

PUERTOSF

PROPOSAL FOR PIER 33 1/2

BY

ANCHOR HOSPITALITY GROUP

DEREK SMITH, MICK SUVERKRUBBE,

AND HIGHWAY ONE HOSPITALITY

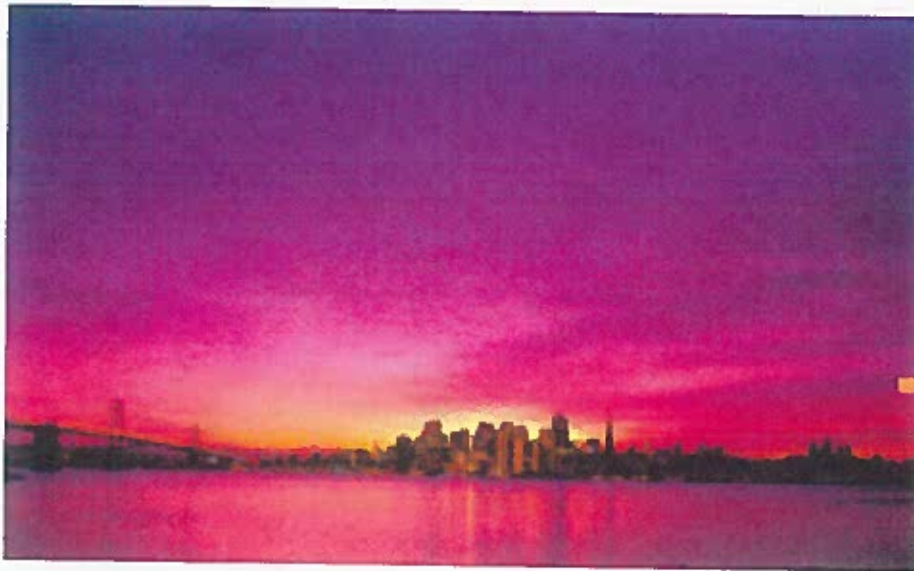


TABLE OF CONTENTS

Submittal C

Introductory Cover Letter 1

Section A: Proposed Concept

A.1 PuertoSF 2
PuertoSF Sample Menu 3
A.2 4
A.3 4-5
A.4 Operational Structure & Staffing Plan 5-8

Section B: Design Intention and Capital Investment

B.1 9
B.2 Floor Plans and Renderings 10-16
B.3 Ingress Egress Map 17
B.4 18
B.5 18
B.6 Construction Timeline 19
B.7 Design & Construction Team 20-21
B.8 22

Section C: Experience and Financial Strength

C.1 Qualifying business 23-25
C.2 Financial Statements 26
(attached in submittal section)
C.3 26
C.4 26

Section D: Proposed Rent & Business Plan

(attached in submittal section) 27

Section E: Local Business Participation

E.1 Community Engagement 28
E.2 Local Business Utilization 29

SUBMITTALS

ATTACHED AT END OF DOCUMENT AFTER PAGE 30

Submittal A: Statement of Minimum Qualifications

Submittal B: Statement of Ability to Comply with Government Regulations

Submittal D: Financial Pro Forma

Submittal F: Minimum Rent Offer

Submittal E: Proposal Deposit OR Letter of Credit

From Section C:

Financial Statements for
Highway One Hospitality & Nick's Cove
Derek Smith
Mick Suverkrubbe

INTRODUCTORY COVER LETTER

The Port of San Francisco is the gateway to a world-class city. The team at PuertoSF supports the Port's efforts in bringing this landmark back to life for present and future generations to enjoy.

We envision PuertoSF as a connection between the Embarcadero and the Bay -- an exciting and dynamic waterfront restaurant will cater to San Francisco's diverse local residents, businesses, and visitors from around the world.

PuertoSF will offer fresh, Baja-inspired Mexican food in a lively and gracious atmosphere within a vibrant setting. From casual drinks at the bar, to enjoying a lavish dinner, to organizing a special event or a company celebration, PuertoSF will continue to activate the Embarcadero corridor and enhance its maritime presence while contributing to the culinary richness of the city.

The ultimate goal of the project is to create a new window between the Embarcadero and the Bay. Water traffic will be attracted by its one-of-a-kind on-the-water take-out, welcoming small boats to purchase food to go or set anchor alongside its pier to disembark through the waterfront terrace. Its pedestrian take-out window facing the Embarcadero will appeal to pedestrians by teasing their curiosity to pause and peek inside, providing an indoor/outdoor lounge area to enjoy.

PuertoSF will create dozens of jobs across its different spaces and services including lounge areas for wine and spirits tasting, tapas, or coffee; private dining, terraces, a bayside bar, pedestrian bar, take-out window and retail space, servicing other businesses as well as contributing to the local economy.

We firmly believe that PuertoSF complements the overall vision of The Port of San Francisco and Embarcadero corridor by contributing a space that celebrates diversity by providing top exotic culinary and recreation options while recognizing the past, present and future of this exclusive location.

SUBMITTAL CONTENTS

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SECTION A PROPOSED CONCEPT

A.1 Describe the Restaurant proposed. Include information on the theme, ambiance, hours of operation, days of operation, menu, and pricing.

PuertoSF is a chic, fun, Mexican-inspired multi-use restaurant located at Pier 33 1/2 in the Port of San Francisco. Drawing inspiration from the rich seafood traditions of Baja California, PuertoSF appeals to tourists, locals, families, and businesses with its myriad offerings. From a full bar for after-work drinks, to a bayview private dining room perfect for corporate gatherings; from grab and go breakfast and lunch items to a full, seasonal menu perfect for date nights, family nights out, and groups of foodie friends, PuertoSF is the ideal concept and location to serve vast array of dining needs.

With vibrant pinks, oranges, and teals, the bright color palette of PuertoSF evokes a breezy baja vibe and cheerful ambiance that is reflected in the design, the menu, and the service. Fresh coastal seafood is ever present on the menu, and a tempting array of fresh fruit cocktails and local California wines complement the lively cuisine. In order to serve the various needs of the diverse population of guests, PuertoSF will be open seven days a week for lunch, dinner, an early and a late happy hour, and weekend brunch. A grab and go window offering coffee, fresh breakfast burritos, and a variety of sandwiches and salads will be open Monday-Friday 8 a.m. - 5 p.m.

