage kiosk (the "Kiosk").

Location: Golden Gate Park, near the intersection of Stanyan Street and Page Street (Exhibit A).

Historic Significance: The Kiosk is a former public restroom facility that is being renovated into a food and beverage kiosk. It was built in approximately 1923 and is a historic resource.

Lease Duration: The suggested lease term is five years with a three-year option to extend. However, the Department is open to alternative lease term structures.

Financial Terms: Fair market rent with annual Consumer Price Index (CPI) adjustments.

The selected respondent will be required to make monthly installments equaling the greater of a base rent or percentage rent to the Department.

Capital Improvements: The Kiosk will be renovated by the Department. Refer to Exhibit B, Kiosk Concept Plan and Finishes, for the limited capital improvements that are being considered. The Department will work with the selected respondent on the limited capital improvements that will be provided to ensure the proposed improvements are suitable for a food and beverage operation. Any additional improvements will be at the selected respondent’s expense.

Selection Process: Proposals will be reviewed by an independent selection panel. Each proposal will be scored based on the prescribed evaluation criteria listed in this document under “Evaluation Criteria.” The selection panel will recommend only one of the proposals to the Department and subsequently to the Recreation and Park Commission (the “Commission”) for final selection and authorization for staff to negotiate a lease with the Respondent. A final negotiated lease shall be subject to approval by the Commission.

Pre-Submittal Site Meeting: January 19, 2018 at 11am

Last Date for Questions: February 9, 2018

Submittal Due Date: February 23, 2018
I. The Opportunity

The Department is excited to announce this unique opportunity to manage and operate a new food and beverage kiosk in Golden Gate Park on Stanyan Street at Page Street. Stanyan Street is an ideal place for a concession as it is on the east entrance to the iconic Golden Gate Park and serves as the first place many people enter the park. Additionally, this location is adjacent to the very popular and highly trafficked Haight Street commercial corridor which provides a robust shopping and dining experience to visitors. Haight Street is a regular stop for many tour bus companies and is served by public transit.

The area is also home to number of park amenities nearby including a park to park bike rental concession, Kezar Pavilion, pop up art displays, Waller Street skating area, and a native oak woodland area in a beautiful park setting.

This is an opportunity to work with the City to provide an amenity that will serve locals, tourists, and visitors to the park and help to activate an area that is currently underutilized and in need of a positive, welcoming environment.

II. Improvements to Stanyan Street

The Department is currently embarking on a capital improvement project which plans to include the following amenities and improvements to the Stanyan Street area:

- Install a new sidewalk along Stanyan Street
- Upgrade the east entrance to Golden Gate Park's main plaza at Page and Haight Streets
- Provide for new pathways and landscape improvements through the oak woodland area
- Convert the exiting restroom structure into a food and beverage kiosk
- Installation of a small patio space around the kiosk
- Installation of bocce courts and/or a petanque court adjacent to the kiosk
- Installation of security cameras and strategically placed lighting

Improvements are expected to be completed in 2019.

III. Designing and Constructing the Improvements to the Kiosk

While the Department has some preliminary conceptual designs for the buildout of the interior of the Kiosk (Exhibit B), the Department wishes to work collaboratively with the selected respondent to complete the design and drawings to best serve the needs of the selected respondent. The costs
associated with the design and construction will be paid for by the Department, unless the selected respondent requires amenities which are beyond the scope and budget that the Department can support. The Department expects to begin the design process with the selected respondent immediately after they are selected to ensure a timely delivery of this project.

The Department plans to deliver a “warm shell” to the selected respondent, designed to meet their needs. A warm shell provides for a minimally finished interior, drop ceilings, plumbing and a restroom, and interior lighting. However, a traditional venting system and a heating and cooling (HVAC) system are not included. The selected respondent should expect that the Department will provide basic counters, shelves, and sinks for the interior of the Kiosk and hook ups for plumbing and electrical. The selected respondent will be responsible for all other needs, including, but not limited to personal property and tenant improvements such as freezers, ice machines, storage, kitchen equipment, tables and chairs, umbrellas, and signage. The selected respondent will also be responsible for finishes of personal property including, but not limited to, interior tiling, stainless steel and specialty flooring. The restroom will be finished completely by the Department. Refer to Exhibit B for the proposed finishes.

Additionally, the selected respondent will be required to obtain all permits, at their sole expense, with the Department of Public Health, and other permitting agencies necessary to operate the business.

Exterior modifications are highly unlikely to be considered due to the historic nature of the building.

**Kiosk Details:**
- The Kiosk will be serviced by 100 amps of available electrical service, a 4” sewer line, and ample water service to support a modest concession
- There is no gas service to this location
- The entirety of the Kiosk is approximately 400 square feet
- There are approximately 280 square feet of usable concession space
- There is no indoor seating
- One accessible public restroom (to be used by Kiosk staff as well)
- Utilities room with a mop sink
- All improvements above and beyond the baseline City improvements will be funded by the selected respondent.
- The Department wants to activate the area around the Kiosk with tables and chairs on the proposed new patio area. The selected respondent shall pay for and store such furniture to help support this goal.
- No additional storage is currently available onsite. Tables and chairs must be stored inside the Kiosk at the end of each day.
- Traditional venting and fire suppression equipment is not anticipated at this location. Proposed food/menu options should take this limitation into consideration.

**IV. Project Objectives:**

The Department developed the following property objectives for the Kiosk. The highest scoring proposal will:

- Provide for a robust food and beverage Kiosk on the east end of Golden Gate Park that serves quality items made for a wide audience
• Activate the area around the Kiosk with inviting signs and outdoor furniture
• Act as a welcoming center to the public by providing a hospitable space for visitors to pick up a map of Golden Gate Park or find out other information about the Park
• Respond to the local community's requests to have active uses, which include a food and beverage kiosk
• Enhance public enjoyment and appreciation of Golden Gate Park
• Provide for a public restroom to support the park visitors, kiosk visitors, and the new recreational uses such as bocce and/or petanque court

V. Evaluation and Selection Process:

A. Selection Criteria

1. Qualifications

Each respondent must possess the following minimum experience to be considered as a possible candidate for this opportunity:

- Three years of experience in fully managing a business of the nature of this opportunity, with a background in food service, catering, or similar field
- Sufficient financial capacity to undertake this concession opportunity
- The ability to obtain all required insurance policies as listed in the sample lease and all necessary permits and licenses required by the City

2. Evaluation Criteria and Process

The proposals that meet the minimum qualifications will be reviewed by a selection panel. Members of the selection panel will be selected by the Department. Proposals will be scored based on the prescribed evaluation criteria listed in this RFP. The selection panel will recommend only one of the proposals to the Commission for final selection and authorization to enter into negotiations with the Department staff. After any necessary environmental review is completed by the Planning Department, the final negotiated lease agreement will be considered by the Commission and, depending on the terms, may be subject to review by the San Francisco Board of Supervisors (the “Board”), and the Mayor.

The evaluation criteria below will be used to assess the relative strength of each submittal. Details on each of the following items can be found in Section VIII. RFP Submittal Requirements.

