



PROPOSED TDM PLAN

For

100 East Grand Ave
ARE-San Francisco No. 65, LLC

January 2022

Introduction, Project Description & Current Conditions

The proposed Project at 100 E. Grand Avenue is located at the eastern gateway linking Downtown, the newly designed SSF Caltrain station and the East 101 life sciences and commercial district, also known as the Eastern Neighborhood.

The Project will consist of two new buildings; Building A is a 10-story structure with 302,625 SF; and Building B is an 8-story structure with 251,759 SF. Each building will be designed to accommodate either a single tenant or multiple Life Sciences tenants. Both buildings will be supported by an 8-story parking structure with 782 parking stalls.

The existing and immediate adjacent properties are low intensity, light industrial sites. To the east is a major PG&E substation which fronts on East Grand Ave. and Gateway Blvd. The City's vision for the area is to develop a more walkable, urban form as it transitions to R&D uses, with the possibility of residential land uses. The existing rail spur immediately south of the site is slated to become a new greenway link and public park. To the north, The Comfort Inn directly across the street will also undergo redevelopment as higher density R&D.

The Project is situated at the intersection of E Grand Ave, Poletti Way, which fronts the newly designed Caltrain Station, and the foot of the northbound off-ramp from Highway 101. It is literally across the street from the entrance to the new pedestrian tunnel connecting the East 101 District and Caltrain with Downtown South San Francisco; and is a 2 to 3 minute walk to Caltrain platforms and area-wide shuttle stops.



The Project will activate over a third of the public facing frontage along E. Grand Avenue with an emphasis on the corner of E Grand and Sylvester Road. A café occupying this prime location will activate the primary pedestrian approach to the building from East Grand and the Caltrain station and visually direct visitors to Building A's entrance and lobby, visible from the intersection. The café, lobby and covered plaza facing Sylvester and East Grand Avenue will be a convenient place for employees to gather en route to the Caltrain station, allowing them to cross the street 'just in time' to make their connections. A secure bicycle storage facility with lockers, showers, and changing facilities will also be located within Building A, to be accessed off of the central courtyard.

Building B will house a Conference Center off of the lobby and will be visible from Sylvester Road. A fitness center and second secure bicycle storage facility that includes a bike repair facility will also be located in Building B, accessible from a ground floor breezeway that serves as that building's main entrance and an open passageway between the courtyard and parking garage.

Project Schedule

Alexandria Real Estate Equities anticipates that the Project will be completed and occupied within three to four years of initial construction.

Transit Demand Management (TDM) Applicability

This TDM Plan is consistent with the City of South San Francisco's policies of promoting alternatives to automobile transportation to further the City's transportation objectives by accentuating linkages, TDM measures, creating pedestrian access and ease of movement between buildings and to and from major transit hubs. *Proximity to the newly designed and expanded SSF Caltrain station, pedestrian tunnel to Downtown and new residential development, uniquely advantage this site to benefit from Transportation Demand Management.*

The proposed Project would incorporate a TDM plan pursuant to the City's Municipal Code Chapter 20.400, Transportation Demand Management, which contains the City's TDM requirements. The TDM requirements apply to all nonresidential development expected to generate 100 or more average daily trips. This TDM plan for the Project reflects the City's TDM targets for zoning districts with similar permitted densities, as well as anticipated updates to the City's TDM Ordinance, which will require projects such as this one to meet a 45% Alternative Mode Split (AMS) upon full buildout.

This TDM Plan assumes the entire Project will be completed and fully occupied within three or four years of initial construction. Since delivering and occupying such a large, multi-building campus will take time, during the phasing in of occupancy, the Project will meet a minimum of 30% AMS. The AMS target of 45% will be achieved upon full occupancy and stabilization of the Project in the aggregate. Reporting will begin after one year of full occupancy.

