March 31, 2014

Dear Prospective Retail Tenant,

The University of California, San Francisco (UCSF) has approximately 3,019 square feet of foodservice café space available for lease at Mission Hall, the newest building at the Mission Bay campus. Construction of the 7-story, 264,000 square-foot building is expected to be completed in September 2014. Designed using an Activity-Based Workplace (ABW) approach, Mission Hall will house a diverse population of staff, faculty, students, and the Chancellor of the University in an inter-professional, socially interactive environment. To help give you an overview of the Mission Bay Campus, and the opportunity available, enclosed is additional information including:

1. Facts & Figures about UCSF
2. Block 25A – Mission Hall Building
3. UCSF Customer Demographics
4. Description of Food Service Operation
5. Project Timeline
6. Qualification Submittal Requirements
7. Qualification Submittal Format (please follow this format when submitting proposal)
8. Qualification Package Checklist

Attachment A. Sustainable Foodservices Practices
Attachment B. UCSF Academic Senate Statement on Non-therapeutic Use of Antibiotics in Agriculture
Attachment C. UCSF Smoke-Free/Tobacco-Free Workplace Policy
Attachment D. America To Go Catering
Attachment E. Smart Choice Guidelines
Attachment F. Map of Mission Bay Campus

Current Retail Vendors at the Mission Bay Campus include:

- Café 24
- Caffe Terzetto
- Pacific Coast Farmers’ Market
- Peasant Pies
- The Pub
- Publico
- Subway
- Bank of America ATM
- Chase ATM
- First Republic ATM
- Golden 1 ATM
- Wells Fargo ATM

Leasing Parameters:

UCSF is seeking one qualified retail tenant to operate a food service business at this retail location that complements the existing services to better serve the UCSF community. Additionally, sensitivity in price point, a strong catering program, and participation in America to Go (see attachment D), and emphasis on sustainable food practices (see attachment A) are amongst the top of the list in terms of qualifying factors; Green Restaurant certification is strongly preferred. Rent/commission will be based on market rates. Lease terms of ten years, including options, will be considered. Tenant shall be responsible for any third party fees, including commissions, permitting through SFDPH, and any other applicable expenses.

Condition of Premises:

Tenant improvement of space to accommodate a foodservice business will commence following completion of the building and turnover by the base building contractor, which is expected in September 2014.

Informational Meeting:

- Date/Time: Thursday, May 29th 2014, 2:30pm to 4:30pm
- Location: Mission Bay Campus (meeting room TBD)
- Please RSVP by Monday, May 26th 2014
Tenant Submittal:
If your organization is interested in this rare business opportunity at the UCSF Mission Bay Campus, **please submit a proposal by 4:00pm on Friday, July 11th 2014.** An outline of the information that should be included in your proposal is detailed in section 7; please adhere to format in your proposal. Please send to:

University of California San Francisco
Retail Services
500 Parnassus Avenue, Room 245E
San Francisco, CA 94143-0234

or

Email To: Retail.Services@ucsf.edu

*Attention Brokers: UCSF does not pay brokerage fees/commissions.*

We look forward to hearing from you regarding your interest in this retail opportunity. In the meantime, if you have any questions, please feel free to contact me via email at Retail.Services@ucsf.edu.

Sincerely,

Jennifer Dowd
Retail Services Manager
1. About UCSF – Facts & Figures

In 2003, UCSF opened its 43-acre Mission Bay Campus just south of downtown San Francisco by AT&T Park. UCSF Mission Bay, the largest biomedical university expansion in the country, will double UCSF’s research space and speed the pace of biomedical discovery. In addition to its renowned notoriety as a top-level research and education center, the Mission Bay Campus is set to reach another milestone in February 2015 by becoming home to San Francisco’s first newly built hospital in 30 years. The 6-story, 878,000 square-foot UCSF Medical Center at Mission Bay includes 289 beds, 60,000 square feet of rooftop gardens, 1,049 parking spaces, and much more. The Mission Bay Campus currently houses over 4,000 UCSF faculty, staff, students, patients, and visitors; in early-2015, this number is projected to more than double to over 9,600 in population.