SAMPLE MENU

BOTANAS

CHICHARRONES, CHARRED PINEAPPLE-HABANERO HOT SAUCE \$10

BROKAW FARMS GUACAMOLE, SERVED WITH CRISPY CORN TORTILLAS CLASSIC \$12

WITH WOOD GRILLED BRENTWOOD SWEET CORN \$13

WITH DUNGENESS CRAB \$16

SMOKED TROUT TOSTADA, ACHIOTE VERDI, HEIRLOOM TOMATO, CILANTRO FLOWERS \$16

SEA URCHIN CEVICHE, HABANERO, FINGER LIME, AGUA CHILI \$18

TAMAL, SMOKED SWEET POTATO, SALSA QUEMADA \$12

BLUE CORN QUESADILLA, BLACK BEANS, QUESO FRESCO, HUITLACOCHÉ, TOMATILLO SALSA \$14

CHOCOTES, MASA DUMPLINGS, PEPIAN VERDI, COTIJA \$14

WOOD OVEN

ENCHILADAS TRES QUESOS, CHILI ROJO BRAISED CHICKEN, CRISPY CHICKEN SKIN \$20

RAJAS, SMOKED POTATOES, ROASTED POBLANOS, GARLIC MOJO, PAPALO \$18

QUESO FONDITO, HOUSE CHORIZO, PICKLED ONION, CILANTRO, WARM TORTILLAS \$18

BIRIA – BRAISED DON WATSON GOAT, CHILI NEGRO SALSA, BLUE CORN TORTILLAS \$28

MOLE PABLANO, CONFIT SONOMA TURKEY, COTIJA, PIETAS \$28

WOOD GRILL

WHOLE LOCAL SNAPPER, SOFRITO, AVOCADO YOGURT, RADISH \$32

CITRUS & ACHIOTE MARINATED MARY'S CHICKEN \$28

CARNE ASADA – FLANNERY N.Y. STEAK, CHARRED ONIONS, SALSA NEGRA \$40

COCHINA PIBIL – OAK GRILLED AND BRAISED PORK SHOULDER, CARROT ESCABECHE \$28

SIDES

CHIPS – CRISPY HANDMADE TORTILLAS \$6

SALSA – SELECTION OF OUR HOUSE MADE SALSAS \$5

HANDMADE TORTILLAS – YELLOW CORN, BLUE CORN, FLOUR \$7

GRILLED AVOCADO, LIME, CHILI SALT \$10

A.2 Describe how the proposed Restaurant will complement the neighborhood and surrounding environment.

The area surrounding Pier 33 1/2 currently lacks any Mexican-inspired fare, and no other restaurant offers such a wide array of multi-use spaces. PuertoSF offers a glassed-in private dining room overlooking the Bay, a large bustling bar area, patio seating, and a variety of tables to suit any configuration of large and small groups. PuertoSF aims to serve families visiting the nearby Exploratorium; groups embarking on or returning from tours of Alcatraz; nearby businesses looking for a suitable place to host a variety of corporate functions; tourists visiting Fisherman's Wharf, Pier 39, and the Ferry Plaza; and local residents who are currently underserved by chic, exciting, welcoming restaurants. PuertoSF is friendly for a large variety of local residents and groups, and has tailored offerings depending on the time of day, day of the week, or experience sought. Ultimately, it is a neighborhood destination with a reach far beyond the immediate neighborhood.

A.3 Include a detailed plan for marketing the restaurant and maximizing sales, revenue and customer satisfaction.

Crucial to the success of a restaurant in this crowded culinary landscape will be the marketing and public relations plan. PuertoSF has retained Caitlin Sandberg of Poppyseed PR to spearhead initial PR efforts. A comprehensive marketing plan will follow the initial PR push, and includes a full week of kick-off events that will include a VIP party for local concierges, neighbors, and notable San Francisco residents; friends and family dinners; a media preview night for local and regional press; and a community open house day that will introduce PuertoSF to the general public with a sampling of bites, drinks, and a gift certificate raffle with proceeds going to local SF charity.

Once in operation, PuertoSF will continue to engage with various local communities by participating in events such as Eat Drink SF, the Star Chefs & Vintners Gala benefitting Meals on Wheels, CUESA demonstrations at the Ferry Plaza Farmer's Market, and other events. In addition to the a direct e-mail marketing program, a deeply connected social media presence, and ongoing public relations efforts, PuertoSF is sincerely committed to every guest's experience. Beyond reading comment cards and responding to individual online reviews, PuertoSF takes all customer feedback seriously, and plans to discuss new methods to continually exceed guest expectations at monthly staff and manager meetings.

**CAITLIN SANDBERG
PUBLICIST**

After ten years of working front of house in some of San Francisco's top restaurants while simultaneously freelancing as a food and travel writer, Caitlin Sandberg decided to dive head first into hospitality public relations in 2010 in order to help restaurants and hotels tell their stories to a wider audience. For the first few years of her her career in PR she worked in agencies, but soon realized that she could better serve smaller restaurants (with smaller budgets) if she went off on her own. In 2015 she started Poppyseed PR so she could offer high-touch culinary communications to a small group of San Francisco-based clients and has been able to garner impressive recognition for them including top tier placements in local and national food, travel and lifestyle publications. She is currently working with Lord Stanley, Nick's Cove and Cottages, Contrada, Serpentine, SF Cheese Fest, and Commonwealth.

A.4. Provide a Proposed Operations Plan, including Management and Operational Structure of the business, and staffing

OPERATING STRUCTURE
FOR
ANCHOR HOSPITALITY GROUP, LLC

MANAGING MEMBERS

H1H, LLC – Financial and Legal Director
Derek Smith – Public Relations Director
Michael Suverkrubbe - Director of Operations
Chef Carlos Gaytan – Culinary Director