The charts below summarize the alternative mode split targeted for each building, based on an anticipated 60:40 lab-to-office ratio as well as a possible 50:50 ratio:

Building A: 302,625 SF

	<i>SF PER PERSON</i>	<i>TOTAL SF</i>	<i>EST. EMPLOYEES</i>	<i>TOTAL EMPLEES/ 40% ALT MODES GOAL</i>
Lab (60%)	325	181,575	559	
Office (40%)	175	121,050	692	1251/ 500 (40% ALT MODES)
Lab (50%), Office (50%)	325 175	151,312 151,312	466, 865	1331/ 532 (40% ALT MODES)

Building B: 251,759 SF

	<i>SF PER PERSON</i>	<i>TOTAL SF</i>	<i>EST. EMPLOYEES</i>	<i>TOTAL EMPLEES/40%</i>
Lab (60%)	325	151,055	465	
Office (40%)	175	100,703	575	1040/ 416 (40% ALT MODES)
Lab (50%) Office (50%)	325 175	125,879 125,879	387 719	1106/ 441

According to the trip generation calculations developed by Kittelson for this Project and based on the 60:40 ratio for lab-to-office, it will generate a total of 124 new net AM Peak Hour trips and 199 new net PM Peak Hour trips, compared to existing uses, after applying existing land use credits. However, a significant portion of workers in both Buildings A and B are expected to work-from-home at least two or three days a week in the post-COVID environment; even some lab personnel may no longer be required to be on-site five days a week. This trend is not reflected in traditional ITE calculations and may significantly reduce the number of new net trips shown in the current calculations.

Indications (from general surveys as well as from evaluating what current SSF properties are planning) are that the Work-From-Home population will increase from pre-Covid levels of approximately 25% to between 30 and 40% on any given day. Because of this Project's proximity to shuttle stops from BART and increased Caltrain service, we also expect the number of longer distance commuters using these modes to increase over pre-Covid levels as trust in public transit is rebuilt. Lastly, the emergence of e-scooters and e-bikes with longer ranges will make using these modes a more popular alternative to driving, particularly from close-in origins such as Downtown SSF with its new housing, and other similar developments. Historically, there has been a significant population living within a 5-to-10-mile radius of SSF which these modes address.

TDM Goals

TDM works by managing demand of existing transportation resources and infrastructure. It does this in several ways:

1. **Converting trips to more efficient modes of transportation** such as transit, carpools and other shared rides, which reduces individual vehicle trips, lessens roadway congestion, improves total travel time and reduces demand for parking facilities.
2. **Converting trips to non-vehicular modes such as bicycling and walking**, which eliminates vehicular trips, lessens roadway congestion, improves total travel time and reduces demand for parking facilities. These active transportation modes also improve health.
3. **Encouraging use of ‘clean’ vehicles** when possible by using compressed natural gas, electric/hybrid vehicles for trips, which reduces environmental impacts of trips.
4. **Eliminating trips** entirely through compressed work weeks, telecommuting (WFH), etc.

The TDM measures and programs proposed in this Plan support the above TDM goals and will meet the required goal of 45 percent of peak hour trips being made by non-single occupant vehicle modes for the Project in the aggregate when fully occupied and stabilized. As proposed, the TDM Plan would be implemented upon full occupancy of the first building to be completed and will strive to meet an initial target of 30% alternative mode use during occupancy phase in for both buildings.

The annual and triennial reporting requirements for the project will evaluate this TDM Plan for compliance with the 45 percent minimum alternative mode usage at full occupancy and stabilization of the Project in the aggregate as is anticipated will be required under the future City’s TDM Ordinance.

Alexandria Real Estate Equities has several large-scale projects in the East 101 area including 901-951 Gateway; 213 E Grand; 249-279 E Grand; and 201 Haskins. Smaller projects include properties at 341-343 Oyster Point and 400-450 E Jamie Court. These projects report alternative mode utilization to the City annually and triennially. Historically, these campuses achieve their targets; many perform above their requirements.

The tenants at 100 E Grand are likely to be similar in nature to the existing tenant mix at the above properties; ARE therefore anticipates that this new campus will also achieve or exceed the TDM goal with similarly robust TDM programs.

Achieving the proposed alternative mode split targets consistently will require a sustained and broad-based commitment by both Alexandria Real Estate Equities and future tenants; these efforts are outlined in the TDM measures described in the next section.

Post-Covid TDM and Commute Trends

The Covid-19 pandemic has permanently and fundamentally shifted commute patterns in ways we don’t fully understand as of the writing of this Plan. Of particular note, two emerging trends may have the most significant impact on reducing peak hour trips: 1) the increasing population of Work-From-Home (WFH) employees, and 2) an increasing number of employees working non-traditional shifts (e.g., working earlier or later shifts, or coming into the office fewer than 5 days a week). Both of these trends eliminate trips (not just shift travel to another mode). It is estimated that as many as 30 to 40% of all workers will either WFH or work a non-peak-schedule, as conditions evolve. (Note: were this to occur, most of the 45% alternative mode target at Project stabilization would be satisfied by these two TDM measures alone.)