For more information on the UCSF Medical Center at Mission Bay, please visit:
• http://missionbayhospitals.ucsf.edu/

UCSF encompasses several major sites in San Francisco in addition to its Mission Bay location including the UCSF Parnassus and Mount Zion campuses. UCSF also maintains partnerships with two affiliated institutions, San Francisco General Hospital Medical Center and the Veterans Affairs Medical Center. UCSF is the only UC campus that is exclusively dedicated to the health sciences. By virtue of the quality of its faculty, the excellence of its patient care, the scope of its many outreach programs, and the many discoveries of its scientists, UCSF is considered one of the nation’s premier health sciences teaching, training, and research centers.

As one of the most prominent institutions in the San Francisco Bay Area, UCSF is the city’s second largest employer with a workforce of over 21,900 people. According to a 2010 economic impact report, UCSF generates more than 39,000 jobs (including those at UCSF) and produces an estimated impact of $6.2 billion that includes operations, construction, salaries, and local purchases by employees, students, and visitors.

For additional valuable information about UCSF and Campus Life Services - Retail please visit:
• www.ucsf.edu
• http://campuslifeservices.ucsf.edu/retail/

2. About Mission Hall Building

The 7-story, 264,000 square-foot building was designed using an Activity-Based Workplace (ABW) approach in which different rooms/spaces are designed for specific activities. Features of Mission Hall will include:

• Approximately 1,500 people working in the building
• Open space to allow for flexibility
• Defined spaces for meetings, conferences, workstations
• Various work spaces to accommodate different work styles

Overall, the variety of different workstations, meeting rooms, conference rooms, and “town centers” create a dynamic and interactive environment. The building has been designed using an adaptive planning approach, making it easy for future technological updates and changes.

Additionally, other retail at Mission Hall will include vending, laundry lockers, a pharmacy, and ATMs.

For more information on Mission Hall, please visit:
• http://space.ucsf.edu/mission-hall
Love Your Vendor! Partial proceeds from Retail partnerships fund Arts & Events for the UCSF community.

(Mission Hall concept photos)
Love Your Vendor! Partial proceeds from Retail partnerships fund Arts & Events for the UCSF community.
3. About the UCSF Customer

The average customer at UCSF is highly educated with a somewhat sophisticated palate as well as a diverse cultural background. Our customers include faculty, staff, graduate students, post-doctoral fellows, researchers, medical patients, and visitors. Many of our customers are long-term employees. Over 50% of the workforce has been with UCSF for more than 5 years, and 26% have been here for more than 10 years. As an ingrained philosophy at UCSF to always put the customer first, we seek food service tenants that specialize in quality, cleanliness, high-level service, flexibility with operations, and variety.

4. Description of Food Service Operation

The goal of this business operation is to provide quality food service in a dynamic setting for the UCSF community to meet, greet, and eat.

a. About the café space:
   • Located on the 1st floor adjacent to the lobby
   • 3,019 square feet

b. Utilities stubbed to premises:
   • 200 AMPs electrical power stubbed to premises
   • Ventilation shaft to roof to accommodate a Type 1 hood
   • Infrastructure for installing and connecting to sewer
   • HVAC capped off for future use (piping and ductwork)
   • Gas line and meter
   • Infrastructure for tenant to install restrooms
   • Raised floor for easier utility distribution

(Mission Hall raised floor photo)
c. Leasing parameters
- Market rent/commission – RATE TBD
- NNN lease – tenant pays all utilities plus a % of Common Area Maintenance (CAM) ESTIMATED COSTS TBD
- Term - up to 10 years (including options)
- Potential for future exterior coffee kiosk
- Tenant Improvements are the responsibility of the vendor
  - Required tenant improvements include (but are not limited to): drop ceiling, finished walls, lighting, HVAC, utility distribution, FF&E, signage
  - Vendor will hire own architect and contractor
  - Vendor is responsible for SFDPH permitting
- UCSF Retail Services will hire a UCSF project manager to oversee the project (approximately $40K to $60K)