GENERAL MANAGER
John Jasso

EXECUTIVE CHEF
Robert Hurtado

Assistant GM
TBD

Sous Chef
TBD

Position Title	Staff Name	Experience Qualifications	General Responsibilities
Director of Finance, HR & Legal	Dena Grunt for H1H, LLC	20-years experience in restaurants, hotels, and human resources	Finance, Legal and Human Resources
Director of Public Relations	Derek Smith	32-years of business and entrepreneurial experience, including owning/operating more than 10 businesses	Oversight of Marketing, Advertising, and PR opportunities
Director of Operations	Michael Suverkrubbe	25 years experience as manger and owner of numerous award winning restaurants including 19-years in SF Bay Area	Oversight of Management Staff and Executive Chef - Marketing, Budgeting and Cost Control
Culinary Director	Chef Carlos Gaytan	15-years as Chef and owner of restaurants in Mexico and Chicago - Michelin Star Award	Oversight of Menu Culinary Direction and Executive Chef - Budgeting and Cost Control
General Manager	John Jasso	15 years as manager and owner of restaurants in SF Bay Area including several Michelin Star Award winners	Oversight of AGM and Floor Manager - Budgeting and Cost Control
Executive Chef	Chef Robert Hurtado	5-years as restaurant chef in SF Bay Area including several Michelin Star Award winners	Oversight of Sous Chef, Kitchen Staff, menu execution - Budgeting and Cost Control
Sous Chef	TBD	3-5 years experience in fine dining restaurants	Oversight of Kitchen Staff and menu execution and Cost Control
Assistant General Manager	TBD	3-5 years experience in fine dining restaurants	Beverage Management, supervision of bartenders, servers, bussers and hosts
Floor Manager	TBD	3-5 years experience in fine dining restaurants	supervision of bartenders, servers, bussers and hosts
Service Staff	20 employees TBD	2 years experience in fine dining	Customer service, order taking, food and drink service
Kitchen Staff	21 employees TBD	2 years experience in fine dining	Food preparation and production
Admin Staff	5 employees TBD	1 year hospitality experience	Customer service, reservations and private events

Key Management Staff

MICK SUVERKRUBBE
GENERAL MANAGER AND PARTNER

Mick is a seasoned restaurateur who has worked in the hospitality industry for over 25 years. Mick started out his career in hospitality with the renowned restaurant organization, The Mastro Group, while attending college at Arizona State University. After graduating, Mick joined The Mastro Group to develop a seven-unit chain of Maloney's Taverns. Mick became a partner with the Mastro Group in Los Angeles at the age of 25.

Mick has opened and operated 12 restaurants and bars across the country, including in Phoenix, Los Angeles, Boston, and most recently in San Francisco. Mick moved to San Francisco in 2000, and has opened and operated several successful bars and restaurants in SF including The Cosmopolitan, Cozmo's Corner Grill, CIRCA, Social Club, The Parlor Bar and most recently Contrada on Union Street. Since arriving in The Bay Area, Mick has been heavily involved with local community affairs, especially in the Marina District, where he served as President of the Marina Merchants Association from 2003-2008. He has also served on the board of Directors of the Fisherman's Wharf Merchant Association and the Golden Gate Restaurant Association for many years. Mick brings a lifetime of restaurant experience, a one-of-a-kind understanding of all restaurant operations, and unrivaled savvy and business sense.

JOHN JASSO

BEVERAGE DIRECTOR

John is lifelong restaurant professional from Los Angeles who has truly done it all. His career has spanned 20 years on both coasts and has included stints in the front of house and back of house with roles that include short order cook, Michelin star Maitre d', and owner of a neighborhood cocktail bar just to name a few. There's no aspect of restaurant operations that John isn't familiar with.

After college at San Diego State, John moved to New York and spent time at numerous restaurants and nightclubs, in San Francisco, as Maitre d' and Assistant Sommelier at Gary Danko, John helped build a wine program that went on to win the "Grand Award" from Wine Spectator Magazine. From there John transitioned to the GM position at the renowned Fifth Floor Restaurant, continuing to sharpen his considerable skills.

In 2003 John realized a lifelong dream opening Tablespoon with Partner Robert Reischer. The Modern American Bistro was a favorite in the neighborhood and specialized in gracious service combined with French and Spanish techniques. In 2007 John and his partners sensed the craft cocktail movement early and transformed Tablespoon into Bar Johnny. The Modern Day Pub was a hit, serving refined but unpretentious cocktails and food to a thirsty Polk St. crowd. John brings a remarkable front-of-house pedigree, a voluminous wine and spirits knowledge, and a genuine approach to service and leadership.

CARLOS GAYTAN

CONSULTING CHEF

Chef Carlos Gaytan arrived in Chicago in early 1991, quickly working his way up from pantry cook to line cook at Sheraton North Shore Hotel. After earning a position as Chef Garde Manger, Carlos discovered his creative ability to carve on ice, fruit and vegetables, winning several awards for his talent. In 1996, Carlos earned a position as Chef Garde Manger at the Union League Club of Chicago, ranked as the best private club in the nation. In April of 2004 Carlos became the Chef de Cuisine at Bistrot Margot where he worked with renowned French Chef Dominique Tougne and participated in such events as the Confrerie de la Chaide de Rotisseurs, the Moet and Chandon Brunch and the Annual Flora Springs Dinner Auction in Napa Valley. In May of 2008, Carlos opened his own restaurant -- Mexique on Chicago Avenue in Chicago. With great creativity, love, and dedication he applies his knowledge of French cooking techniques and ingredients to his roots of traditional Mexican cuisine, creating a revolution of Mexican gastronomy. Mexique has received much recognition since its opening, including one of Chicago magazine's top new restaurants of 2009, best restaurant of 2010 and received its first star in the Michelin Guide in 2013. Most recently Carlos was awarded "Chef of the Year 2011," by the American Culinary Federation.

SECTION B

DESIGN INTENTION AND CAPITAL INVESTMENT

B.1 Provide a narrative description of the design concept.