The measures described below are based on historical commute patterns, current transportation services, traffic, customer preferences, and technology. Over time and as new technologies, services, and changes in commute modes and patterns evolve, the specific TDM measures that are implemented at 100 E Grand Ave will also change; therefore, this TDM Plan should be viewed as a ‘living document’ that will be modified to include new services and technologies as they emerge as well to address new commuter patterns and preferences.

The potential of autonomous vehicles (AVs) to provide first-last mile solutions is a new technology/mode that may also have great potential for 100 E Grand Ave, as well as other sites in the East 101 district. The growing popularity of e-bikes and scooters with longer ranges and capable of higher speeds is another trend which could significantly impact short-to-medium distance commutes.

TDM Measures

The purpose of the following TDM measures when combined, is to achieve three basic goals: (1) convert single-occupant vehicle trips to an alternative mode of transportation (e.g., transit, carpools or vanpools, bicycling); (2) provide technological solutions (e.g., compressed natural gas, electric/hybrid vehicles, or other zero emission vehicles); and (3) eliminate trips (e.g., compressed work weeks, telecommute), consistent with the requirements of the City’s TDM ordinance.

ARE has organized the various TDM measures proposed for the Project into four categories: infrastructure; programs and services; marketing/information; and lease and reporting requirements. Responsibility for implementing each measure is further described below.

Infrastructure	Programs & Services	Marketing & Information Regarding Project Site TDM Measures	Leasing & Reporting
<ul style="list-style-type: none"> • Pick-up/drop-off zones adjacent to main entries of Buildings A & B • Intra-Campus Walkability • Connections to Pedestrian links to both Downtown and SSF Caltrain • Secure Bike Parking (indoors) and bike repair • Sufficient Parking • Designated parking and charging facilities 	<ul style="list-style-type: none"> • Shuttles (to local ferries, BART) • Carpooling and Vanpooling • Guaranteed Ride Home • Transit subsidies and/or pre-tax payroll programs • Mobile Services that support trip reduction such as food trucks and possibly pop-ups. 	<ul style="list-style-type: none"> • Onboarding for new hires with information about all transportation options • Pre-move in planning and promotion with new tenants with presentations and demonstrations for employees • Ongoing marketing of programs on-site • Ongoing marketing of 	<ul style="list-style-type: none"> • On-site Employee Transportation Coordinator • Inclusion of TDM Measures in leases • Annual survey • Annual reporting to City • Triennial reporting demonstrating TDM plan efficacy or description of additional trip reduction measures pursuant to TDM ordinance (Ch.

for carpools, carshares, electric and other vehicles <ul style="list-style-type: none"> • On-Site Amenities to support trip reduction, such as food service, health and wellness, and small meeting/social spaces 		programs through tenant websites, e-communications <ul style="list-style-type: none"> • Annual promotional events for campus employees 	20.400 of the City's Municipal Code)
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Infrastructure

