



Edwin M. Lee, Mayor  
Philip A. Ginsburg, General Manager

**Date:** October 14, 2011  
**To:** Recreation and Park Commission  
**From:** Lev Kushner  
Nicole Avril  
**Re:** Coit Tower RFP

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### **Agenda Item Wording**

Approval of the issuance of Request For Proposals for the Lease and Operation of Food and Beverage Sales, Gift Shop Sales and Elevator Operation at Coit Tower.

### **Background**

The Recreation and Park Department (“RPD”) of the City and County of San Francisco (the “City”) is soliciting proposals from qualified respondents to lease and manage concession opportunities at Coit Tower (the “Tower”), located on Telegraph Hill in San Francisco. The Tower is an international landmark and offers magnificent views of San Francisco Bay, as well as the City, both from lower viewing areas and the observation platform at the top of the Tower. Boasting visitorship of over 200,000 annually, Coit Tower is a must-see for all tourists, both because of its views and because of the extensive WPA-era murals throughout the interior. It is San Francisco’s City Landmark #165 and is listed on the National Register of Historic Places.

The City is prepared to enter into a five-(5) year Lease, with one three (3)-year extension period, to be offered at the city’s sole option. in exchange for the faithful performance of expected duties more fully described in the RFP. The City will select a qualified respondent who has demonstrated through past experience the ability to operate and manage an operation of this nature and an understanding of and respect for historic resources. The Department understands that the Coit Tower concession opportunity requires skill and experience in varied fields and so will accept joint-partnership proposals from teams as long as all qualifications are represented within the team.

### **Outreach**

Building on the existing working relationship with community groups created as a result of previous RFPs for this facility, staff has had conversations regarding the re-issuance of this RFP with the Telegraph Hill Dwellers (THD) and the Pioneer Park Project (PPP), both of whom sat on the previous RFP’s selection committee. Staff has also spoken with Supervisor Chiu’s office and notified them of this RFP. Because the text of the previous RFP was vetted extensively by community groups, who had asked for concerns regarding traffic, noise, the quality of goods sold, and historic preservation issues to be addressed, and because this RFP utilizes the exact same text on those issues, staff has received approval from THD and PPP.

### **Key RFP Terms**

- Rent to be paid monthly as the greater of a Minimum Annual Guarantee or a percentage rent of the concessions.
- One five (5)-year term with one city-controlled three (3)-year option.

- Minimum Qualifications of experience in managing a tourist-friendly business of the nature of this opportunity.
- All standard City insurance and indemnification requirements.
- As with the current contract, Concessionaire remit 90% of elevator admissions revenue to the City.
- A Minimum Annual Guarantee of at least \$700,000 and a percentage of the various revenue streams.

RFP issued:	October 24, 2011
Pre-submittal conference and tour:	Wednesday, November 30, 2011 at 2pm at Coit Tower Wednesday, December 7, 2011 at 2pm at Coit Tower
Deadline for submission of written questions:	Tuesday, December 13, 2011 at 5pm
Proposal deadline:	No later than Friday, January 10, 2012 at 5pm. Responses shall be submitted via email to <a href="mailto:cassandra.costello@sfgov.org">cassandra.costello@sfgov.org</a> . February, 2012
Recreation and Park Commission consideration of selected respondent:	February, 2012
Lease negotiations:	March – April, 2012
Recreation and Park Commission approval of lease:	May, 2012
BOS and Mayor approval, if required	June, 2012
Lease commencement:	Summer 2012

**Recommendation**

Staff recommends approval for this RFP soliciting an operator to manage Coit Tower.

**Supported By**

- Department Management and Staff
- Supervisor Chiu
- Telegraph Hill Dwellers
- Pioneer Park Project
- Pier 39
- North Beach Merchants Association

**Opposed By**

No known Opposition

**Attachments**

RFP