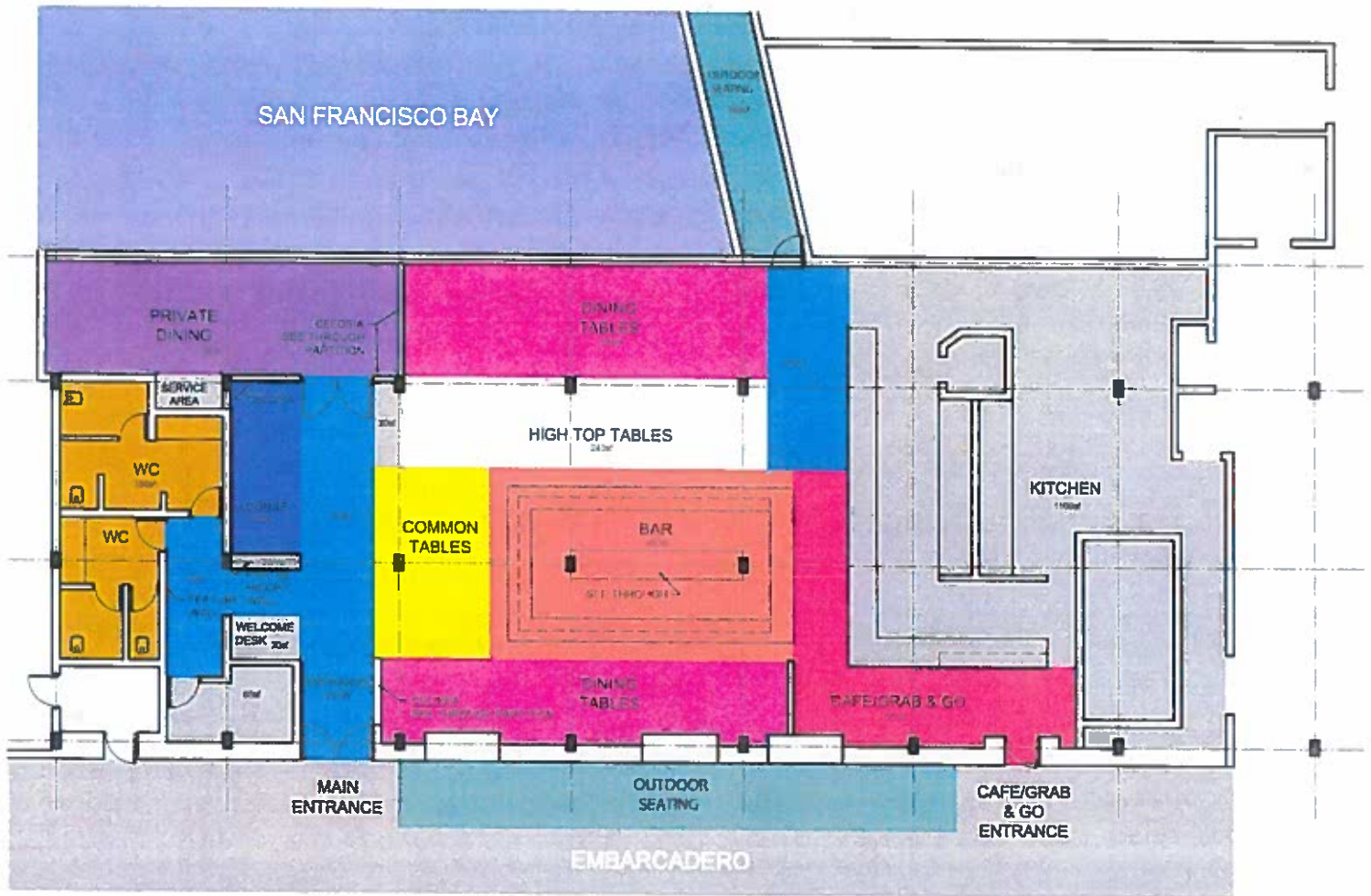
PuertoSF's vibrant, chic, inviting, and multifunctional appeal is present in every aspect of its design. The location at Pier 33 ½ lends itself to being a true gateway between the San Francisco Bay and the Embarcadero, and it is designed to be welcoming to diverse types of visitors. From small boats dropping anchor at the pier and looking for dockside takeout; to families en route to the Exploratorium or Alcatraz Island; to corporate groups looking for a dramatic private dining room; to a few friends in search of drinks and a meal -- PuertoSF's design will make these distinct groups, and many more, feel utterly captivated and at home.

Upon entrance from the Embarcadero, visitors are greeted with a large square bar area, filled with plenty high top tables and comfortable stools. Dramatic picture windows are visible in the background, providing a view of the bay beyond. Moving into the restaurant, multiple seating areas of booths, tables, and chairs provide plenty of distinct areas for quick afternoon lunches, long leisurely meetings, and elegant, festive dinners. Off to the left there is a dramatic private dining area, with its sparkling glass walls allowing beautiful outdoor light to illuminate the space. Once outside, the pier is neatly appointed with an outdoor bar and multiple, mixed-height seating areas. A to-go takeout window offers daytime options for those looking for a quick bite or a warming cinnamon latte.

Inside and out, hallmarks of PuertoSF's vibrant, contemporary design is influenced by Mexican-American cultural touchstones, lush tropical greenery, and elegantly modern yet entirely functional elements.



FLOOR PLAN




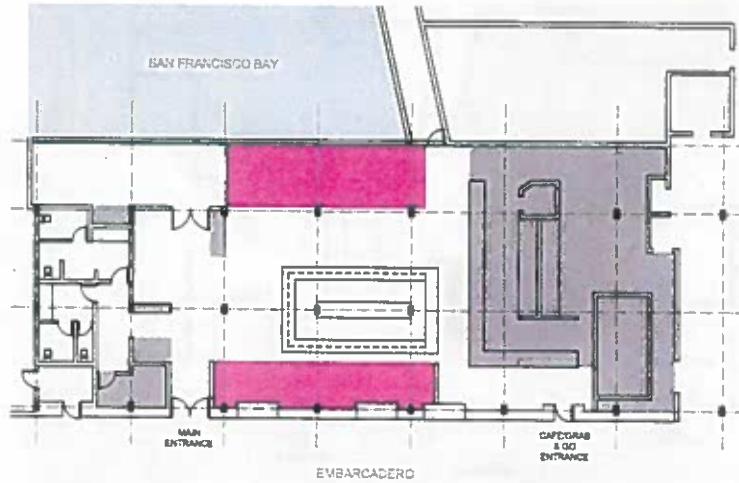
- | | |
|--|---|
| BAR | OUTDOOR SEATING |
| KITCHEN & SERVICE AREAS | PRIVATE DINING |
| DINING DAY & NIGHT | COMMON & HIGH TOP TABLES |
| CAFE GRAB & GO / RETAIL | CIRCULATIONS |
| LOUNGE | BATHROOMS |