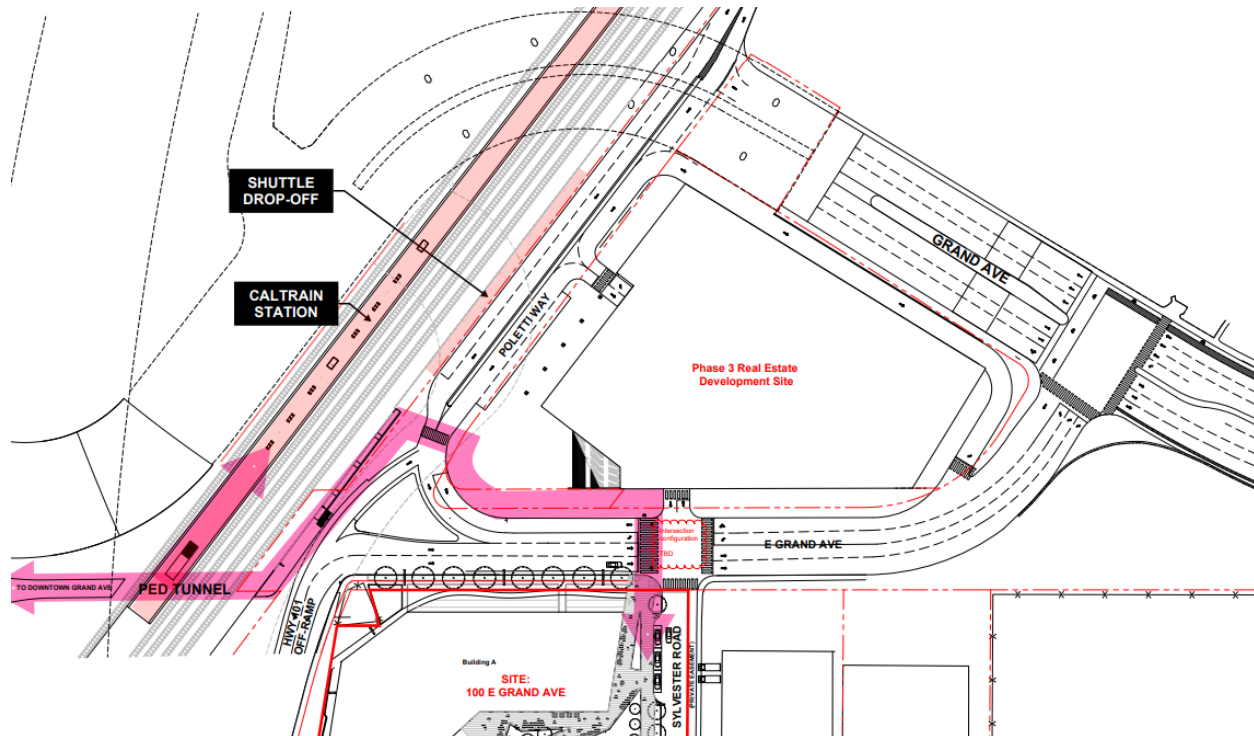
Primary responsibility: Alexandria Real Estate Equities

Transit Access

The 100 E Grand Project site is a 2 to 4 minute walk or bike ride to the new SSF Caltrain station and new Pedestrian Tunnel which will connect the East 101 area with Downtown. This unique location supports TDM in several distinct ways:

1. Increased Caltrain service with electrification will make this mode particularly convenient for commuters along the "Caltrain spine" which traditionally represents a large percentage of life sciences employees.
2. The proximity of new residential developments in Downtown SSF and nearby will make walking and biking to work the best alternative for many within a 1 to 5 mile radius.
3. Improved shuttle and bus connections at SSF Caltrain (i.e., 100 E Grand Ave employees can board a shuttle to SSF BART at the station as well as other SamTrans bus lines.
4. Enhanced bike-share availability at SSF and other Caltrain stations will make this mode practical for local and longer distance commuters

Pedestrian Access to Downtown SSF and the SSF Caltrain Station



The East-101 district is well-served by both public and private shuttles which link employment sites to both the SSF and Millbrae Caltrain stations, SSF BART, and the SSF Ferry Terminal. While future services may be different than their present configuration, Alexandria Real Estate Equities will participate in, and support similarly purposed future services. The new shuttle ‘hub’ at SSF Caltrain may offer new efficiencies and an opportunity to increase levels of service through more cooperative programs. As it is anticipated that most if not all these area shuttle connections will have a shuttle stop on Poletti Way, there is no need for this Project to have dedicated shuttle zones on-site.

As shown below, Building A will have a 66-foot-long drop-off zone with the capacity for three vehicles (kiss-and-drop, ride-hail, taxi’s, etc.). Protection from the elements and lighting will be provided by a substantial overhang. Building B will have a similar 40-foot-long passenger drop-off zone, adjacent to the covered breezeway that passes through its ground floor. The breezeway also connects both buildings and the central courtyard area.

