

Maller, Stephen@CATC

From: Daljit Bains <Daljit.Bains@GOV.CA.GOV>
Sent: Thursday, October 05, 2017 3:08 PM
To: Maller, Stephen@CATC
Cc: Poonum Patel; Daljit Bains
Subject: GO Biz Letter in Support to Directly Negotiate with Cal Trans

Dear Stephen:

Please find attached a letter of support from GO Biz to Executive Director, Ms. Susan Bransen, of the CTC Commission, for the ability of GM Cruise/SKS Partners to directly negotiate with Cal Trans for the purpose of securing Cal Trans Lot 04-SF-101-29.

Kind Regards,
Daljit

October 5, 2017

Dear Ms. Susan Bransen:

We are writing on behalf of GO Biz in support of an item on the upcoming CTC meeting in October. The item is for the ability of GM Cruise (lessee)/SKS Partners (lessor) to directly negotiate a lease with Cal Trans for a parking lot that is adjacent to their property in San Francisco. GM Cruise is the sole tenant of this building.

GM Cruise requires direct access to Cal Trans Lot 04-SF-101-29, a lot adjacent to the building they occupy, as it is needed for the purpose of testing their fleet of autonomous vehicles. Additionally, it will help them to fulfill their goals of increased economic development and job creation in the state of California.

In April 2017, GM Cruise received an eight million dollar (\$8,000,000) tax credit from California Competes Tax Credit, administered by the Governor's Office of Business and Economic Development.

By 2021, GM Cruise intends to have a net increase of 1,163 full time employees compared to the base year.

This is a significant value add for the state of California. The California Competes Tax Credit Allocation Agreement can be found here: <http://business.ca.gov/Portals/0/Files/General%20Motors%20Company%20-%20CCCTC%20Agreement.pdf?ver=2017-03-30-132655-087×tamp=1490880459121>

There will be additional improvements also made to the CalTrans Lot (04-SF-101-29) as well.

(Project/Milestones. Taxpayer is an automobile manufacture proposing to expand its California facility to increase research and development into autonomous and zero emissions vehicles. In consideration for the Credit, Taxpayer agrees to hire full-time employees and invest in including, but not limited to, furniture and fixtures, computer equipment, and tenant improvements as part of its expansion primarily in San Francisco, California (collectively, the "Project"). Further, Taxpayer agrees to satisfy the milestones as described in Exhibit A ("Milestones") and to materially maintain Milestones for a minimum of three (3) taxable years thereafter.

We are in support of this request, given that GM Cruise's plan to fully operate, expand and create jobs are dependent on their and SKS Partner's ability to secure Lot 28 and 29.

Please do not hesitate to contact me with any questions.

Kind Regards,

Daljit

Deputy Director, Office of Permit Assistance
California Governor's Office of Business and Economic Development (GO-Biz)
1325 J Street, 18th Floor | Sacramento, CA 95814
P: (916) 319-9954



BRYANT STREET

FREWAY OVERHEAD

DIVISION ST.

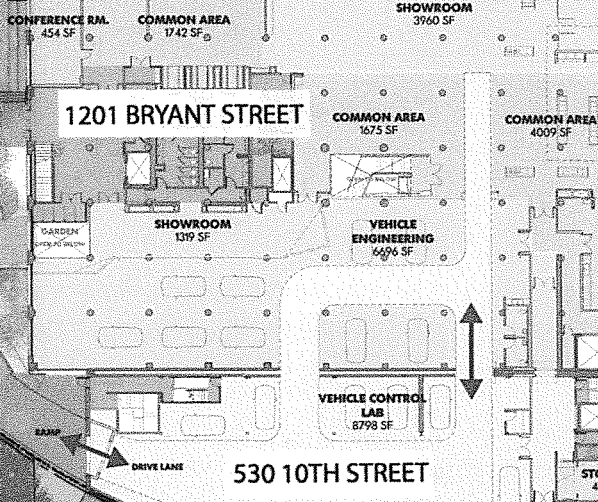
ON-SITE LOT & LANDSCAPING

1201 BRYANT STREET

CALTRANS LOT
04-SF-101-28

CALTRANS LOT
04-SF-101-29

TEMPORARY RAMP



10TH STREET

(E) BLDG

(E) BLDG

SITE PLAN - PROPOSED COMBINED CALTRANS LOTS
1201 BRYANT ST

1201 Bryant Street Project Description:

1201 Bryant is a historic Art Deco building originally built in 1927 that SKS Partners is fully renovating to a LEED Gold certification, with all new mechanical, electrical, plumbing, fire/life safety and seismic structural systems.

The renovation will provide a reconfigured building core that includes a new lobby, a new passenger elevator, new restrooms, bike lockers and a locker rooms with showers. The building will be enhanced with new tenant amenities such as a new entry courtyard, new exterior landscaping and parking areas.

GM Cruise Use of Caltrans lots 04-SF-101-28 & 29:

1201 Bryant Street will more than double GM Cruise Automation’s research and development space, for the design, engineering and deployment of autonomous vehicles. GM Cruise Automation is building the world’s best autonomous vehicles and their test vehicles are on the road in San Francisco navigating some of the most challenging and unpredictable driving environments.

The GM Cruise vehicles encounter hundreds of unique traffic situations that they analyze carefully to ensure safety and reliability, and these vehicles need to be driven back into the protected and controlled R&D space within the building for analysis and recalibration by the engineers. The vehicles will also be stored in the two Caltrans parking lots, waiting to be used by the test drivers or waiting for the engineers to make refinements to the vehicles.

04-SF-101-29 Proposed Improvements:

The 04-SF-101-29 lot has been planned to receive an 8-foot-tall metal mesh weave gate and fencing along the 10th Street frontage and a new tight weave chain link fence along the neighboring property south of the lot. The existing asphalt pavement will be replaced to correct storm drainage/flooding issues and a drive aisle will be constructed to connect 04-SF-101-29 with lot 04-SF-101-28 to the west. Electric Vehicle charging stations, concrete wheel stops and new LED lighting poles will also be installed.

Scope	Amount
Asphalt Paving	\$132,000
Fences & Gate	\$35,235
Site Lighting	\$28,752
Striping	\$10,000
Total	\$205,987