Experience, Qualifications, and Financial Capability (30 Points):

- A minimum of three years of experience fully operating, managing and marketing a food and beverage business
- Financial capacity of the respondent to cover any capital expenditures and operating costs including the following: (i) strength of current relationships with financial institutions, (ii) overall financial track record, (iii) results of reference and credit checks, and (iv) access to credit
or sufficient monetary reserves necessary to finance the proposed operation including any proposed capital improvements

- Experience and qualifications of the respondent and key personnel related to consistent quality, management, maintenance, and operation of other business enterprises

**Business, Management, and Marketing Plan (25 points):**

- Quality and viability of Management Plan
- Quality of Marketing Plan
- Quality of menu offerings and pricing structure

**Operations Plan (25 Points):**

- Quality of Operations Plan and consistency with the Department's Objectives listed in Section IV
- How the concession will activate and enliven the east end of Golden Gate Park
- Days and hours of proposed operation

**Proposed Financial Terms (20):**

- Financial projections and the reasonableness of the underlining assumptions for a five-year term.
- Proposed terms of the Minimum Annual Guarantee Rent and Percentage Rent.

Respondents may be asked to present their proposals as part of the selection process.

The Department reserves the right to request clarification or additional information from individual respondent(s) and to request that some or all respondents make presentations to the public, the Department, the Commissions and other public bodies. The Department also reserves the right to reject any and all responses.

Following the submittal process, respondents may be invited to interviews with a selection panel. Interviews will consist of standard questions asked of respondents, and clarifying questions regarding individual submissions. The lead staff of the respondent should be present for the interview as well as the lead staff of any partners and parties authorized to negotiate a contract. Information provided to the panel from the interviews may be used during the scoring process and evaluated using the same evaluation criteria that the selection panel will use to score the written proposals.

**VI. Exclusive Negotiations**

The Department will initiate exclusive negotiations for a lease agreement with the highest ranked proposal following the selection process and after approval from the Commission.

The period of exclusive negotiations may be extended solely at the City's option. In the event the General Manager of the Department determines that such negotiations are not proceeding satisfactorily, the City may, upon approval by the Commission, commence negotiations with another respondent or begin the selection process anew.
VII. Solicitation Schedule

A. Pre-Submittal Conferences

The Department will host one pre-submittal conference meeting. This meeting is open to all prospective respondents. All questions and answers will be posted publicly following the meeting. The pre-bid meeting will start at the site on Stanyan Street at Page Street and then meet at 501 Stanyan Street to answer questions, on the following date and time:

- January 19, 2018, 11 am

Please RSVP to Jackie Suen at Jackie.Suen@sfgov.org to confirm your attendance.

Department staff will address questions and provide any new information then available at the pre-submittal conference. Questions may be answered orally at the conference. Department staff also will provide written responses to substantive and procedural questions raised at the pre-submittal conference, which may clarify oral responses previously given. Only written responses will be deemed final.

The Department may choose to change pre-bid dates or hold additional pre-bid meetings and will notify prospective bidders who request to be contacted of any new dates or changes to the dates above. Prospective bidders may email Jackie Suen at Jackie.Suen@sfgov.org to request updates throughout this competitive process. Please note that there will be no brokerage commission as part of this opportunity.

Any requests for information or clarification of this RFP other than those raised at the pre-submittal conference must be submitted in writing or by email to Jackie Suen at Jackie.Suen@sfgov.org before 5 p.m. on February 9, 2018. Except for inquiries at the pre-submittal conference, no oral inquiries will be answered.

Written responses to all questions directed to the Department staff at the pre-submittal conference or in writing by the specified date will be posted on the Department’s web page for this RFP, and notice of the posting will be sent to all interested parties who register with the Department before the deadline specified above. Therefore, the Department strongly recommends that interested parties register for this RFP on the Department’s website and consult the website frequently to determine if new information regarding the RFP is available.

B. Anticipated Timeline

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<tr>
<th>Anticipated Timeline*</th>
<th>Date</th>
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<tbody>
<tr>
<td>RFP issued</td>
<td>January 5, 2018</td>
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<tr>
<td>Pre-bid meeting/site visit</td>
<td>January 19, 2018</td>
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<tr>
<td>Last date to submit questions</td>
<td>February 9, 2018</td>
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<tr>
<td>Proposals due</td>
<td>February 23, 2018</td>
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VIII. RFP Submittal Requirements

A. Time and Place for Submission of Proposals

Proposals must be delivered to the San Francisco Recreation and Parks Department, 501 Stanyan Street, San Francisco, CA 94117, on or before noon on February 23, 2018. Proposals that are not received at the designated address before the specified deadline will not be accepted.

The following items must be included in your responses and packaged in a box or envelope clearly marked: “Request for Proposals: GGP Stanyan Edge Kiosk” and addressed to the attention of Jackie Suen, Property Manager.

1) Proposal information must be included on a USB flash drive with documents that are in a searchable PDF format and correlate to the Submittal Format listed in Section B below. No hardcopy paper or CDs will be accepted.

2) In order to ascertain that the proposal information provided on the USB flash drive contains data that allows the reviewer to perform a search, you must test each USB flash drive before it is submitted. Do not password protect the USB flash drives.

3) Provide 7 copies of the USB flash drives containing the entire contents of responses, including all attachments. The USB flash drives must be labeled with the respondent's name.

Proposals should be well organized in response to the Department’s objectives and easy to read. The purpose of the proposal is to demonstrate the qualifications, competence, and capacity of the respondent seeking to undertake the work for the City in conformity with the requirements of the specifications in the RFP. As such, the substance of the proposals will carry more weight than their form or manner of presentation.

Please verify that your proposal is compete and that you have thoroughly responded to all proposal items and compliance documents in the RFP.

Formulate your responses precisely and with detail: avoid vague, meaningless, or open-ended responses. Explain how your responses further the stated objectives.

B. Submittal Format

There are nine components to the required submittal. Respondents must respond to each of the following items in their written proposal. Each response in the proposal must be numbered to correspond with each of the numbered items below:

1) Cover letter signed by sponsors of the proposal
2) Proposal Summary
3) Statement of Qualifications
4) RPD Goals and Objectives
5) Business, Management and Marketing Plan
6) Operations Plan
7) Financial Projections for the Project
8) Proposed Financial Terms
9) Proposal Execution

Each respondent must clearly mark any of the financial materials that it in good faith believes to be a trade secret or confidential proprietary information protected from disclosure under applicable law. To the extent permitted by law, the Department will attempt to maintain the confidentiality of financial materials (except subsection 2 below) marked confidential and/or proprietary, but respondents are cautioned that, in accordance with the Sunshine Ordinance, responses and other communications from interested parties must be open to inspection by the public upon request immediately after a lease is awarded.

A respondent may revise a proposal on the respondent’s own initiative at any time before the deadline for submission of proposals. The respondent must submit the revised proposal in the same manner as the original. A revised proposal must be received on or before the proposal due date.

In no case will a statement of intent to submit a revised proposal, or commencement of a revision process, extend the proposal due date for any respondent.

The Department requests that the respondents follow the submittal format to the best of their abilities when submitting a response to this RFP.