Intra-Campus Walkability

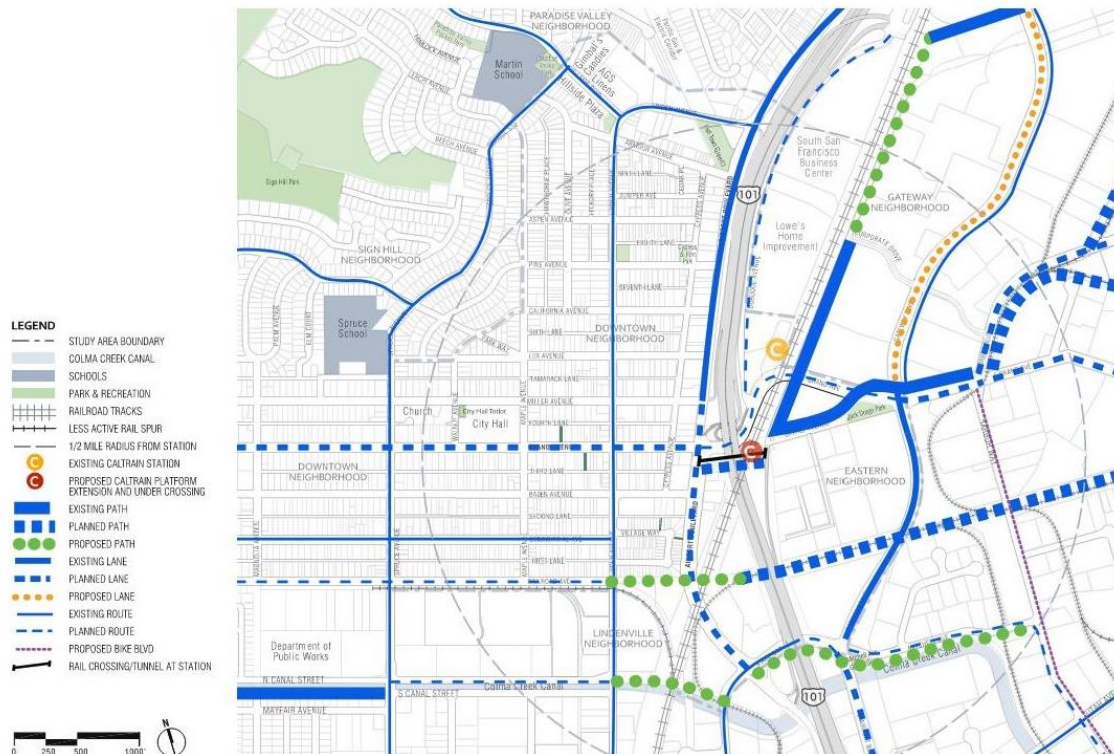
100 E Grand Ave is designed to maximize pedestrian flow between the parking structure and both buildings, as well as access to public pedestrian right-of-ways on E Grand leading to Poletti Way

and the new Downtown Tunnel and SSF Caltrain station.

Connections to Area Bikeways

The proposed Project fronts E Grand Ave, which has an existing bicycle path that connects with the pedestrian and bicycle undercrossing as part of the SSF Caltrain Station upgrades.

The drawing below shows area bicycle connections.



Secure Bicycle Parking

Building A includes 63 secured bicycle parking in accordance with the state's Title 24 Green Building Standards (CALGreen) Section 5.106.4.1.2 and would meet Leadership in Energy and Environmental Design Version 4 (LEED v4) bicycle parking standards. Both LEED and CalGreen require bicycle parking spaces to be provided in a secure facility off the main lobby. The 100 E Grand Ave Project will also include a bicycle repair facility in Building B. Building B will have some 69 indoor, secure bike parking spaces. Growth in biking is anticipated from improved facilities at Caltrain and at other transit modes AND with the popularity of e-bikes and scooters which make these modes a practical alternative for more commuters. The secure indoor bicycling parking facilities also include another 14 spaces in the parking structure and may be able to expand even further as demand requires.

On Site Amenities

Amenities on the ground floor of Building A include small-scale public meeting space; a café, health and wellness facilities for employees and showers and clothes locker facilities. Secure bicycle storage and a repair facility will also be housed on the ground floor.

Building B will also house a Fitness Center and Conference Center. Alexandria Real Estate Equities will work with future tenants to determine an appropriate mix of other services which may be provided via mobile operations in flex spaces. For example, food trucks and other mobile businesses such as dental screening, and pop-ups supporting local artists, services and businesses may be desired. The goal of these common, on-site amenities is to reduce the number of daytime trips to and from the site, and to further support employees' use of alternative commute modes.

Parking

The 100 E Grand Ave Project proposes a multi-level parking structure with 8 above ground levels, which would accommodate 782 parking stalls. Of these, 15 will be designated for accessible vehicles; another 3 for accessible vans; 64 for carpools. There will also be a minimum of 48 parking stalls equipped with dual head charging stations, including one each for ambulatory, accessible and van accessible vehicles. Should demand warrant it, another five dual-head charging stations can be installed in the future.