d. Tenant cost examples (may not be complete list):
- Business license
- Possessory tax
- Employee badges
- Parking (if applicable)
- CAM
- Utilities
- Refuse disposal
- Janitorial
- Insurance
- Lease deposit

e. What we are looking for:
- A foodservice operation that complements the existing food services that will need to be open Monday – Friday (specific hours of operation TBD). Weekend hours are optional.
- Complements existing food services
- Sensitivity in price point
- Mandatory items/programs include:
  - Full-service coffee and espresso beverages
  - Cold drinks
  - Breakfast and lunch options
  - Grab n’ Go program
  - Strong catering program and participation in the UCSF America To Go catering system (see attachment D)
  - Participation in UCSF Sustainability Program for both food and waste (see attachment A) including participation in Smart Choice (see attachment E)
  - Participation in Bring Your Own Cup (BYOC) and FastPay programs
Love Your Vendor! Partial proceeds from Retail partnerships fund Arts & Events for the UCSF community.
5. Project Timeline

- May 29th - Informational Meeting
- June 5th by 5:00pm - Deadline for Questions
- June 13th - Q&A Sheet Distributed
- July 11th by 4:00pm - Proposals Due
- July 14th to August 1st - Proposal Review
- August 8th - Vendor Selection
- August to September - Design
- September - Design Review
- October - Permitting
- November - Begin Construction
- February 2015 - Grand Opening

Love Your Vendor! Partial proceeds from Retail partnerships fund Arts & Events for the UCSF community.
6. Qualification Submittal Requirements

Retail Services’ goal is to provide a high level of food service to the UCSF campus community. Qualified operators must have a minimum of 3 to 5 years of food service operation experience and own other food service operations in the San Francisco Bay Area. Proposals will be evaluated based on the submittal requirements outlined. After a comprehensive review of the merits of each qualification package, UCSF will select a short list of interested vendors to present their proposal and offer a food product demonstration.

7. Qualification Package Format

Each qualification package should include the information below formatted in the same order. Proposals will be rated (per section as listed below) on a numbering scale (4 = exceeds requirements, 3 = meets requirements, 2 = partially meets requirements, 1 = does not meet requirements, 0 = no response). The selection committee will compile all scores to determine a final score per proposal; highest-scoring proposals will be moved forward in the selection process.

A. Company Operating Philosophy
   a. Identify name, address, and telephone number.
   b. Identify the key contact person.
   c. Provide narrative and pictorial description of relevant comparable contracts for food service operations. Describe an overview of the strategic direction of your company, growth plans, service objectives, and business models. Include location addresses, number of years in business, operating performance statements, and contractual relationships.
   d. Provide narrative on how food service business at Mission Bay will be operated. Include information on sanitation, commissary, quality control and assurance, strategies on containing cost, and cleanliness procedures.
   e. Provide details on staffing/management structure, training and safety programs for employees and performance metrics. Include names and resumes of key personnel.
   f. Describe your company’s sustainability philosophy/program and explain how it is in line with UCOP’s System-wide Policy on Sustainable Practices of 20% sustainable food spend and zero waste by 2020. For additional details, please visit http://sustainability.ucsf.edu/what_ucsf_is_doing_2.
   g. Provide a catering business plan.
   h. Provide plan for becoming certified by SF Green Business
   i. Provide up-to-date, applicable SFDPH permit information.

B. Financial Information
   a. Provide evidence of financial resources with a minimum of two financial references or your company’s most recent annual report with 2 years of audited financial statements.
   b. Provide references from current landlord(s).
   c. The University requires information regarding any lawsuits, bankruptcy, liens, legal or financial actions either pending or in progress, or which have been brought against your company or any of its officers or principals in the past three years.
   d. Provide a current credit report of the business and/or individual(s).
   e. Complete the following financial information:
<table>
<thead>
<tr>
<th>Details Required</th>
<th>2011 Totals</th>
<th>2012 Totals</th>
<th>2013 Totals</th>
</tr>
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<td>Total Gross Revenue (US $MM)</td>
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<td></td>
</tr>
<tr>
<td>Net Income (US $MM)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Employees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Unique Employees dedicated to the services provided</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Total Annual Revenue represented by University of California San Francisco</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of Total Annual Revenue represented by 5 largest clients</td>
<td></td>
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</tr>
</tbody>
</table>

C. Marketing and Customer Service Plan

Provide a marketing plan for promoting and managing various clients from University customers to external users. Describe your philosophy as it relates to customer service in your profession and provide methods for delivering service excellence.

