

BEST NEW RESTAURANT / SAN FRANCISCO

Waterbar and Epic Roasthouse

Decade-long quest brings \$20M eateries to waterfront

BY SARAH DUXBURY
San Francisco Business Times

Epic Roasthouse and Waterbar are the first privately owned, ground-up construction on San Francisco's waterfront in 100 years, and they only took a decade to come to life.

A decade, and some \$20 million.

All that remains of the original project as envisioned by chef Reed Hearon is the footprint of the two buildings. The developer, JMA Ventures, took the project over in 2002 following the dot-com bust. Todd Chapman, a principal with JMA, then went looking for a restaurateur he thought was up to the grand ambitions of the site.

"We talked to a lot of folks about the project, and at the end of the day, this is the largest restaurant project in San Francisco. For something of this scale and complexity, there are a lot of great chefs out there, but not a lot of chefs with the organization around them to handle a project this big," Chapman said.

Pat Kuleto fit the bill, Chapman believed, as demonstrated by his roster of restaurants, which includes Boulevard, Jardinière, Farallon and Martini House.

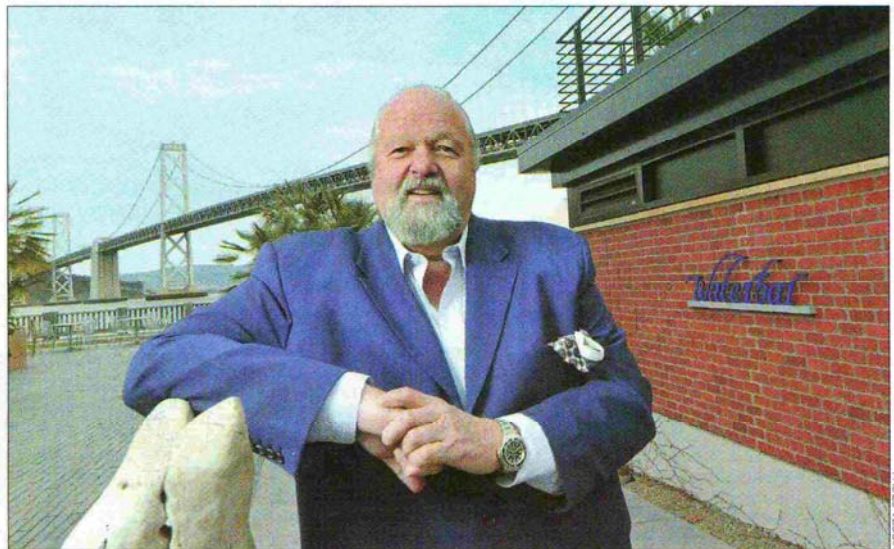
"They've served the test of time, which is a testament not only to their design, but to their ability to do front and back of house," Chapman added.

Kuleto also had the chops to create two very different yet complementary eateries, as he has done with the contemporary steakhouse and seafood spots.

JMA's new involvement meant restructuring the deal with the Port, crafting a new design and economic package, new trips to the Port of San Francisco, which leases the land where the restaurants were built to JMA, as well as trips to the Board of Supervisors and new meetings for community input and review.

That took years.

"It took us a good three and a half years to get our approvals, and that's after someone else spent five years getting approvals," Chapman said. The sheer number of city agencies required to sign off made this the most complicated project JMA has ever done. "You really have to be committed to San Francisco as a developer to see something like this through," Chapman said.



"The footprint was dealt to us within an inch. It was challenging," says Kuleto of the site for the two restaurants.

WATERBAR AND EPIC ROASTHOUSE

Location: 369 and 399 Embarcadero South, San Francisco.

Size: Two 9,000-square-foot restaurants sharing a 5,000-square-foot outdoor patio.

Cost: \$18 million.

Opening date: January 2008.

Developer: JMA Ventures.

Architects: MBH Architects and EDJ Design.

There were other limitations.

"The footprint was dealt to us within an inch," Kuleto recalled. "It was challenging. What we had designed was one story, and for us to get critical mass for our kind of restaurant, we needed more square footage."

So the restaurants were sunken and a mezzanine added, and the developers used the thinnest floor mate-

rials they could find just to fit within their 17.5 foot height limit. That resulted in two 9,000-plus-square-foot restaurants with a 5,000-square-foot outdoor terrace; Epic has 250 seats and Waterbar 200.

Such mass is necessary to recoup the \$20 million or so the restaurants cost. The interiors alone approach \$12 million, or a bit over \$600 per square foot, Kuleto said, though that includes furnishings, equipment and all fixtures.

Of course, Epic and Waterbar inhabit a world that is a far cry from the one into which they were born. A year ago, when they opened, the local economy remained strong and expectations high. Things are different today.

So far, the restaurants are holding their own in this recession, though both restaurants are short of projections. Pat Kuleto believes the goal for 2009 is survival, not just for him, but for any restaurant in the country.

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