The parking structure will be built as part of Building A, utilizing a reduction of 25% in parking spaces due to its proximity to transit, providing more-than-required bicycle parking which accommodates on a 1:1 basis any shortfall in vehicular parking, and aligns with future City parking requirement changes.

Programs & Services

Primary Responsibility: Tenant unless otherwise noted

Shuttles

Alexandria Real Estate Equities currently participates in the commute.org shuttle network on behalf of its East 101 properties, which provides tenants with last mile shuttle service from the South San Francisco BART station, Millbrae Caltrain station, and Oyster Point Ferry terminal. Alexandria will continue to support this or an equivalent shuttle network to these transit hubs for all of its East 101 properties, including 100 E Grand Ave.

In addition, Alexandria may participate in area-wide pilot and/or permanent programs which offer new services to commuters living in areas currently not served by existing programs. For example, there may be a sizeable number of employees who live within a 7 to 10-mile radius of the Project, for whom existing public transit is not a practical alternative. Alexandria continues to be in dialogue about new ways to serve markets such as this one with other employers and developers in the area. Another market that may have potential is longer distance commutes which could benefit from a one-seat ride from outlying areas to the East 101 district.

Carpooling and Vanpooling

Carpooling apps such as Scoop and Waze fundamentally changed carpooling. Carpooling is now done in advance or more dynamically, one trip at a time and rides are coordinated by riders and drivers connecting through an app. This eliminates the barriers of employees having to commit to commuting at the same time, with the same people, every day (or on a regular basis). It enables commuters to use carpooling in just one direction and to travel to different destinations as needed. The flexibility provided by carpooling apps has greatly expanded the total number of potential carpoolers.

Many employers either fully or partially subsidize employees' carpooling. The carpooling apps provide employers with clean, clear accounting and metrics. Measuring the number of carpoolers, frequency, origins, and other important data points is also much easier and more accurate for employers and employees to track. This data will also inform the promotion of carpooling to new audiences.

In the post-Covid era, there may be renewed interest in carpooling and vanpooling with employees from the same employers, and in smaller numbers (for those who may be hesitant to take transit).

Guaranteed Ride Home

Alexandria participates in the County-wide Guaranteed Ride Home program through its corporate affiliation with commute.org. This program covers those who bike, walk, carpool or use transit who may need to leave early or work late, due to an unexpected circumstance. In addition, Scoop and Waze provide a Guaranteed Ride Home element in their respective programs.

Subsidies and Pre-Tax Payroll Deductions for Alternative Modes

Offering employees the option of paying for transit and other modes with pre-tax dollars is an important incentive to use transit, particularly for employees for whom transit is not employer-subsidized. In effect, pre-tax payroll deductions for alternative modes discounts the cost of a transit pass by 20-30 percent for the end user. As long as this IRS provision is in effect, Alexandria will require its tenants to provide this benefit (which costs employers nothing). Some employers fully subsidize and further incentivize employees' transportation costs; in this case, the pre-tax benefit isn't necessary. Alexandria will also encourage its outside vendors (such as food service) to provide this benefit.

Mobile and On Site Services

Because the 100 E Grand Ave Project is a short, pleasant walk to Downtown, Alexandria expects employees to patronize Downtown's many restaurants and other amenities via the new pedestrian tunnel and improved bicycling facilities. Offering other services at 100 E Grand Ave is another way to decrease vehicle trips and/or incentivize the use of alternative transportation modes for commuting. To this end, ARE will work with its tenant(s) at the Project to determine which types of services are most desired: from food trucks to services such as dental screenings, and other such personal and business services. These may be provided via a mobile operation or using a flexible space inside one of the buildings to provide services on certain days.

Marketing & Information

Dissemination of Information

Alexandria	Tenants
Alexandria Real Estate Equities will provide transit screens or other permanent digital informational resources in public lobbies. ARE's point of contact with commute.org will be responsible for keeping information on these electronic displays up to date. This person will also be responsible for providing tenants with the same updates.	ARE leases will require tenants to be responsible for disseminating information received from service providers and Alexandria to their employees via their own digital information resources, internal websites, and other corporate communications. Tenants will also be responsible for making transportation information available to visitors.