PUERTO SF



 KITCHEN & SERVICE AREAS



 DINING DAY & NIGHT

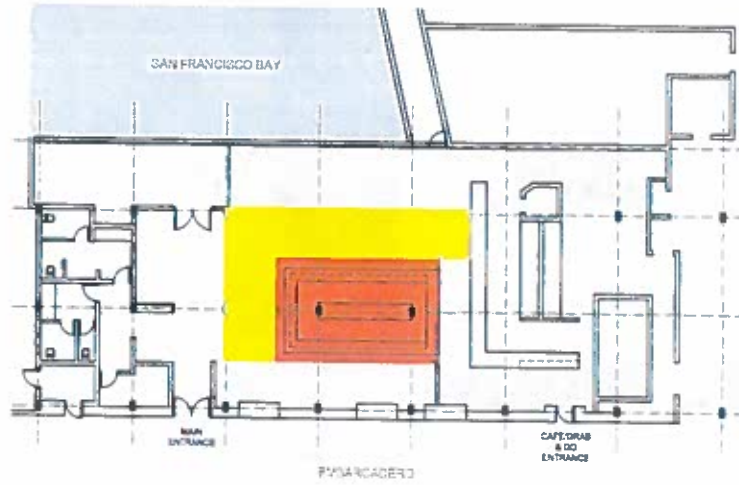


CONCEPTUAL IMAGES

PUERTO SF



 BAR

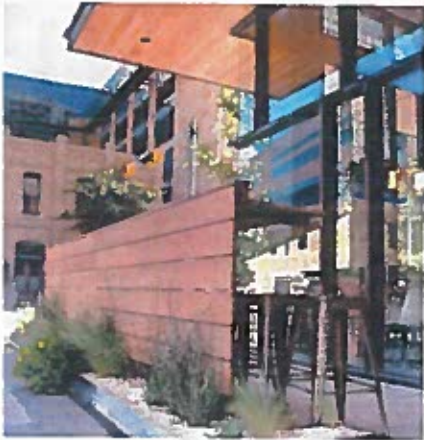


 COMMON & HIGH TOP TABLES

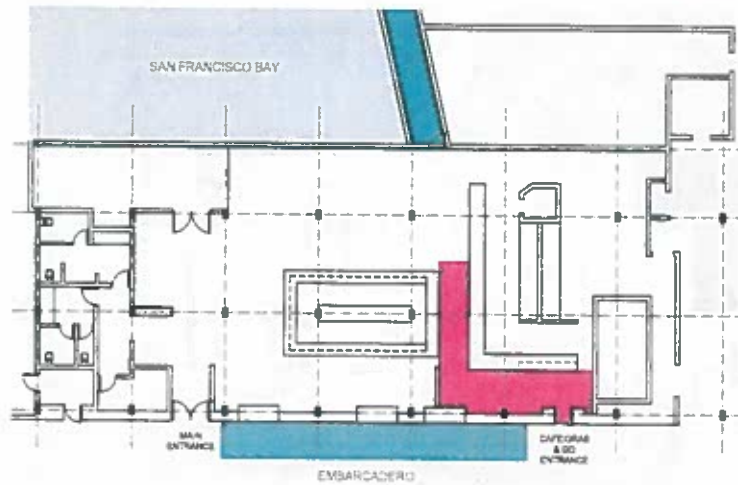


CONCEPTUAL IMAGES

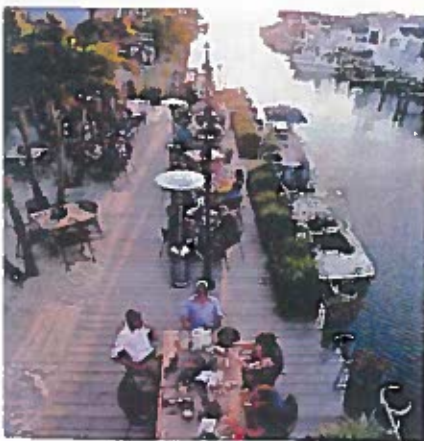
PUERTO SF



CAFE GRAB & GO / RETAIL



OUTDOOR SEATING

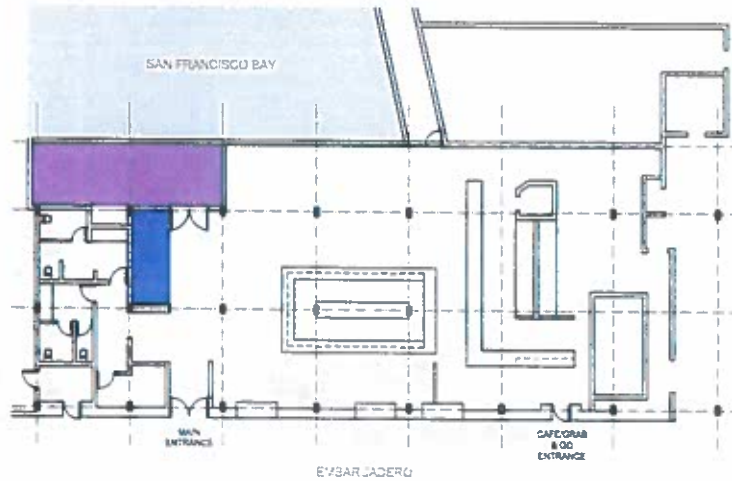


CONCEPTUAL IMAGES

PUERTO SF



LOUNGE



PRIVATE DINING



CONCEPTUAL IMAGES

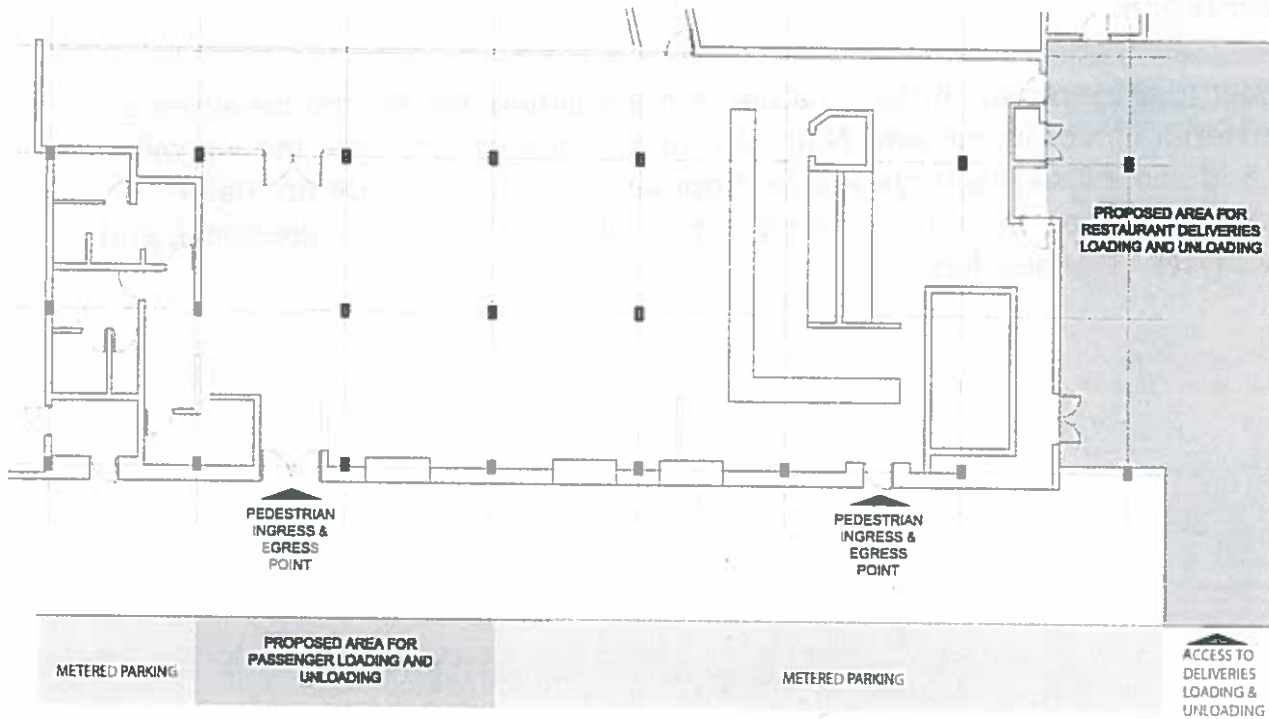


EXTERIOR RENDERING OF EMBARCADERO SIDE



EXTERIOR RENDERING OF BAY SIDE

B.3 Ingress / Egress Map



33 Embarcadero

Ingress-Egress Plan
January 28, 2018

DRAWING SCALE 1/8" = 1'-0"

SK.02

B.4 Describe the materials to be used and application in the Restaurant design.

The polished and vibrant interior will feature some exposed beams, wood tables, and natural greenery. A mix of cool metals, warm woods, and live plants will lend themselves to a lush and colorful interior experience.

B.5 Describe design compliance with applicable standards for historic preservation.

In order to preserve the historic nature of the building, we will not be altering the exterior in a dramatic way. Naturally the signage will change, and we will also add some lush plantings and outdoor seating. There will be no major structural changes, though we plan on upgrading the plumbing, electrical, and HVAC systems as needed.

B.6 Construction Timeline

August 2018
Final Lease Approval

September 2018 to December 2018
Design and permit submittal

January 2019 to April 2019
Construction

May 2019
Pre-Opening Phase and staff training

June 2019
Grand Opening

B.7 Provide the proposed design and construction team members.

DEREK SMITH PROJECT MANAGER & PARTNER

Derek Smith has been a serial entrepreneur since he was a sophomore in college, where he and his brother started their first business together. His business experience spans over 32 years. As a native San Franciscan, Derek has formed and run more than 10 businesses in the Bay Area over the last three decades. These businesses have included construction management, general contracting, real estate development, renewable energy start-up and consulting. Derek's father who was also an entrepreneur starting several businesses as well as owning and operating the only restaurant/nightclub in Marin City when Derek was a kid. He has deep roots in the restaurant business. More recently Derek has consulted on the construction and development of several restaurant businesses in Northern California for Highway 1 Hospitality (H1H). H1H has multiple restaurant properties in San Francisco, Napa, Tomales Bay and Austin, Texas.

Mr. Smith holds a Master's of Science degree from Stanford University in Civil Engineering and a B.S. from the University of California at Berkeley in Mechanical Engineering

KARL HASZ GENERAL CONTRACTOR

