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# Another tower added to Transbay

## Developer SKS joins rush to new highrise district with 900-foot plan



**Highrise plan**  
 "brings us back to our roots," says Paul Stein.

BY J.K. DINEEN  
 San Francisco Business Times

SKS Investments is proposing a 900-foot, mixed-use tower at 181 Fremont St., a razor-thin skyscraper that would play a prominent supporting role in the new Transbay District at First and Mission streets.

The 66-story tower would include 500,000 square feet of office space beneath about 140 residential condominiums, according to

SKS principals and an application for environmental evaluation filed with the city.

The Fremont Street parcel is one of several sites where the city is considering allowing tall towers as a source of tax revenue to help bankroll the \$3.4 billion Transbay Terminal and Tower. Under the plan, developers around the transit center and tower — likely to soar 1,300 feet or more — could build well above current 300- to 500-foot zoning restrictions in exchange for pump-

ing millions of dollars in additional taxes to help pay for building new infrastructure in the Transbay District as well as the terminal programing itself. City officials estimate that taxes from upzoning the properties around the Transbay Terminal and Tower could generate \$250 million.

Daniel Kingsley, a managing partner with SKS Investments, said the 15,500-square-foot

SEE SKS, 45

## SKS: Tower is latest of 'a dozen projects' city expects to cluster at new terminal

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site between the eastern edge of terminal and Town Hall restaurant lends itself to the sort of slender, airy tower city Planning Director Dean Macris has been promoting. Creating a home for new residents and workers next to the terminal would help foster the dense live-work, transit-based neighborhood that Transbay leaders are aiming for, he added.

"If the Transit Center is going to turn into the Grand Central Station of the West Coast, it needs to be appropriately supported with mixed-use projects and appropriate densities," said Kingsley. "This was a wonderful opportunity to do something right smack dab next to the terminal."

The project, designed by HellerManus, will be part of a consolidated environmental impact report that will take in all the major proposed developments in the Transbay District, according to Macris. The planning director said the 181 Fremont St. project has not been "vetted yet" but is one of several proposals that are "candidates" for Transbay upzoning.

"We'll have plenty to say about a dozen projects down there but not before next year," said Macris. "We're going through shadow analysis, wind analysis, traffic analysis. To say anything now would be premature."

The SKS proposal, which could cost \$450 million or more to build, comes as a special jury is considering three proposals for the Transbay Terminal and Tower. The development teams include Rockefeller Group with architect Skidmore Owings Merrill, Hines with architect Cesar Pelli, and Forest City with architect Richard Rogers.

The panel is slated to make a recommendation on Sept. 9, with the Transbay Joint Powers Authority making a final decision on Sept. 20.

In addition to 181 Fremont St., other proposals within the district include the Solit Interests Group's Renzo Piano-designed scheme which could include as many as five towers at First and Mission streets, the tallest of which would likely soar more than 1,000 feet. The cluster of towers — spaced out enough to allow sunlight to



**PROJECTS AROUND TRANSBAY**

Address	Company	Use type
1. Transbay Tower	TJPA	Mixed/TBD
2. 181 Fremont	SKS Investments	Mixed
3. 50 1st	Solit Interests Group	Mixed
4. 350 Mission	GLL Office	Office
5. 2 New Montgomery	Kyoya Corp.	Residential/hotel
6. 222 2nd	Tishman Speyer	Office
7. 41 Tehama	Fritz Realty	Residential

SOURCE: City of San Francisco

penetrate — would help create a mound of structures in which the Transbay Tower, which will be among the tallest buildings in the United States, will be the centerpiece.

The building would have 13,000- to 14,000-square-foot floorplates on the lower office floors that would taper to 10,000 square feet on the residential floors above. SKS officials say the small floorplates will be able to cater to average downtown tenants seeking 5,000 to 15,000 square feet. Kingsley compared the building to 601 California St. — SKS's home — which has similar-sized floors.

"It doesn't lend itself to a 200,000-square-foot tenant,

but it's perfect for 7,000-square-foot tenants like us," said SKS Managing Partner Paul Stein. "If we had our druthers, I think we would design smaller floorplates. Even if we had an opportunity to do something bigger, I don't think we would."

He added: "It may take longer to lease but once it's leased, you're less susceptible to big tenants leaving and having a lot of vacancy in the building."

The tower would have a glass curtain wall and exterior structural system. It would seek a gold stamp of approval from the Leadership in Energy and Environmental Design, according to Kingsley. Environmental features will include a highly efficient sawtooth glazing system that allows daylighting but reduces unwanted heating. The developer is also looking into solar power, wind turbines and "chilled beams" — overhead cooling units that use cold and hot water to modulate temperature.

"There is not a big single solution, but if you look at every single incremental solution — as small as they might be — and add it all together you can have an impact," said Kingsley. "That is the philosophy we have to follow."

SKS Investments — a partnership of Kingsley, Paul Stein, and Julie Stein — has made its name developing high-tech-oriented properties South of Market, including 501 Second St., 575 Brannan St., and 350 Rhode Island St. All three principals, however, have plenty of highrise experience: Kingsley was a longtime executive at Los Angeles-based Maguire Thomas Partners, participating in 3 million square feet of office development; Paul Stein was a vice president with Shorenstein Properties and a leasing director with Damon Ralke; and Julie Stein was involved in more than \$10 billion in commercial mortgage and equity transactions with Salomon Brothers and Rosen Consulting Group.

Paul Stein said the highrise "really brings us back to our roots more than anything."

"It's fine to see on a piece of paper, but the real joy comes in building it," said Paul Stein.