Ongoing Marketing In High Traffic Lobbies and Other Areas

Alexandria will install Transit Screens, or the equivalent, to display information about alternative transportation programs and services, real-time transit and rideshare information, communicate special messages, and keep employees well informed about transportation programs and choices. Alexandria will keep this information up to date by posting the most current schedules, special promotions, new programs available, etc. These digital bulletin boards will be placed in high traffic areas such as lobbies, so the visibility of the scope of services and choices becomes 'ubiquitous'.

New Hires and New Tenant Move Ins

Leases will require tenants to include information about all the transportation programs and services available to new employees, with links to various apps, websites, identification of the employee transportation coordinator and others who are available to answer questions, assist in commute planning, and enroll in specific programs. The information provided shall include the total spectrum of programs, eligibility, and enrollment procedures.

This information will periodically be re-distributed to all employees.

New Tenants

Alexandria will work with tenant(s) during the pre-occupancy stage to educate the tenant about area-wide programs; to learn about existing tenant-specific programs and policies; establish who the Employee Transportation Coordinator shall be; and to conduct a pre-move-in survey of employees to assess commute patterns. ARE will also coordinate presentations and demonstrations of transportation services (such as a demo ride to the BART station, so employees learn where bus stops are and what the routes are before actually using the service). Alexandria will also assist tenants in commute planning for their employees during the pre-move in phase.

Tenant Websites and Employee Communications

Tenants will be required through their leases to include a section on their respective websites that provides information regarding the how employees and visitors may access 100 E Grand Ave, and encourages travel by alternative transit modes. Links to programs, schedules and other resources should also be included on these pages.

Tenants will also be required to include information and promotion of programs and services in their regularly scheduled communications to employees such as emails, newsletters, fliers, or other marketing communications vehicles. The Employee Transportation Coordinator will be listed in these marketing communications as a point of contact for questions or more information.

Copies of these shall be sent to the Alexandria representative as well as to employees.

Special Events

Tenants will be responsible for inviting transportation partners, agencies, and providers to employee events such as its annual benefits fair. The Employee Transportation Coordinator will also have a table and be available during these events. A minimum of one such event shall be held annually. These provisions will be articulated in ARE's leases.

Alexandria will be responsible for hosting an Appreciation Day lunch (or other type of event) annually, to which transportation partners, agencies and providers will also be invited.

Leases & Reporting

Alexandria: Alexandria to include TDM requirements in all leases

Tenants: Tenant(s) for furnishing Alexandria with copies of marketing materials, programs, communications about events, changes to programs, changes to the Employee Transportation Coordinator position, conducting the annual survey and keeping Alexandria informed about its transportation programs and outcomes. The ETC will include the Alexandria property manager on all transportation-related communications. These requirements will be spelled out in all leases for 100 E Grand Ave.

Leases

Alexandria will include in all leases for this project the above mandatory TDM measures required of all tenants; the alternative mode split target; dates and process for conducting an annual survey; the triennial evaluation; and reporting forms that document compliance with the TDM Plan and show utilization of programs and services and marketing activities. Leases will also include the specific appointment of an Employee Transportation Coordinator and the requirement for ongoing communications and cooperation between Alexandria's property managers and the Employee Transportation Coordinator. It will be the tenant's responsibility to make sure these requirements are met and to cooperate with Alexandria and/or the City or the City's designees with regard to TDM reporting.

Lastly, leases will include the City's mandated penalties and procedures should tenant(s) fail to meet the alternative mode share targets.

Annual Surveys and Reports

Efficacy of the TDM Plan is subject to monitoring and enforcement through an annual commuter survey, annual summary report, and a triennial report.

The City will coordinate with the ARE and tenant(s) to complete an annual survey which will determine the Project's mode split for that calendar year and determine compliance with the TDM plan. This survey, along with the any required compliance reports, parking lot occupancy counts and other data points will be used to illustrate the efforts and effectiveness of the TDM programs and services. Employer data will be shared with Alexandria and used as the basis for the annual report to the City.

The City will coordinate with ARE and its tenants to produce a triennial report that demonstrates this TDM plan's efficacy in achieving the targeted alternative mode split (i.e., 30% during occupancy phase in and 45% at full occupancy and stabilization of the Project in the aggregate). The triennial report will be submitted to the City every three years on the anniversary date of the granting of the certificate of occupancy for 100 E Grand Ave.

Conclusion

In conclusion, Alexandria Real Estate Equities is confident the strategies described in this Plan will enable the 100 E Grand Ave project to meet its TDM requirements.