Karl leads the team with pre-bid investigations, bidding, and client outreach. He began his career in the construction industry in Middle School as a General Contractor for his father, followed by education at California State University Chico, California. As the founder of Hasz Construction, he has been personally involved in every project for the last 15 years. He embraces the process of envisioning what features the customer will see from every angle.

ANA PAULA QUINTANILLA
DESIGNER

Ana Paula Quintanilla de Marti, born and raised in cosmopolitan Mexico City and living in San Francisco for the last fourteen years is an architect, designer and entrepreneur with broad experience bringing cultural essence into locations through balance between form and function.

She was the co-founder and creative mind behind maamam, a San Francisco based company that created innovative, safe and multi-functional products for children. This venture brought her to become part of the first cohort of the Stanford Latino Entrepreneur Leaders Program.

Prior to co-founding maamam, Ana Paula applied her vision and creativity at Kwan Henmi Architecture & Planning. In this role, she was instrumental in realizing the first residential LEED certified building in San Francisco, which attracted international attention and earned numerous industry awards. She also brought a fresh, innovative approach to the design of public buildings and affordable senior housing.

While in Mexico City, Ana Paula founded and ran her own architectural firm focused on Residential and Commercial Interiors. She holds a degree in Architecture from Universidad Iberoamericana and studied Fine Arts (painting and sculpture) at the UC Berkeley Extension in San Francisco.

GABRIELA MARTIN DEL CAMPO
DESIGNER

Gabriela believes in enhancing people's lives through architecture and design. She was born and raised in Mexico City, lived and worked in several countries across Europe and Latin America before moving to San Francisco in 2005.

Gabriela worked for 12 years as a senior designer and project manager in the international team of KMD Architects (San Francisco). During her tenure at KMD she collaborated in the design process for the cruise terminal in Pier 27. She worked in a variety of award winning projects including the W Hotel in Mexico City, 3M Headquarters in Mexico City, Banyan Tree Acapulco, Minhang Retail Center in China, Rosewood Resort and Residences in San Miguel Allende, Monte del Barco resort in Costa Rica between others. Her strong base of managing international projects and her attention to detail, delivered successful architectural projects with distinct cultural identity.

Gabriela holds a bachelor's degree in Architecture and Urban Design from the Universidad Iberoamericana. An avid learner, she has taken numerous Art, Interior Design, and Photography courses.

B.8 Provide the amount of the proposed initial capital investment for improvements.

We are committed to a sum of \$1.5 million to improve or replace existing equipment, structure, and functional or design elements.

SECTION C
EXPERIENCE AND FINANCIAL STRENGTH

C.1 In addition to the information provided in Submittal A, describe the qualifying business, including hours of operation, days of operation, menu, pricing, and photographs.