Details of each of the required submittal items are as follows:

1) Cover letter including:
   a. Name of organization(s)
   b. Contact information (address, phone number, email address, telephone number)
   c. Date the organization was established
   d. Original signature of the person or persons who will serve as the entity’s principal contact person with the City and be authorized to make representations on behalf of the entity

2) Proposal Summary (may be posted on www.sfrecpark.org)
A brief synopsis of the highlights of the proposal should summarize the key benefits of the proposal and how the proposal will activate the east end of Golden Gate Park.

3) Statement of Qualifications
Respondents should give a detailed explanation of their relevant experience and qualifications, financial qualifications, and references in operating/managing similar facilities to those being proposed. Proposals that include the following will be viewed favorably by the Department:
   a. Resumes and written bios of all members of the respondent team
   b. A description of the respondent team’s principal ownership structure
   c. The respondent’s financial position, including most recent financial statements
d. Experience and abilities in managing similar facilities

e. At least three written letters of references from relevant professionals or companies with whom respondent has worked

4) RPD Goals and Objectives
Respondents are required to outline how their proposal will meet the specific goals and objectives of the Recreation and Park Department, as stated in Section IV. Project Objectives.

5) Business, Marketing and Management Plan
A Business, Marketing and Management Plan describing respondent’s plans for operating the Premises on an on-going basis should be included. The Business, Marketing and Management Plan should describe:

a. How the respondent would market, promote, and advertise the facility
b. The market for the services proposed including identifying competitors and unique features of the proposed project that will meet the market demands and differentiate your business from others

c. Identified partners for the project, if any

d. Conceptual drawings and a description of any designed features of the proposal such as logos, building design (both interior and exterior – drawings may include renderings, elevations, and plans), and staff uniforms. RPD will review conceptual drawings in making a selection, however final approval of any and all improvements are subject to approval by the Department

e. The complete menu and for the facility including prices for each item; favorable consideration will be given to high quality menus and environmentally friendly food service practices above and beyond city law
f. Systems for handling payments including receipts, cash handling procedures, reporting and audit trail; and

g. How the project will create jobs for economically disadvantaged persons.

Please be advised that the Department may negotiate additional escalation clauses, market study evaluations and relative negotiated rent increases. Annual Consumer Price Index (CPI) adjustments will also be required.

6) Operations Plan

a. How the respondent plans to operate the proposed venture, including hours and days of operation, staffing plan, waste removal, and delivery schedule
b. How your operations meet the Department’s Objectives listed in Section IV Project Objectives
c. How your operation will activate and enliven the east end of Golden Gate Park

7) Financial Projections for the Project
Describe and illustrate with projections the key financial components of the respondent's proposal. Respondents should include projections of annual income and expenses, including projections of annual and total rental income to be paid to the Department over the term of the 5 year lease. Respondents should include projections of all expenditures on any proposed capital improvements
and personal property, and indicate the assumed sources of funds for all such expenditures. Clearly state assumptions to a degree sufficient for the Department to judge the validity of the assumptions. Respondents are expected to conduct their own market research to identify potential demand, along with any other research necessary to justify any assumptions and projections that they may make.

8) Statement of Proposed Financial Terms

The proposed financial terms should include:

- Minimum Annual Guarantee Base Rent to be paid to the Department on a monthly basis, rising annually with CPI. If you propose a seasonal breakdown of your monthly minimum rent, please provide a chart illustrating what the monthly base rents will be.
- Percentage rent formula – the percentages applied to net gross receipts (gross receipts less applicable sales tax) for each year of the proposed project to be paid to the Department as rent on a monthly basis.
- The Department requests a proposal which guarantees a monthly minimum payment or a percentage rent payment, whichever is higher.
- All other proposed lease terms so the Department fully understands the proposal.

9) Proposal Execution

The proposal must be signed with the address of the respondent’s entity provided. Evidence of the legal status of the respondent’s entity, whether individual, partnership, corporation, limited liability company, county or municipality shall also be provided. A corporation shall execute the proposal by its duly authorized officers in accordance with its corporate bylaws and shall list the state in which it is incorporated. A partnership shall give full names and addresses of all partners and shall list the state in which it is organized and shall execute the proposal by its duly authorized partners in accordance with the partnership agreement. A limited liability company shall give full names and addresses of all members and shall list the state in which it is organized and shall execute the proposal by its duly authorized members or managers in accordance with its operating agreement. Partnerships, limited liability companies, and individuals shall be required to state the names of all persons involved in the proposal. The place of residence of each partner, member, or individual, or the office address in case of a firm or company, including state, zip code and telephone number, shall be given after each name. If the respondent’s firm is a joint venture consisting of a combination of any of the above entities, each joint venturer shall execute the proposal. Anyone signing a proposal as an agent of a firm or entity shall submit legal evidence of their authority to do so with the proposal.

IX. Terms and Conditions for Receipt of Request for Proposals

A. Respondent’s Duty to Investigate

It is the sole responsibility of the selected respondent to investigate and determine the condition of the Kiosk and the suitability of the conditions for any proposed use and improvements.

The information presented in this RFP and in any report or other information provided by the Department is provided solely for the convenience of the interested parties. It is the responsibility of
the interested parties to assure themselves that the information contained in this RFP or other documents is accurate and complete. The Department and its advisors provide no representations, assurances, or warrants pertaining to the accuracy of the information.

Respondents are responsible for reviewing all portions of this RFP and any other information provided by the Department in relation to this RFP. Respondents are to notify the Department in writing of any ambiguity, discrepancy, omissions or other error in this RFP promptly after discovery, but in no event later than 20 business days before the deadline to submit proposals. An interested party that does not give timely notice to the Department will be deemed to have waived any ambiguity, discrepancy, omission, or other error in this RFP. Modifications and clarifications will be made by addenda.

B. Conditional Nature of Offering

The Department’s issuance of this RFP is not a promise or agreement that the City will actually enter into any contract. The Department expressly reserves the right at any time to:

1. Waive any technical defect or informality in any submittal or submittal procedure that does not affect or alter the submittal’s substantive provisions;
2. Reject any or all submittals;
3. Suspend any and all aspects of the process indicated in this RFP;
4. Amend this RFP;
5. Terminate this RFP and issue a new request for interest, qualifications or proposals;
6. Request some or all respondents to revise submittals;
7. Select a tenant by any other means;
8. Offer new leasing opportunities in the area at any time;
9. Extend deadlines for accepting submittals, or accept amendments to submittals after expiration of deadlines; or
10. Decide not to pursue this offering.

The Department’s failure to object to an error, omission, or deviation in any submittal will in no way modify this RFP or excuse respondents from full compliance with the requirements of this RFP.

The Department may modify, clarify, and change this RFP by issuing one or more written addenda. Addenda will be posted on the Department’s website, and notice of the posting will be sent by email to each party receiving an RFP (“RFP Recipient”). The Department will make reasonable efforts to notify each RFP Recipient in a timely manner of modifications to this RFP, but each RFP Recipient assumes the risk of submitting its submittal on time and obtaining all addenda and information issued by the Department. Therefore, the Department strongly encourages RFP Recipients to check the Department’s web page for any updates to this RFP frequently.