Describe any policies or efforts that have been used to provide business opportunities for local, small, socially/economically disadvantaged, and/or women-owned businesses.

D. Menu and Pricing

a. Provide proposed menu(s) to include ingredients, quality/freshness, preparation and presentation, style of cooking, portion size, weight, and price. Identify food products which are produced internally and which are bought for resale. Identify financial methods as it relates to balancing affordable price points as desired by the UCSF population.

b. Menu must include full-service coffee and espresso beverages, cold drinks, breakfast selections, lunch items, and grab n’ go options.

c. List manufacturers and brands of products you will offer for resale.

d. Highlight specific menu items that meet sustainable food guidelines (see attachment A) and smart choice guidelines (see attachment E).

E. Informational Meeting

- Date/Time: Thursday, May 29th 2014, 2:30pm to 4:30pm
- Location: Mission Bay Campus (meeting room TBD)
- Please RSVP by Monday, May 26th 2014
8. Qualification Package Checklist

To ensure you have submitted the required information, please use the following checklist. Proposals must be submitted no later than 4:00pm on Friday, July 11th 2014 to:

University of California San Francisco
Retail Services
500 Parnassus Avenue, Room 245E
San Francisco, CA 94143-0234
or
Email To: Retail.Services@ucsf.edu

A. Company Operating Philosophy
- Identify name, address, and telephone number.
- Identify the key contact person.
- Provide narrative and pictorial description of relevant comparable contracts for food service operations. Describe an overview of the strategic direction of your company, growth plans, service objectives, and business models. Include location addresses, number of years in business, operating performance statements, and contractual relationships.
- Provide narrative on how food service business at Mission Bay will be operated. Include information on sanitation, commissary, quality control and assurance, strategies on containing cost, and cleanliness procedures.
- Provide details on staffing/management structure, training and safety programs for employees and performance metrics. Include names and resumes of key personnel.
- Describe your company’s sustainability philosophy/program.
- Provide a catering business plan.
- Provide Plan to become SF Green Business certified.
- Provide proper SFDPH permits.

B. Financial Information
- Provide evidence of financial resources with a minimum of two financial references or your company’s most recent annual report with 2 years of audited financial statements.
- Provide references from current landlord(s).
- If applicable, provide documents pertaining to any lawsuits, bankruptcy, liens, legal or financial actions either pending or in progress, or which have been brought against your company or any of its officers or principals in the past three years.
- Provide current credit report of the business and/or individual(s).
- Complete financial information chart.

C. Marketing and Customer Service Plan
- Provide a marketing plan for promoting and managing various clients from University customers to external users.
- Describe your philosophy as it relates to customer service in your profession and provide methods for delivering service excellence.
- Describe any policies or efforts that have been used to provide business opportunities for local, small, socially/economically disadvantaged, and/or women-owned business.
D. Menu & Pricing

- Provide proposed menu(s) to include ingredients, quality/freshness, preparation and presentation, style of cooking, portion size, weight, and price. Identify food products which are produced internally and which are bought for resale. Identify financial methods as it relates to balancing affordable price points as desired by the UCSF population.
- Menu must include full-service coffee and espresso beverages, cold drinks, breakfast selections, and lunch items.
- List manufacturers and brands of products you will offer for resale.
- Highlight specific menu items that meet sustainable food guidelines and smart choice guidelines.
Attachment A. Sustainable Foodservices Practices

The University of California is committed to improving the University’s effect on the environment and reducing the University’s dependence on non-renewable energy. Licensee shall make a good faith effort to abide by the following food service practices, which may be changed from time to time in University’s sole discretion.