Highway One Hospitality, LLC is the management company behind the legendary Nick’s Cove in Tomales Bay, California; Halcyon, a music and event venue in San Francisco; and Union Street’s own Contrada, a Tuscan-inspired restaurant and wine bar, among others. For the purposes of this proposal, we will look at the details of Nick’s Cove, H1H’s signature property.

About Nick’s Cove

Nick’s Cove Restaurant, Oyster Bar and Cottages is a nostalgic and welcoming gathering place with luxurious waterfront accommodations on the pristine Tomales Bay in Marshall, Calif. The twelve modern and private cottages offer the ultimate in luxury with a rustic design aesthetic and elegant amenities. Located just a half-hour west of Petaluma and 50 miles north of San Francisco, Nick’s Cove is a delicious, relaxing and beautiful destination year-round. A local institution for more than 80 years on the West Marin County coastline, it is surrounded by tranquil waters, sandy ecological beaches, abundant wildlife and views of the rolling hills across Tomales Bay. Led by Executive Chef Joshua Seibert, Nick’s Cove Restaurant serves the finest seasonal, sustainable California cuisine sourced from its own on-site garden called The Croft, as well as other Marin and Sonoma County farms and fishermen.

Nick’s Cove Restaurant & Oyster Bar
 Hours of Operation
 Sunday -Thursday 11 a.m. -- 8 p.m.
 Friday - Saturday 11 a.m. -- 9 p.m.





RESTAURANT | OYSTER BAR | COTTAGES

Small Plates

TOMALES BAY CLAM CHOWDER
applewood smoked bacon

MAC & CHEESE
Nicoise onion, tomato, gruyere, grana padano
add black pepper oil
add creamy sauce
add crab

SELECTION OF ARTISANAL CHEESE
assorted, artisanal, seasonal fruit, honey, cranberry

TRUFFLE GARLIC FRIES
garlic, parmesan, grana padano, hand cut sweet potato

ROASTED CAULIFLOWER
silicone, avocado, whole grain mustard vinaigrette

CROFT GREEN BEANS
tomatoes, almonds, grana padano

WARM CROFT KALE
apple, onion, almonds, dried cranberry, olive oil vinaigrette

BURRATA BRUSCHETTA
grilled sourdough, basil, tomato, garlic, olive oil, balsamic

TRUFFLED MUSHROOM RISOTTO
truffle oil, onion, cheese, grana padano

Oysters

KUMAMOTOS, HUMBOLDT BAY 4.25
MARIN MIYAGI, TOMALES BAY 3.25
DRAKE'S BAY, BAJA CALIFORNIA 3.25
STEAMBOATS, TAYLOR WA 3.75

PREMIUM OYSTER PLATTER 37
12 oysters of the day, 12 oysters of the all time

Cooked

THE ORIGINAL TOMALES BAY BBQ OYSTER 8
half dozen oysters, house made bbq sauce, garlic, parsley, butter

BAKED OYSTER MORNAY 18
half dozen oysters, 21 herbed tomato, parmesan, bread crumb

BACON BRAISED OYSTER 18
half dozen oysters, braised, onion, herb

Salads

NICK'S COVE PRAWN LOUIS 21
craft greens, cucumber, radish, egg, tomato, avocado, dressing

OVEN ROASTED BEETS 18
craft spicy herbules, whipped goat cheese, onion, craft dressing

ASIAN PEAR SALAD 15
mixed lettuces, avocado, cucumber, hazelnut vinaigrette, leaf salad or sun-dried



Large Plates

PAN ROASTED BARRAMUNDI 34
Lentils, beans, quinoa, green peas, oyster oil, tomato, salsa verde

WOOD GRILLED SALMON 38
roasted lentils, chrysanthemum greens, onion, herb vinaigrette

INDIAN SPICED CHICKEN 30
1/2 chicken, buttermilk, onion, herb, wild arugula, tzatziki

RABBIT GUMBO 23
andouille sausage, white praline, cornbread

WHOLE CRAB 40
Old Bay butter, balsamic vinaigrette

BUTTER BASTED SCALLOPS 36
peas, green beans, cherry tomatoes, grana padano, cream

WOOD FIRED WAGYU COULOTTE 36
sweet potato puree, charred brussels sprouts, wild mushrooms, red wine jus



Items that are marked as "local" are grown in our on-site garden.

NICK'S COVE RESTAURANT | OYSTER BAR | COTTAGES | 2124 HIGHWAY ONE, MARSHALL, CA 91541 | 951.303.1103
WE SERVE: 100% organic, locally sourced, seasonal, and locally sourced ingredients. All items are prepared fresh to order.

C.2 Financial Stements for all partners

Highway One Hospitality
Derek Smith
Mick Suverkrubbe

Please see attached submittals at the end of document

C.3 Describe the source of funding for initial Restaurant improvements, including design and construction.

Highway One Hospitality, LLC will self-fund the cost of the initial restaurant improvements, design and construction. We do not expect to require funding outside of our group of investors.

C.4 Describe sources of working capital to cover operating costs and to adequately maintain operations at a high level from the start up period through seasonal variations in activity.

Highway One Hospitality, LLC has access to an additional line of credit if needed for future unforeseen operating costs or seasonal variations in sales.

SECTION D
PROPOSED RENT AND BUSINESS PLAN

D.1 Complete the Financial Pro Forma provided in Submittal D.

See attached submittal at the end of document

D.2 Complete the Minimum Rent Offer provided in Submittal F.