C. Respondent Selection Does Not Guarantee Project Approval

The Commission’s selection of a respondent and authorization to commence exclusive negotiations may not be construed as an approval of the proposed project.
The Department’s status as an agency of the City will not in any way limit any selected respondent’s obligation to obtain requisite approvals from City departments including the Department and the Department of Public Health.

Under the San Francisco Charter, no officer or employee of the City and County of San Francisco, including the Department, has authority to commit the Department to any project until the Recreation and Park Commission has approved the transaction following completion of environmental review under CEQA.

D. Errors and Omissions in RFP

Respondents are responsible for reviewing all portions of this RFP. Each respondent must promptly notify the Department, in writing, if the respondent discovers any ambiguity, discrepancy, omission, or other error in the RFP. Any such notification should be directed to the Department promptly after discovery, but in no event later than 20 working days prior to the date for receipt of proposals. Modifications and clarifications will be made by addenda as provided below.

E. Inquiries Regarding RFP

Inquiries regarding the RFP and all oral notifications of intent to request written modification or clarification of the RFP must be directed via email to jackie.Suen@sfgov.org.

F. Addenda

The Department may modify the RFP, prior to the proposal due date, by issuing addenda to the RFP, which will be posted on the website. Each respondent shall be responsible for ensuring that its proposal reflects any and all addenda issued by the Department prior to the proposal due date regardless of when the proposal is submitted. Therefore, the City recommends that each respondent consult the website frequently, including shortly before the proposal due date, to determine if the respondent has downloaded all addenda.

G. Revision of Proposal

A respondent may revise a proposal on the respondent’s own initiative at any time before the deadline for submission of proposals. The respondent must submit the revised proposal in the same manner as the original. A revised proposal must be received on or before the proposal due date.

In no case will a statement of intent to submit a revised proposal, or commencement of a revision process, extend the proposal due date for any respondent.

At any time during the proposal evaluation process, the Department may require a respondent to provide oral or written clarification of its proposal. The Department reserves the right to make an award without further clarifications of proposals received.

H. Errors and Omissions in Proposal
Failure by the Department to object to an error, omission, or deviation in the proposal will in no way modify the RFP or excuse the vendor from full compliance with the specifications of the RFP or any contract awarded pursuant to the RFP.

I. Financial Responsibility

The City accepts no financial responsibility for any costs incurred by a firm in responding to this RFP. Submissions in response to this RFP will become the property of the City and may be used by the City in any way the City deems appropriate.

J. Respondent’s Obligations under the Campaign Reform Ordinance

Respondents must comply with Section 1.126 of the S.F. Campaign and Governmental Conduct Code, which states:

No person who contracts with the City and County of San Francisco for the rendition of personal services, for the furnishing of any material, supplies or equipment to the City, or for selling any land or building to the City, whenever such transaction would require approval by a City elective officer, or the board on which that City elective officer serves, shall make any contribution to such an officer, or candidates for such an office, or committee controlled by such officer or candidate at any time between commencement of negotiations and the later of either (1) the termination of negotiations for such contract, or (2) six months have elapsed from the date the contract is approved by the City elective officer or the board on which that City elective officer serves.

If a proposer is negotiating for a contract that must be approved by an elected local officer or the board on which that officer serves, during the negotiation period the proposer is prohibited from making contributions to:

- The officer’s re-election campaign
- A candidate for that officer’s office
- A committee controlled by the officer or candidate.

The negotiation period begins with the first point of contact, either by telephone, in person, or in writing, when a contractor approaches any city officer or employee about a particular contract, or a city officer or employee initiates communication with a potential contractor about a contract. The negotiation period ends when a contract is awarded or not awarded to the contractor. Examples of initial contacts include: (1) a vendor contacts a city officer or employee to promote himself or herself as a candidate for a contract; and (2) a city officer or employee contacts a contractor to propose that the contractor apply for a contract. Inquiries for information about a particular contract, requests for documents relating to a Request for Proposal, and requests to be placed on a mailing list do not constitute negotiations.

Violation of Section 1.126 may result in the following criminal, civil, or administrative penalties:

1. Criminal. Any person who knowingly or willfully violates section 1.126 is subject to a fine of up to $5,000 and a jail term of not more than six months, or both.
2. Civil. Any person who intentionally or negligently violates section 1.126 may be held liable in a civil action brought by the civil prosecutor for an amount up to $5,000.

3. Administrative. Any person who intentionally or negligently violates section 1.126 may be held liable in an administrative proceeding before the Ethics Commission held pursuant to the Charter for an amount up to $5,000 for each violation.

For further information, respondents should contact the San Francisco Ethics Commission at (415) 581-2300.

K. Responsible Proposals

No proposals will be accepted from any person, firm, partnership, corporation or other entity that is in arrears upon any obligation to the City or that otherwise may be deemed irresponsible, unreliable or unqualified by the City.

L. One Proposal per Respondent

Only one proposal will be accepted from any one firm or corporation, or affiliated entities; however, several alternatives may be included in one proposal, and, as noted above, joint ventures or similar arrangements are permitted.

M. Grounds for Rejection

Any false, incomplete, or unresponsive statements in connection with a proposal may be cause for its rejection at the City's discretion. Any judgment as to the significance of any falsity, incompleteness, or unresponsiveness associated with a proposal shall be the prerogative of the City and its judgment shall be final.

N. Invitation to Submit Proposals, no Obligations by City to Contract

This RFP is only an invitation to submit proposals, and does not commit the City in any way to enter into a Lease or other agreement or to proceed with the RFP. In addition, the issuance of this RFP does not obligate the City to pay any costs incurred by any respondent in connection with (i) the preparation of a response to this RFP, (ii) any supplements or modifications of this RFP or (iii) negotiations with the City or other party arising out of or relating to this RFP. All costs incurred in the preparation and presentation of any proposal in response to this RFP shall be borne solely by the respondent.

O. Proposal as a Public Record

Generally, all documentation including financial information submitted by any respondent to the City are public records under State and local law, including the City's Sunshine Ordinance. The respondent will clearly designate those financial records which it in good faith determines to be a trade secret or confidential propriety information protected from disclosure under applicable law. To the extent permitted by law, the City will attempt to reasonably maintain the confidentiality of such financial information, consistent with the City's general practices for maintaining the confidentiality of such
information. However, the City will not under any circumstances be responsible for any damages or losses incurred by a Respondent or any other person or entity because of the release of such financial information.

P. Return of Materials

The City will not return proposals or any information submitted in connection with a proposal unless the respondent has properly designated financial portions of the proposal as confidential at the time of proposal in accordance with the terms above and has then clearly requested that such information be returned, and provided that the City is legally permitted to return such documents.

Q. Right to Disqualify

The City reserves the right to disqualify any respondent to this RFP on the basis of any real or apparent conflict of interest that is disclosed by the responses submitted, misrepresentation or false statements in proposal, or other data available to the City. This disqualification is at the sole discretion of the City.

R. Waiver of Claims Against City

The respondent shall not obtain by its response to this RFP any claim against the City by reason of any or all of the following: any aspect of this RFP, the selection process or any part thereof, any informalities of defects in the selection process, the rejection of any offer or all such offers, the acceptance of any offer, entering into any lease, the failure to enter into any such lease, any statement, representations, acts or omissions of the City or its agents, the exercise of any discretion set forth in or concerning any of the foregoing; and any other matters arising out of all or any of the foregoing.

