INFORMATIONAL MEMORANDUM

TO: Agency Commissioners
FROM: Fred Blackwell, Executive Director
SUBJECT: Issuance of a request for construction bids to construct tenant improvements in the new theater space for Bindlestiff Studio, Plaza Apartments, Sixth and Howard Streets; South of Market Redevelopment Project Area

EXECUTIVE SUMMARY

The purpose of this memorandum is to inform the Commission of staff's intention to issue a request for construction bids to construct tenant improvements in the new theater space for Bindlestiff Studio located below the Plaza Apartments at 6th and Howard Streets in the South of Market Redevelopment Project Area (the “Project Area”). The Plaza Apartments was opened by the Public Initiatives Development Corporation, an Agency subsidiary, in December of 2005 as housing for the formerly homeless.

Bindlestiff Studio is a former tenant of the building demolished to construct the Plaza Apartments. In 2003, Bindlestiff Studio received an initial grant from the Agency to fund Paulett Taggart Architects (the “Architect”) to develop architectural plans for the new theater space. The 2008 Agency budget, adopted by the Agency Commission and the Board of Supervisors, contained a line item to fund the tenant improvements of the Bindlestiff Studios. A loan agreement with Bindlestiff Studio and Thick Description, the property manager for the new theater space, was approved by the Commission on August 9, 2009, which documented the funding of the construction of the tenant improvements and the operation of the theater (the “Loan Agreement”).

The attached construction bid package was prepared by Agency staff and the Agency’s consultant, Armando Vasquez Architecture and Construction Management (the “Construction Manager”) to implement the Loan Agreement. Unless the Commission objects, the request for construction bids will be released to the public on January 8, 2010.

DISCUSSION

Since 2003, the Agency has worked with Bindlestiff to develop the new theater space. Through a Grant Agreement, which was approved in June 2003 and amended in subsequent years, the Agency provided Bindlestiff with funding for organizational development, architectural services, and fundraising consultants to prepare architectural plans and raise the funds necessary to complete the tenant improvements for the new theater space. The grant agreement expired in 2007. Though Bindlestiff was unable to raise any tenant improvement funds, the architectural
plans were nearly completed. In order to move this new theater space project forward, the Agency has budgeted for the entire cost of the tenant improvements.

The Agency recently selected the Construction Manager to facilitate the selection of a contractor and the completion of tenant improvements in the new theater space. Additionally, Bindlestiff is negotiating a lease with Public Initiatives Development Corporation (“PIDC”) to move into this space. The current estimate for the cost of tenant improvements is $600,000. Pursuant to the Loan Agreement, the Agency agreed to fund the entire cost of the tenant improvements and Bindlestiff agreed that the completed theater space will be available for rental by other groups approximately 50 percent of the time. In addition, Bindlestiff agreed to work with a property manager, Thick Description, for at least the initial five years of theater operations. Thick Description, an independent arts group with experience managing theaters, will help manage the theater and coordinate the use of the theater by other groups.

The Agency entered into a new contract with the Architect to finish the construction drawings begun under the Grant Agreement and to assist in preparing this bid package. The Construction Manager prepared this request for construction bids and will work with the Agency to recommend a contractor for the construction of the tenant improvements. The proposed tenant improvement work includes, but is not limited to:

- Interior finishes in the new theater space
- New restrooms
- Lighting and signage
- Ceiling grid for theater lighting

The request for bids will be released to the public on January 6, 2010, unless the Commission objects. The request for bids will be publicized to developers and consulting firms through direct mailing, newspapers of general circulation, community newspapers, and the Agency’s and City’s websites. Staff anticipates returning to the Commission in early 2010 for authorization of the construction contract with the recommended contractor. Construction of the tenant improvements is projected to be completed by August 2010.

(Originated by Angela Heyward, Development Specialist)

Fred Blackwell
Executive Director

Attachment:
Draft Bid Package for Bindlestiff Theater Tenant Improvements part I
Draft Bid Package for Bindlestiff Theater Tenant Improvements part II