

# 375 Beale Condominium Corporation

March 14, 2023

Agenda Item 4a - 23-0397

## **Building Operations (Including Property Management Services, Activities and Safety and Security) and Projects Report**

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### **Summary:**

This memorandum is to provide information to the Board regarding Building Operations (including Property Management Services, Activities and Safety and Security) and Projects Report.

### **Background:**

The Bay Area Headquarters Authority (BAHA) is pleased to serve as the Facility Operator for the property located at 375 Beale Street. The CC&Rs dated December 22, 2016, confer upon the Facility Operator all powers, duties, and responsibilities for the day-to-day operation, management, and maintenance of the Common Area and the Jointly Used Space (as defined in the CC&Rs). This includes implementing adopted rules; preparing and implementing the approved budgets; maintaining the accounting records; contracting service providers; and collecting and depositing authorized assessments.

### **Cushman & Wakefield (C&W):**

C&W assists BAHA with property management services, including building management, tenant services, building engineering, security, parking, and janitorial. Under its contract with BAHA, C&W is responsible for a full range of services including, but not limited to:

- Developing a plan for the management and operations of the facility (including parking).
- Providing for the operation and maintenance of building equipment and systems.
- Maintaining an on-site business office and being available 24 hours, 7 days a week for owner and tenant issues.
- Developing and maintaining the annual operating and capital budgets.
- Completing financial accounting including the collection and reporting of all revenues received.

**Bay Area Metro Center (BAMC) Activities:**

In this report, we advise you of scheduled activities and shared services utilization since the September 27, 2022, Board meeting.

***Shared Services***

To coincide with the expiration of the Governor's Covid emergency order on February 28, 2023, Covid-related signage has been removed from the building, and doors adjacent to the elevators on Levels 7 & 8 on agency floors have been unlocked during business hours as part of regular business practice.

Building cleaning and ventilation protocols implemented during the emergency order remain in place as building-wide standard operating procedures.

During phase 2 of the Retro-Commissioning (RCx) project an electrical shut-down will be required that includes disruption of power to the data center over a 3-day time span. This work is scheduled for the weekend of March 24, 2023. C&W will be working with Taylor Engineering to conduct testing and investigations to assess commissioned system performance of the data center and review trend data. Upon the conclusion of phase 2, Taylor Engineering will provide an RCx Investigation Report outlining the existing system, investigation results, and suggested corrective actions.

Since the last Board meeting, BAMC served as the venue for the January 10, 2023, American Red Cross blood drive. Additional blood drives are scheduled throughout the year.

Utilization reports for Shared Services activities since the last Board meeting are attached as follows:

- Attachment A: BAMC Visitors, Parking and Other Service Requests
- Attachment B: Room Reservations for Agency Meetings at 375 Beale

***Safety & Security Update***

C&W staff provided the 2022 Emergency Preparedness training videos to building occupants to allow them to access the documents as a reference when creating and practicing their emergency protocols.

There have been no notable incidents since the last Board meeting. Good access controls are an important component to improve safety for all occupants and visitors and to reduce the risk of unauthorized individuals entering BAMC. Since moving into the building in 2016, BAHA and C&W staff have implemented additional security controls to reduce piggybacking or tailgating to gain access into the building.

C&W and BAHA staff continue to work on having security screening equipment installed to augment other security measures within BAMC. In addition to this, C&W has contracted with a security consultant, Resolute Security to provide a comprehensive written assessment of the BAMC security program along with recommendations in mitigating risk exposure. Beginning in March of 2023, C&W will begin work to add the second-floor security vestibule and secondary entrance door at the Harrison Street employee entrance to prevent unauthorized access.

BAHA and C&W staff will continue to update this Board on security and safety measures at future 375 Beale Condominium Board meetings.

### ***Leasing Update***

#### ***Bay Area Toll Authority (BATA) Lease***

The BATA lease for the FasTrak® Customer Service Center operated by Conduent State and Local Solutions, Inc. under a contract with BATA was extended through September 28, 2027.

#### ***Cubic Lease***

The Cubic lease expired on December 31, 2022, and that space is now vacant.

#### ***Rutherford + Chekene Lease***

Rutherford & Chekene informed BAHA that they will be moving out of the 375 Beale Street upon the expiration of their lease on August 31, 2023.

#### ***Brokerage Services***

BAHA staff are working with the real estate brokerage provider (C&W) services to market and lease current and future vacant and office space at 375 Beale Street. See Attachment C, Stacking Plan.

## **Projects**

### *Building Floor Measurement Recalculation*

C&W has finalized the update and revision of the existing floor measurement calculations for floors 1-8. The updated measurements reflect the most current BOMA calculations, recent - 2017/2019 – standards. They also adjust load factions and provide updated Rentable Square Footage (RSF) for the entire building including amenity areas. See Attachment C, for Stacking Plans based on prior and recalculated measurements.

### *1st Floor Reconfigurations and Audio-Visual (AV) Upgrade*

BAHA staff continue to work on the finalization of the design process to optimize the 1<sup>st</sup> Floor Yerba Buena and Ohlone conference room spaces and the adjacent warming kitchen and continue discussions to identify the best plan to upgrade and implement AV systems in all the first-floor meeting room spaces.

### *Parking Feasibility Study & Parking Controls Equipment Replacement*

C&W staff continue to work on the finalization of the parking feasibility study to review BAMC's current parking rates and standing in comparison to current market rates in the downtown San Francisco area. C&W was also recently informed that the parking gate controls equipment in the Beale garage will become obsolete on December 2023. This means the equipment will no longer be serviceable or maintained by existing provider and will need to be replaced. C&W is currently working with the parking team to complete a cost analysis for the replacement.

### *Hybrid Space Pilot*

BAHA and MTC have begun to implement a Hybrid Space Pilot in a small number of MTC workspaces and SSO collaborative spaces. More information on the Hybrid Space Pilot will be provided at future Board meetings.

### *General Amenity Updates*

BAHA and CW are working to implement amenity upgrades in the coming months to enhance occupants experience in the building. Examples of the amenity upgrades that will be

implemented include adding a bike oasis in the Beale garage for public parkers, towel and water service and exercise equipment to the Cove, and adding a vending machine with healthy snacks and services.

### **Special Recognitions**

BAMC has been designated as a BOMA 360 Performance Building for another three-year term. This means our building is still among an elite group of properties that have demonstrated that the building is being managed to the highest standards of excellence. Earning the prestigious BOMA 360 label demonstrates that a building is outperforming the competition across all areas of operations and management. In addition to this, the building has been awarded The Outstanding Building of the Year (TOBY) for the second year in a row at the local BOMA level. The building will now advance to the Pacific Southwest Regional competition.

### **Attachments:**

- Attachment A: BAMC Visitors, Parking and Other Service Requests
- Attachment B: Room Reservations for Agency Meetings at 375 Beale
- Attachment C: 375 Beale Stacking Plan

*Denise Rodrigues*

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Denise T. Rodrigues