S. Objections to RFP Terms

Should a respondent object on any ground to any provision or legal requirement set forth in this RFP, the respondent must, not more than ten (10) calendar days after the RFP is issued, provide written notice to the City setting forth with specificity the grounds for the objection. The failure of a respondent to object in the manner set forth in this paragraph shall constitute a complete and irrevocable waiver of any such objection.

Without limiting the generality of the foregoing, the information presented in or in connection with this RFP is provided solely for the convenience of the interested parties. It is the responsibility of interested parties to assure themselves that any information contained in or related to this RFP is accurate and complete. No representations, assurances, or warranties pertaining to the accuracy of such information are or will be provided by the City or its consultants and no claim may be brought against the City or any of their respective consultants as a result of the presentation of such information, irrespective of its accuracy, completeness or general utility.

T. Sunshine Ordinance

In accordance with San Francisco Administrative Code Section 67.24(e), contractors' bids, responses to RFPs and all other records of communications between the City and persons or firms seeking
contracts shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person’s or organization’s net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

U. Public Access to Meetings and Records

If a proposer is a non-profit entity that receives a cumulative total per year of at least $250,000 in City funds or City-administered funds and is a non-profit organization as defined in Chapter 12L of the San Francisco Administrative Code, the proposer must comply with Chapter 12L. The proposer must include in its proposal (1) a statement describing its efforts to comply with the Chapter 12L provisions regarding public access to proposer’s meetings and records, and (2) a summary of all complaints concerning the proposer’s compliance with Chapter 12L that were filed with the City in the last two years and deemed by the City to be substantiated. The summary shall also describe the disposition of each complaint. If no such complaints were filed, the proposer shall include a statement to that effect. Failure to comply with the reporting requirements of Chapter 12L or material misrepresentation in proposer’s Chapter 12L submissions shall be grounds for rejection of the proposal and/or termination of any subsequent Agreement reached on the basis of the proposal.

V. Reservations of Rights by the City

The issuance of this RFP does not constitute an agreement by the City that any contract will actually be entered into by the City. The City expressly reserves the right at any time to:

1. Waive or correct any defect or informality in any response, proposal, or proposal procedure;
2. Reject any or all proposals;
3. Reissue a Request for Proposals;
4. Prior to submission deadline for proposals, modify all or any portion of the selection procedures, including deadlines for accepting responses, the specifications or requirements for any materials, equipment or services to be provided under this RFP, or the requirements for contents or format of the proposals;
5. Procure any materials, equipment or services specified in this RFP by any other means; or
6. Determine that no project will be pursued.

W. No Waiver

No waiver by the City of any provision of this RFP shall be implied from any failure by the City to recognize or take action on account of any failure by a proposer to observe any provision of this RFP.

X. Protests

Within five working days of the Department’s issuance of a notice of non-responsiveness, any firm that has submitted a proposal and believes that the Department has incorrectly determined that its proposal is non-responsive may submit a written notice of protest. Such notice of protest must be received by the Department on or before the fifth working day following the Department’s issuance of the notice of non-responsiveness. The notice of protest must include a written statement
specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the Department to determine the validity of the protest.

**Protest of Contract Award**

Within five working days of the City's issuance of a notice of intent to award the contract, any firm that has submitted a responsive proposal and believes that the City has incorrectly selected another proposer for award may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth working day after the City's issuance of the notice of intent to award.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

**Delivery of Protests**

All protests must be received by the due date. If a protest is mailed, the protestor bears the risk of non-delivery within the deadlines specified herein. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) will not be considered. Protests must be delivered to:

Jackie Suen  
Property Manager  
San Francisco Recreation and Parks Department  
501 Stanyan Street  
San Francisco, CA 94117
Exhibit A: Premises

Location area

Northeast view of kiosk
Exhibit B: Kiosk Concept Plan and Finishes
Exhibit B: Kiosk Concept Plan and Finishes (southeast view)
Exhibit B: Kiosk Concept Plan and Finishes

Concept drawing of proposed activation with food and beverage kiosk, tables and chairs, and bocce and petanque courts
Exhibit C: Standard Lease Terms

In addition to standard commercial lease provisions, it is anticipated that the lease will require the Respondent, its subtenants, contractors and subcontractors to comply with all City regulatory requirements applicable to the Respondent and the project, and to comply with requirements for entering into contracts with the City acting in its proprietary (not regulatory) capacity in effect at the time the Lease is executed. Many of those policies are codified in the San Francisco Administrative Code and the San Francisco Environment Code.

Descriptions of or sample language for most of the special provisions required by the San Francisco Municipal Codes (available at www.sfgov.org) and City policies is set forth below. Capitalized or highlighted terms not defined in the sample provisions have the meanings ascribed to them in the cited ordinance.

Where applicable, reference to the governing ordinance is given in brackets following the provision. References are to San Francisco Municipal Codes unless otherwise indicated.

NOTE: These provisions are subject to change/updating as required between now and when the proposed lease is finalized.

1. **Possessory Interest and Other Taxes.** The selected Respondent will be required to pay possessory interest taxes on the assessed value of its leasehold interest. Respondents may contact the City Assessor’s office for more information on how this tax will be calculated. The selected Respondent also will be required to pay other applicable city taxes, including transient occupancy, parking, sales, and payroll taxes. San Francisco Administrative Code Sections 23.38 and 23.39 require that the City report certain information relating to leases, and any renewals thereof, to the County Assessor within sixty (60) days after any such transaction, and that the lessee report certain information relating to any assignment of or sublease under a lease of City property to the County Assessor within sixty (60) days after such assignment or sublease transaction. The lease will require the Respondent to agree to provide such information as may be requested by the City to enable the City to comply with this requirement. [Reference: Administrative Code 23.38; 23.39]

2. **Indemnity/Hold Harmless.** The Indemnity/Hold Harmless provision will be crafted to reflect the relative risks, rights and obligations of the parties. Changes to City’s standard provision must be approved by City’s Risk Manager and reviewed by the City Attorney. [Reference: Administrative Code 1.24]

3. **Insurance Coverage.** The types and amounts of insurance will be tailored to the particular risks of the operation/use and will be subject to approval of City’s Risk Manager. [Reference: Administrative Code 6.22(B); 6.42(B); 21.20]

4. **Non-Liability of City Officials, Employees and Agents.** No elective or appointive board, commission, member, officer, employee or other Agent of City shall be personally liable to Tenant, its successors and assigns, in the event of any default or breach by City or for any amount which may become due to Tenant, its successors and assigns, or for any obligation of City under this Lease or otherwise.