Sustainable Practices Policy – Revised November 18, 2013

The Sustainable Practices Policy (“Policy”) establishes goals in nine areas of sustainable practices: green building, clean energy, climate protection, sustainable transportation, sustainable building operations, recycling and waste management, environmentally preferable purchasing, sustainable water systems, and sustainable foodservices.

H. Sustainable Foodservices Practices

1. Campus and Medical Center Foodservice Operations

   Campuses and Medical Centers shall develop sustainability goals and initiatives in each of the four categories of sustainable foodservice practices listed below.

   a. Food Procurement: Each campus and Medical Center foodservice operation shall strive to procure 20% sustainable food products by the year 2020, while maintaining accessibility and affordability for all students and Medical Center foodservice patrons.

   b. Education: Each campus and Medical Center shall provide patrons with access to educational materials that will help support their food choices.

   c. Engagement with External Stakeholders: Campus and Medical Center departments, organizations, groups, and individuals shall engage in activities with their surrounding communities that support common goals regarding sustainable food systems.

   d. Sustainable Operations: Campus and Medical Center foodservice operations shall strive to earn third-party “green business” certifications for sustainable dining operations.

2. Retail Foodservice Operations

   a. Retail foodservice tenants will strive to meet the policies in H.1.a-d. above. Given the constraints faced by nationally-branded franchises that must purchase food through corporate contracts, location departments managing retail foodservice tenants will have the option of meeting H.1.a. (procuring 20% of all sustainable food products by the year 2020) by aggregating the purchases of all retail entities under the jurisdiction of a single operational unit on location.

   b. Locations will include Section H of this Policy in lease language as new leases and contracts are negotiated or existing leases are renewed. However, locations will also work with tenants to advance sustainable foodservice practices as much as possible within the timeframe of current leases.

The full policy can be found at: http://policy.ucop.edu/doc/3100155/Sustainable%20Practices

It is desirable that the operation be San Francisco Green Business certified. For specific details, please visit: http://www.sfgreenbusiness.org/program-standards/
Attachment B. UCSF Academic Senate Statement on Non-therapeutic Use of Antibiotics in Agriculture

In your proposal, please specify your current meat procurement practices and your plan to phase out the procurement of meat that has been treated with non-therapeutic antibiotics. For additional details, please see statement below from the UCSF Academic Senate:

Communication from the Sustainability Task Force
Tom Newman, MD, Chair

Statement on the Non-therapeutic Use of Antibiotics in Agriculture
April 3, 2013

Whereas:

- Eighty percent of antibiotics sold in the United States are used for animal agriculture, primarily for non-therapeutic purposes;\textsuperscript{1,2}
- Antibiotic resistance is increasing across the country;\textsuperscript{3}
- There is a growing body of research that links antibiotic resistance to the overuse of antibiotics in animal agriculture, presenting a serious risk to human health;\textsuperscript{4,5}
- There is a strong consensus among independent experts, including the U.S. Institute of Medicine/National Academy of Science and the World Health Organization, that antibiotic use in agriculture contributes to growing antibiotic resistance. More than 300 organizations, including the American Medical Association, American Public Health Association, and Health Care Without Harm, have advocated ending the non-therapeutic use of medically important antibiotics as feed additives;\textsuperscript{6,7,8}
- Non-therapeutic use of antibiotics in livestock was banned in Sweden in 1980s, Denmark in the 1990s, and in the rest European Union in 2006, but multiple attempts to ban this practice in the US over the last 30 years have been thwarted by the factory farming and pharmaceutical industries;\textsuperscript{9}
- Several hospitals and school systems across the country are already committing to procuring meat raised without non-therapeutic antibiotics;\textsuperscript{10,11}

Therefore, the UCSF Academic Senate:

- Calls on UCSF food services to phase out of all procurement of meat produced with the use of non-therapeutic antibiotics.
- Encourages the entire UC system, including all of the UC medical and academic foodservice facilities, to develop a timeline for a similar phase out.
- Urges UCSF students, faculty and staff to become familiar with the significant risks imposed by the non-therapeutic use of antibiotics in agriculture and to help educate the public and decision makers regarding the importance of reserving antibiotics for therapeutic use.


