

# Revamped BofA building gets new lease on life

BY RYAN TATE  
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One Powell may be a century old next year, but developer Wilson Meany Sullivan hopes to keep it forever young. Forever 21, to be precise.

Forever 21, a popular casual clothing chain, will take 30,000 square feet on the ground level, mezzanine and second floor, including space now occupied by a Bank of America branch, for a flagship store. The BofA branch will move up the street within the same building.

The lease is a landmark unto itself, at least within the context of the \$60 million expansion and seismic retrofit of the original Bank of America headquarters that Wilson Meany Sullivan embarked upon in 2001. With the deal, partner Chris Meany has sewn up all the building's retail space. The remaining 45,000 or so square feet, originally zoned for office use, would be converted to residential under a proposal the developer has before

the city Planning Commission June 19.

Inked several months ago, the Forever 21 deal has been brewing since the end of last summer, when the retailer's executives toured the building.

The Forever 21 honchos saw a bright future. Across the street, Forest City Enterprises and Westfield America Trust are spending \$380 million to renovate the old Emporium building with a Bloomingdale's and 344,000 square feet of other shops. Then, after the Forever 21 talks began in earnest, LVMH Moët Hennessy Louis Vuitton cosmetics retailer Sephora inked a deal to move onto the same block in a space now occupied by a McDonald's restaurant and a souvenir shop.

Kazuko Morgan, the Cushman & Wakefield broker who represented Forever 21 in the deal and is marketing 50 Powell St. across the street, sees a transformation on the

block. She says she is negotiating with several prospective tenants for space at the current Sunglass Hut location.

"At the foot of Powell, you are across from Urban Outfitters and Gap and Anthropology — there is no better place for Forever 21's customers in all of San Francisco," Morgan said.

Forever 21 made its name selling an inexpensive but fast-changing inventory to young women, predominantly in malls. The San Francisco location will be the Los Angeles company's 200th or so. It joins locations in Daly City, Pleasanton, Concord, Newark, Richmond and Milpitas.

Forever 21 CFO Larry Meyer said the company was drawn by the high traffic around the building and the historic character of the structure itself.

"We want to maintain the integrity of the space and make it a good retail location as well," he said.

Ryan Tate covers retail for the San Francisco Business Times. ■



Meany



## My name is Peter Holter.

A couple of years ago, a New Jersey utility asked me to drum up interest for their products and services. Now unless a utility is raising rates, running out of power, or going out of business, it's not very interesting to anyone. Think about it. How many times do you read those envelope stuffers that come in your utility bill?

In spite of the low interest, I created a program that triggered over 12,000 phone calls in under three months. Closer to home, I helped a Bay Area telecom equipment manufacturer increase sales leads 300% across 22 market segments.

I've enjoyed similar success with a wide range of big well-known companies and small family firms here in the Bay Area and across the nation. I've taught MBA's at one of the most acclaimed business schools in the country. But what really gets me excited is working with the forward-thinking, results-oriented companies right here in the Bay Area. I live here. I grew up here. As a boy, I worked on the ranches of Marin and Sonoma County. It's here that I first learned the value of hard work and frugality.

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## Crisis tests United Way's ability to cope

BY MEG WALKER  
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Officials at the United Way of the Bay Area are scrambling to process pledges and donations with their own staff, following the sudden shutdown of a nonprofit company that had been doing the job for several years.

The San Francisco-based organization is assessing the damage from the apparent demise of PipeVine Inc., which collected and distributed thousands of dollars of donations on behalf of the United Way and several other large corporations. The organization, located in the same building as the United Way, closed its doors June 2 saying it did not have enough funds to pay money owed to nonprofits.

The reason for PipeVine's shortfall was not immediately clear, though there is no indication of fraud or embezzlement.

United Way was PipeVine's largest customer. It is unclear how much in donations is unaccounted for or which nonprofits are owed.

Anne Wilson, CEO of United Way, said it could take weeks to answer those questions. She was expecting that data will be given to the United Way from the receiver that has been appointed to handle PipeVine's problems.

Wilson has vowed that any missing donations will be paid back by the United Way from money in its \$5 million reserve fund. United Way's annual campaign is set to wrap up in June. The campaign, suffering from the economic downturn, was expected to finish at about \$42 million, and Wilson said that will still happen.

"We are intending to make good on all local donations and it's terribly important to us that we stand by our donors and the nonprofit charities we work with," Wilson said.

The United Way has hired an attorney from Heller, Ehrman, White & McAuliffe and a national accounting firm to help with proceedings.

PipeVine President Frank Melcher was a former fund-raiser for United Way.

Joe Valentine, a former United Way CEO, said of PipeVine, "They are high level professionals, but obviously something got out of hand."

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