5. **Arts Commission Approval.** With respect to any alterations or improvements which would be visible from the exterior of buildings, Tenant shall obtain the prior written approval of City’s Arts
Commission to the extent the Arts Commission has jurisdiction over the design of such proposed alterations under City's Charter Section 5.103. [Reference: Charter Section 5.103]

6. **Wages and Working Conditions.** Tenant agrees that any person performing labor on any “public work” at the Premises shall be paid not less than the highest prevailing rate of wages consistent with the requirements of Section 6.22(E) of the San Francisco Administrative Code, and shall be subject to the same hours and working conditions, and shall receive the same benefits as in each case are provided for similar work performed in San Francisco County. Tenant improvements and alterations, and any construction, alteration, demolition, installation, maintenance, repair, or laying of carpet at, or hauling of refuse from, the Premises comprise a public work if paid for in whole or part out of public funds in excess of the levels specified in California Labor Code Section 1782(d)(1). The terms “public work” and “paid for in whole or part out of public funds” as used in this Section are defined in California Labor Code Section 1720 et seq., as amended. Tenant shall include in any contract for such labor a requirement that all persons performing labor under such contract shall be paid not less than the highest prevailing rate of wages for the labor so performed. Tenant shall require any contractor to provide, and shall deliver to City upon request, certified payroll reports with respect to all persons performing such labor at the Premises. [Reference: Administrative Code Section 6.22(E)]

7. **Local Hire Requirements.** Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 6.22(G) (the "Local Hiring Policy"). The tenant improvements and alterations are subject to the Local Hiring Policy unless the cost for such tenant improvement work or alteration is (i) estimated to be less than $750,000 per building permit or (ii) meets any of the other exemptions in the Local Hiring Policy. Accordingly, as a condition of this Lease, Tenant agrees that it shall comply with the requirements of the Local Hiring Policy applicable to the tenant improvements or any alteration and shall require its subtenants to comply with those requirements to the extent applicable. Before starting any tenant improvement work or any alteration, Tenant shall contact City's Office of Economic Workforce and Development ("OEWD") to verify if any Local Hiring Ordinance requirements apply to such work. Tenant shall comply with all such applicable requirements. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease and may subject Tenant and its subtenants to the consequences of noncompliance specified in the Local Hiring Policy, including but not limited to penalties. Without limiting the foregoing:

1. estimated to cost more than $750,000, Tenant and its subtenants shall comply with the applicable mandatory participation levels for Project Work Hours performed by Local Residents, Disadvantaged Workers, and Apprentices as set forth in San Francisco Administrative Code Section 6.22(G)(4).

2. For a Covered Project estimated to cost more than $1,000,000, Tenant and its subtenants shall prepare and submit a local hiring plan to OEWD for approval as set forth in San Francisco Administrative Code Section 6.22(G)(6) prior to commencing any of the work subject to the Local Hiring Policy.

3. Tenant and its subtenants shall comply with the applicable record keeping and reporting requirements and shall cooperate in City inspections and audits for compliance with the Local Hiring Policy, including access to employees of its contractors and subcontractors and other witnesses at the Premises.
(4) Tenant agrees that (i) Tenant shall comply with all applicable requirements of the Local Hiring Policy; (ii) the provisions of the Local Hiring Policy are reasonable and achievable by Tenant and its subtenants; and (iii) Tenant has had, and its subtenants will have prior to signing their subleases for the Premises, a full and fair opportunity to review and understand the terms of the Local Hiring Policy.

[Reference: Administrative Code Section 6.22(G)]

8. **Prevailing Wages for Theatrical Workers.** Tenant further acknowledges that City law entitles individual engaged in theatrical or technical services related to the presentation of a Show at the Premises, including individuals engaged in rigging, sound, projection, theatrical lighting, videos, computers, draping, carpentry, special effects, and motion picture services, to be paid not less than the Prevailing Rate of Wages (which includes fringe benefits or matching equivalents) fixed by the Board of Supervisors, unless the Show is free and open to the public or meets any of the other exemptions in San Francisco Administrative Code Section 21C.4(b). Capitalized terms in this subsection shall have the meanings provided in San Francisco Administrative Code Section 21.C4. Accordingly, Tenant, as a condition of this Lease, agrees that:

(1) Tenant shall comply with the obligations in San Francisco Administrative Code Section 21C.4, and shall require its subtenants, contractors, and subcontractors to comply with the obligations in San Francisco Administrative Code Section 21C.4, including the payment of Prevailing Rate of Wages to individuals engaged in theatrical or technical services related to the presentation of a Show at the Premises. In addition, if Tenant or its subtenant, contractor, or any subcontractor fails to comply with these obligations, City shall have all available remedies against Tenant to secure compliance and seek redress for workers who provided the services as described in San Francisco Administrative Code Section 21C.7, together with the remedies set forth in this Lease.

(2) City may inspect and/or audit any workplace, job site, books and records pertaining to the presentation of a Show at the Premises, and may interview any individual who provides, or has provided, work involving theatrical or technical services for the Show at the Premises.

(3) Tenant shall provide to City (and to require any subtenant, contractor or subcontractor who maintains such records to provide to City), upon request, immediate access to all workers’ time sheets, payroll records, and paychecks for inspection in so far as they relate the presentation of a Show at the Premises.

For current Prevailing Wage rates, see www.sfgov.org/olse/prevailingwages or call the City's Office of Labor Standard Enforcement at 415-554-6235. Tenant acknowledges that the City's Board of Supervisors may amend such Prevailing Rate of Wages and agrees that Tenant and any subtenants and subcontractors shall be bound by and shall fully comply with any such amendments by the Board of Supervisors. [Reference: Administrative Code Section 21C.4]

9. **Prevailing Wages for Trade Show and Special Event Work.** Tenant acknowledges that City law entitles individuals engaged in work involving the on-site installation, set-up, assembly, and dismantling of temporary exhibits, displays, booths, modular systems, signage, drapery, specialty furniture, floor coverings, and decorative materials in connection with trade shows, conventions, expositions, and other special events on City property to receive the Prevailing Rate of Wages (which includes fringe benefits or matching equivalents) fixed by the Board of Supervisors, unless the event is free and open to the public or meets any of the other exemptions in San Francisco Administrative Code Section 21C.8(b). Capitalized terms in this Section shall have the meanings provided in in San
Accordingly, Tenant, as a condition of this Lease, agrees that:

(1) Tenant shall comply with the obligations in San Francisco Administrative Code Section 21.C.8, and shall require Tenant’s subtenants, contractors, and any subcontractors, to comply with the obligations in Section 21.C.8, including the payment of Prevailing Wage Rates to workers engaged in On-site work on Trade Shows or Special Events. In addition, if Tenant or its subtenant, contractor (or any subcontractor) fails to comply with these obligations, City shall have all available remedies against Tenant to secure compliance and seek redress for workers who provided the services as described in Section 21.C.8, together with the remedies set forth in this Lease.

(2) City may inspect and/or audit any workplace, job site, books and records pertaining to On-site work on Trade Shows or Special Events at the Premises, and may interview any individual who provides, or has provided, On-site work on Trade Shows or Special Events at the Premises.

(3) Tenant shall provide to City (and to require any subtenant, contractor or subcontractor who maintains such records to provide to City), upon request, immediate access to all workers’ time sheets, payroll records, and paychecks for inspection insofar as they relate to a Trade Show or Special Event at the Premises.