\textsuperscript{3} The Center for Disease Dynamics, Economics & Policy, Resistance Map, http://www.cddep.org/resistancemap/overview/?UmpiAnDFRM

Attachment C. UCSF Smoke-Free/Tobacco-Free Workplace Policy

The University of California, San Francisco (UCSF) has a smoke-free campus policy to lower health risks and improve the environment/air quality. Per the policy 550-10, smoking is prohibited on University-owned or -leased property, buildings, vehicles, and moving equipment. Tobacco products are not to be available for purchase at any UCSF facility. Additional information on policy 550-10 can be found at: http://policies.ucsf.edu/policy/550-10

Additionally, on September 3, 2013, UCSF implemented a tobacco-free at work policy to enhance these health efforts and initiatives. Policy 550-22 requires that ALL UCSF employees must remain tobacco-free while on scheduled work time, even during breaks, on or off campus. Additional information on policy 550-22 can be found at: http://policies.ucsf.edu/policy/550-22

The UCSF Living Well Program also provides smoking cessation aides, resources, and therapy. For more information, please visit: http://livingwell.ucsf.edu/programs/smoking_cessation
Attachment D. America To Go Catering

America To Go is a UCSF Campus Procurement initiative that will enable users to order catering through BearBuy, which is an internal portal for campus departments to place purchases. As early adopters of the program, UCSF Retail Services encourages all vendors to join the America To Go catering system. Benefits for both restaurants and customers alike include (but are not subject to) the following:

- 24/7 customer service and account management
- Easy-to-access financial and order history
- Efficient ordering and approval process
- Online database to access and search restaurants, menus, and save favorites
- Improves compliance relative to University Meeting and Entertainment Policy

To learn more about BearBuy, please visit: http://cpbc.ucsf.edu/missionvision-0

To learn more about America To Go, please visit: http://americatogo.com/
Attachment E. Smart Choice Guidelines

Program History
Smart Choice is the food wellness awareness program at the University of California, San Francisco (UCSF). The program was developed by UCSF Medical Center Department of Nutrition & Food Services and the UCSF Campus Life Services - Retail with the goal to promote healthy eating among UCSF retail food consumers.

The program has two main objectives:
1. Increase consumers’ awareness of nutrient content of foods by providing nutrition facts, labeling, and icons.
2. Increase consumers’ likelihood of buying healthy items via promotion of healthy items (i.e. incentives).

How to identify Smart Choice items:
• Entrees/meals meeting the following criteria will be identified with a Smart Choice icon on a menu sign or “cling” at the serving areas. If the item is packaged, the icon may also be placed directly on the package.
• Smart Choice criteria are summarized in an easy-to-read format and posted in café area.
• Specific nutrition facts for Smart Choice items are available to customers, posted in café and are available in writing. This web site will provide links to nutrition information in the future.

Smart Choice Standards
The Smart Choice criteria are based on several large-scale evidence-based sets of nutrition guidelines. Our criteria were also informed by a newly created national icon program called Smart Choices, in which large retail food companies partner with nutrition advisors to identify healthful food choices with a front-of-pack symbol. Labeling of Smart Choice items at UCSF began in mid-2009.
Attachment E. Smart Choice Guidelines (cont.)

SMART CHOICE

RATED “S” FOR SMART

Smart Choice meals meet the following criteria:

**Calorie controlled**
- 700 calories or fewer

**Low in fat**
- 27 grams or fewer total fat
- 6 grams or fewer saturated fat
- No trans fat
- 100 milligrams or fewer cholesterol

**Low in sodium**
- No more than 770 milligrams sodium

**Rich in nutrients**
- At least 10% Daily Value of one or more key nutrients
  - and/or
- At least one serving of fruits, vegetables, or whole grains

Visit smartchoice.ucsf.edu for more information.
Attachment F. Map of UCSF Mission Bay Campus