See attached submittal at the end of document

PUERTO SF

PUERTO SF FIVE-YEAR PROFORMA INCOME STATEMENT

SUBMITTAL D

	FIRST YEAR	SECOND YEAR	THIRD YEAR	FOURTH YEAR	FIFTH YEAR	5-YEAR TOTALS
Revenues						
Sales - Food	\$ 1,600,000	\$ 1,920,000	\$ 2,304,000	\$ 2,534,400	\$ 2,787,840	\$ 11,146,240
Sales - Liquor	\$ 1,600,000	\$ 1,920,000	\$ 2,304,000	\$ 2,534,400	\$ 2,787,840	\$ 11,146,240
Sales - Beer	\$ 500,000	\$ 600,000	\$ 720,000	\$ 792,000	\$ 871,200	\$ 3,483,200
Sales - Wine	\$ 200,000	\$ 240,000	\$ 288,000	\$ 316,800	\$ 348,480	\$ 1,393,280
Sales - Catering & To-Go	\$ 600,000	\$ 720,000	\$ 864,000	\$ 950,400	\$ 1,045,440	\$ 4,179,840
Total Revenues	\$ 4,500,000	\$ 5,400,000	\$ 6,480,000	\$ 7,128,000	\$ 7,840,800	\$ 31,348,800
Cost of Sales						
Purchases - Food	\$ 416,000	\$ 499,200	\$ 599,040	\$ 658,944	\$ 724,838	\$ 2,898,022
Purchases - Liquor	\$ 288,000	\$ 345,600	\$ 414,720	\$ 456,192	\$ 501,811	\$ 2,006,323
Purchases - Beer	\$ 100,000	\$ 120,000	\$ 144,000	\$ 158,400	\$ 174,240	\$ 696,640
Purchases - Wine	\$ 60,000	\$ 72,000	\$ 86,400	\$ 95,040	\$ 104,544	\$ 417,984
Purchases - Catering	\$ 120,000	\$ 144,000	\$ 172,800	\$ 190,080	\$ 209,088	\$ 835,968
Total Cost of Sales	\$ 984,000	\$ 1,180,800	\$ 1,416,960	\$ 1,558,656	\$ 1,714,522	\$ 6,854,938
Gross Profit	\$ 3,516,000	\$ 4,219,200	\$ 5,063,040	\$ 5,569,344	\$ 6,126,278	\$ 24,493,862
Expenses						
Payroll - Management Salaries	\$ 450,000	\$ 540,000	\$ 648,000	\$ 712,800	\$ 784,080	\$ 3,134,880
Payroll - Hourly Staff	\$ 900,000	\$ 1,080,000	\$ 1,296,000	\$ 1,425,600	\$ 1,568,160	\$ 6,269,760
Payroll Tax Expense	\$ 202,500	\$ 243,000	\$ 291,600	\$ 320,760	\$ 352,836	\$ 1,410,696
Management Fee	\$ 135,000	\$ 162,000	\$ 194,400	\$ 285,120	\$ 313,632	\$ 1,090,152
Insurance - Workers Comp.	\$ 50,625	\$ 60,750	\$ 72,900	\$ 80,190	\$ 88,209	\$ 352,674
Insurance - Health	\$ 101,250	\$ 121,500	\$ 145,800	\$ 160,380	\$ 176,418	\$ 705,348
Insurance - General	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 180,000
Advertising & Marketing	\$ 67,500	\$ 81,000	\$ 97,200	\$ 106,920	\$ 117,612	\$ 470,232
Accounting & Legal Expense	\$ 50,625	\$ 60,750	\$ 72,900	\$ 80,190	\$ 88,209	\$ 352,674
Bar Supplies	\$ 45,000	\$ 54,000	\$ 64,800	\$ 71,280	\$ 78,408	\$ 313,488
Cleaning Services	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000	\$ 200,000
China & Silverware	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Credit Card Expense	\$ 121,500	\$ 145,800	\$ 174,960	\$ 192,456	\$ 211,702	\$ 846,418
Glassware	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 75,000
Kitchen Supplies	\$ 45,000	\$ 54,000	\$ 64,800	\$ 71,280	\$ 78,408	\$ 313,488
Laundry & Linen	\$ 45,000	\$ 54,000	\$ 64,800	\$ 71,280	\$ 78,408	\$ 313,488
Licenses & Permits	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 40,000
Landscaping	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Equipment Leases	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 24,000	\$ 120,000
Paper Goods	\$ 36,000	\$ 39,600	\$ 43,560	\$ 47,916	\$ 52,708	\$ 219,784
Utilities	\$ 36,000	\$ 39,600	\$ 43,560	\$ 47,916	\$ 52,708	\$ 219,784
Valet Parking	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 36,000	\$ 180,000
Plants/Flowers	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Public Relations Expense	\$ 50,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 130,000
Rent (7% of sales)	\$ 315,000	\$ 378,000	\$ 453,600	\$ 498,960	\$ 548,856	\$ 2,194,416
Repairs & Maintenance	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 60,000
Rubbish Removal	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000	\$ 150,000
Total Expenses	\$ 2,888,000	\$ 3,371,000	\$ 3,985,880	\$ 4,430,048	\$ 4,847,353	\$ 19,522,281
Net Income	\$ 628,000	\$ 848,200	\$ 1,077,160	\$ 1,139,296	\$ 1,278,926	\$ 4,971,582

SECTION E

LOCAL BUSINESS PARTICIPATION

E.1 Community Engagement Plan

The PuertoSF Team will actively engage in efforts to maximize local resident employment with the local neighborhood and interest groups. This effort will be led by PuertoSF partner, Derek Smith who has over 25 years of experience and history in working with and hiring local residents on City construction projects primarily in the Bayview Hunter's Point neighborhood which has been historically underrepresented when it comes to employment as compared to other areas of San Francisco.

Through the leadership of Mr. Smith, PuertoSF will engage early on with the local CBO's and the City's Office of Workforce Development (MOWD) to identify what our workforce numbers will be once the restaurant is up and running. After signing a lease with the Port, PuertoSF will move quickly into outreach and the implementation of our local business and hiring plans. Our plan executions will coincide with the start of design and construction for local businesses and the restaurant opening for job training and screening of restaurant workers. We will co-sponsor a local job fair and work with the MOWD to host a job training program specifically for local residents that want to get into the restaurant industry. We plan to employ up to dozens full-time and an even larger number of part-time employees once the restaurant is up and running. Our goal will be to have at least 50% from the local San Francisco resident pool.

E.2 Local Business Utilization Plan

Vendor	Scope	CMD LBE Status
Marinship Development Interest, LLC	CM Services, Permits	YES
Hasz Construction	General Contractor	PENDING
Ana Paula Quintanilla	Design	PENDING
Poppyseed PR	Public Relations	NO
	Janitorial	YES

SUBMITTAL F MINIMUM RENT OFFER

Term:

10-year lease with one 5-year option to extend

Free Rent Period:

12 month or opening day whichever is sooner

Rent:

Monthly rent of \$3.50 psf for 4615 sq/ft of restaurant space (\$16,152.50 per mo.)

Plus \$1.65 psf for 500 sq/ft of Ancillary Shed Space (\$825 per mo) for a total of \$16,977.50 per month.

Rent will increase 3% annually.

Percentage Rent:

7% of sales