Tenant acknowledges that the City’s Board of Supervisors may amend such Prevailing Rate of Wages and agrees that Tenant and any subtenants and subcontractors shall be bound by and shall fully comply with any such amendments by the Board of Supervisors. For current Prevailing Wage rates, see www.sfgov.org/olse/prevailingwages or call the City’s Office of Labor Standard Enforcement at 415-554-6235. [Reference: Administrative Code Section 21C.8]

10. Employee Signature Authorization Ordinance. City has enacted an ordinance at Chapter 23, Article VI of its Administrative Code, commencing at Section 23.50 (the "Ordinance"), which may apply to employers of employees in hotel or restaurant projects on City property with more than fifty (50) employees. The terms of the Ordinance are expressly incorporated herein by reference. To the extent Tenant or its successors or assigns employs employees in a hotel or restaurant in the Premises within the scope of the Ordinance, Tenant hereby agrees as a material condition of this Lease to enter into and abide by a card check agreement with a labor organization or organizations seeking to represent Tenant’s employees, if and as required by the Ordinance, and to otherwise fully comply with the requirements of the Ordinance. Tenant recognizes that, if the Ordinance applies to Tenant’s operations on the Premises, Tenant must enter into a card check agreement with a labor organization(s) as specified by the Ordinance before executing this Lease, and that being party to such a card check agreement(s) is a condition precedent of rights or obligations under this Lease. [Reference: Administrative Code Section 23.50]

11. Non-Discrimination in City Contracts and Benefits Ordinance.

(a) Covenant Not to Discriminate. In the performance of this Lease, Tenant covenants and agrees not to discriminate on the basis of the fact or perception of a person’s race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, domestic partner status, marital status, height, weight, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status) against any employee of, any City employee working with, or applicant for employment with Tenant, in any of Tenant’s operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant.
(b) **Subleases and Other Subcontracts.** Tenant shall include in all Subleases and other subcontracts relating to the Premises a non-discrimination clause applicable to such Subtenant or other subcontractor in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant’s failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) **Non-Discrimination in Benefits.** Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco or where the work is being performed for the City or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) **Condition to Lease.** As a condition to this Lease, Tenant shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form CMD-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Contract Monitoring Division. Tenant hereby represents that prior to execution of this Lease, (i) Tenant executed and submitted to the CMD Form CMD-12B-101 with supporting documentation, and (ii) the CMD approved such form.

(e) **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of $50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant. [Reference: Administrative Code Sections 12B and 12C]

12. **No Relocation Assistance; Waiver of Claims.** Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully RELEASES, WAIVES AND DISCHARGES forever any and all claims, demands, rights, and causes of action (including, without limitation, consequential and incidental damages) against, and covenants not to sue, City, its departments, commissions, officers, directors and employees, and all persons acting by, through or under each of them, under any Laws, including, without limitation, any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws (including, but not limited to, California Government Code Section 7260 et seq.), except as otherwise specifically provided in this Lease with respect to a Taking.

13. **MacBride Principles - Northern Ireland.** The City and County of San Francisco urges companies doing business in Northern Ireland to move toward resolving employment inequities and encourages them to abide by the MacBride Principles as expressed in San Francisco Administrative Code Section 12F.1, et seq. The City and County of San Francisco also urges San Francisco companies
to do business with corporations that abide by the MacBride Principles. Tenant acknowledges that it has read and understands the above statement of the City and County of San Francisco concerning doing business in Northern Ireland. [Reference: Administrative Code Section 12F]

14. Certification of No Known Conflicts of Interest. Through its execution of this Lease, Tenant acknowledges that it is familiar with the provisions of Section 15.103 of the San Francisco Charter, Article III, Chapter 2 of City’s Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which would constitute a violation of such provisions, and agrees that if Tenant becomes aware of any such fact during the term of this Lease Tenant shall immediately notify City. [Reference Charter Section 15.103; Article III, Chapter 2 Campaign and Governmental Conduct Code, California Government Code and Section 87100 et seq. and Section 1090 et seq.]

15. Tropical Hardwood and Virgin Redwood Ban. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environment Code, Tenant shall not provide or permit the use of any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product in the performance of any alterations or improvements in or on the Premises or otherwise in the performance of this Lease. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environment Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant’s net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater. [Reference: Environment Code Section 802(b) and 802(c)]

16. Tobacco Product Advertising and Sale Prohibition. Tenant acknowledges and agrees that no advertising or sale of cigarettes (including electronic cigarettes, as defined in the San Francisco Health Code) or tobacco products is allowed under this Lease. This advertising prohibition includes the placement of the name of a company producing, selling, or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. [Reference: Administrative Code Section 4.20]

17. Limitation on Alcoholic Beverage Advertising. Tenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. That portion of the Premises used for operation of a restaurant, concert or sports venue, or other facility or event where the sale production or consumption of alcoholic beverages is permitted, shall be exempt from the alcoholic beverage advertising prohibition during the period such use is allowed. [Reference: Administrative Code Section 4.20]

18. First Source Hiring Ordinance. The provisions of San Francisco Administrative Code Chapter 83, the First Source Hiring Program, are incorporated in this Section by reference, and are made a material part of this Lease as though fully set forth herein. As an essential term of, and consideration for, this Lease, Tenant and City are parties to the First Source Agreement attached to this Lease as Exhibit pursuant to San Francisco Administrative Code, Chapter 83 (the "First Source Agreement"). Any default by Tenant under the First Source Agreement shall be a default under this
19. **Sunshine Ordinance.** Tenant acknowledges that in accordance with Section 67.24(e) of the San Francisco Administrative Code, contracts, contractors’ bids, leases, agreements, responses to Requests for Proposals, and all other records of communications between City and persons or firms seeking contracts will be open to inspection by City immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person’s or organization’s net worth or other proprietary financial data submitted for qualification for a contract, lease, agreement or other benefit until and unless that person or organization is awarded the contract, lease, agreement or benefit. City will make information provided by Tenant or others which is covered by this Section available to the public upon request. [Reference Administrative Code Section 67.24(e)]

20. **Notification of Limitations on Contributions.** Through its execution of this Lease, Tenant acknowledges that it is familiar with Section 1.126 of the San Francisco Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the selling or leasing of any land or building to or from the City whenever such transaction would require approval by a City elective officer, the board on which that City elective officer serves, or a board on which an appointee of that individual serves, from making any campaign contribution to (a) the City elective officer, (b) a candidate for the office held by such individual, or (c) a committee controlled by such individual or candidate, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Tenant acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of $50,000 or more. Tenant further acknowledges that the prohibition on contributions applies to each Tenant under this Lease; each member of Tenant’s board of directors, and Tenant’s chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than twenty percent (20%) in Tenant; any subcontractor listed in the contract; and any committee that is sponsored or controlled by Tenant. Additionally, Tenant acknowledges that Tenant must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Tenant further agrees to provide to City the name of the each person, entity or committee described above. [Reference Campaign and Governmental Conduct Code Section 1.126]

21. **Public Transit Information.** Tenant shall establish and carry on during the Term a program to encourage maximum use of public transportation by personnel of Tenant employed on the Premises, including, without limitation, the distribution to such employees of written materials explaining the convenience and availability of public transportation facilities adjacent or proximate to the Premises and encouraging use of such facilities, all at Tenant’s sole expense. [Generally: Implementation of City’s transit-first policy.]

22. **Drug-Free Workplace.** Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Tenant agrees that any violation of this prohibition by Tenant, its Agents or assigns shall be deemed a material breach of this Lease.

23. **Preservative-Treated Wood Containing Arsenic.** Tenant may not purchase preservative-treated wood products containing arsenic in the performance of this Lease unless an exemption from the requirements of Environment Code Chapter 13 is obtained from the Department of Environment under Section 1304 of the Environment Code. The term "preservative-treated wood containing
arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniac copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Tenant may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of Environment. This provision does not preclude Tenant from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater. [Reference Environment Code Chapter 13.]

24. **Resource Efficiency.** Tenant acknowledges that the City and County of San Francisco has enacted San Francisco Environment Code Sections 700 to 713 relating to green building requirements for the design, construction, and operation of buildings owned or leased by City. Tenant hereby agrees that it shall comply with all applicable provisions of such code sections. [Reference Environment Code Sections 700 to 713]

25. **Food Service Waste Reduction Requirements.** Tenant agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in the San Francisco Environment Code, Chapter 16, including the remedies provided therein, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Lease as though fully set forth herein. This provision is a material term of this Lease. By entering into this Lease, Tenant agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine. Without limiting City’s other rights and remedies, Tenant agrees that the sum of One Hundred Dollars ($100.00) liquidated damages for the first breach, Two Hundred Dollars ($200.00) liquidated damages for the second breach in the same year, and Five Hundred Dollars ($500.00) liquidated damages for subsequent breaches in the same year is a reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Lease was made. Such amounts shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Tenant’s failure to comply with this provision. [Reference Environment Code Chapter 16]

26. **San Francisco Bottled Water Ordinance.** Unless exempt, Tenant agrees to comply fully with and be bound by all of the provisions of the San Francisco Bottled Water Ordinance, as set forth in San Francisco Environment Code Chapter 24, including the administrative fines, remedies, and implementing regulations provided therein, as the same may be amended from time to time. The provisions of Chapter 24 are incorporated herein by reference and made a part of this Lease as though fully set forth. [Reference Environment Code Chapter 24]

27. **Criminal History in Hiring and Employment Decisions**

   (a) Unless exempt, Tenant agrees to comply with and be bound by all of the provisions of San Francisco Administrative Code Chapter 12T (Criminal History in Hiring and Employment Decisions; “Chapter 12 T”), which are hereby incorporated as may be amended from time to time, with respect to applicants and employees of Tenant who would be or are performing work at the Premises.

   (b) Tenant shall incorporate by reference the provisions of Chapter 12T in all subleases of some or all of the Premises, and shall require all subtenants to comply with such provisions, subject to the provisions of Section 26.23 of this Lease. Tenant’s failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.
(c) Tenant and subtenants shall not inquire about, require disclosure of, or if such information is received base an Adverse Action on an applicant’s or potential applicant for employment, or employee’s: (1) Arrest not leading to a Conviction, unless the Arrest is undergoing an active pending criminal investigation or trial that has not yet been resolved; (2) participation in or completion of a diversion or a deferral of judgment program; (3) a Conviction that has been judicially dismissed, expunged, voided, invalidated, or otherwise rendered inoperative; (4) a Conviction or any other adjudication in the juvenile justice system; (5) a Conviction that is more than seven years old, from the date of sentencing; or (6) information pertaining to an offense other than a felony or misdemeanor, such as an infraction.

(d) Tenant and subtenants shall not inquire about or require applicants, potential applicants for employment, or employees to disclose on any employment application the facts or details of any conviction history, unresolved arrest, or any matter identified in subsection (c) above. Tenant and subtenants shall not require such disclosure or make such inquiry until either after the first live interview with the person, or after a conditional offer of employment.

(e) Tenant and subtenants shall state in all solicitations or advertisements for employees that are reasonably likely to reach persons who are reasonably likely to seek employment with Tenant or subtenant at the Premises, that the Tenant or subtenant will consider for employment qualified applicants with criminal histories in a manner consistent with the requirements of Chapter 12T.

(f) Tenant and subtenants shall post the notice prepared by the Office of Labor Standards Enforcement (“OLSE”), available on OLSE’s website, in a conspicuous place at the Premises and at other workplaces within San Francisco where interviews for job opportunities at the Premises occur. The notice shall be posted in English, Spanish, Chinese, and any language spoken by at least 5% of the employees at the Premises or other workplace at which it is posted.

(g) Tenant and subtenants understand and agree that upon any failure to comply with the requirements of Chapter 12T, the City shall have the right to pursue any rights or remedies available under Chapter 12T or this Lease, including but not limited to a penalty of $50 for a second violation and $100 for a subsequent violation for each employee, applicant or other person as to whom a violation occurred or continued, termination or suspension in whole or in part of this Lease.

(h) If Tenant has any questions about the applicability of Chapter 12T, it may contact the City’s Real Estate Division for additional information. City’s Real Estate Division may consult with the Director of the City’s Office of Contract Administration who may also grant a waiver, as set forth in Section 12T.8. [Reference: Administrative Code Chapter 12T]

28. Sustainable Foods. Sustainable foods are those which, through their production, purchase, and consumption, enhance the health of the environment, producers and consumers through one or more of these methods: growing, processing and distributing locally; using low or no synthetic agricultural chemicals; fairly trading with developing countries; meeting animal welfare standards; processing minimally; no genetic modification; no unnecessary antibiotics; and no added growth hormones.

Tenant shall use commercially reasonable efforts to incorporate sustainable food concepts into everyday operations of the business on the Premises. City encourages Tenant to source sustainable foods by buying certified and/or locally produced food products. Acceptable sustainability certifications are limited to organic certification under the National Organic Standards Act (“USDA Organic), Fair Trade certification, Protected Harvest certification, Food Alliance certification, Rainforest Alliance certification, Certified Humanely Raised and Handled certification, American Humane certification, Marine Stewardship Council certification, and Salmon-Safe certification.
Sustainability-related product claims that are acceptable under this clause include “grass-fed” claims, “not treated with artificial growth hormones (RBGH)” claims, “produced without the nontherapeutic use of antibiotics” claims, and “raised without added hormones/no hormones added” claims.

Locally produced food products are produced within 200 miles of San Francisco including the following counties in the North Coast, Central Coast, Sacramento and San Joaquin Valleys: Alameda, Amador, Butte, Calaveras, Colusa, Contra Costa, El Dorado, Fresno, Glenn, Kern, Kings, Lake, Madera, Marin, Mariposa, Mendocino, Merced, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Sierra, Solano, Sonoma, Stanislaus, Sutter, Tehama, Tulare, Tuolumne, Yolo, and Yuba counties.

Tenant shall also provide an annual report on each anniversary date of this Lease outlining how Tenant incorporated these sustainable food concepts into everyday operations of the food and beverage concession and how Tenant informed customers and the youth employed by the Tenant, if any, regarding sustainable foods. This report shall include the percentage of total sales that were products certified as sustainably produced. [Reference Executive Directive 09-03]