METROPOLITAN TRANSPORTATION COMMISSION Meeting Transcript



1	BOARD OF DIRECTORS 375 BEALE CONDOMINIUM CORPARATION
2	MONDAY, JUNE 9^{TH} , 2025, 3:00 PM
3	
4	
5	
6	PHILIP FINE: I WOULD LIKE TO CALL TO ORDER THIS MEETING OF THE
7	375 CONDOMINIUM BOARD CORPORATION. THIS MEETING IS WEBCAST ON
8	THE MTC WEB SITE. MEMBERS WISHING TO SPEAK SHOULD USE THE
9	RAISED HAND FEATURE OR DIAL AND THE CLERK WILL CALL UPON THEM
10	AT THE APPROPRIATE TIME. TELECONFERENCE ATTENDEES WILL BE
11	CALLED UPON BY THE LAST FOUR DIGITS OF THEIR PHONE NUMBER. AND
12	PER ARTICLE 7.7 OF THE BYLAWS DATED JUNE 29TH, 2017, ALL
13	MEETINGS OF THE BOARD SHALL BE CALLED, NOTICED, HELD AND
14	CONDUCTED UNDER THE RALPH M. BROWN ACT. START WITH ROLL CALL.
15	WOULD THE CLERK CALL THE ROLL AND CONFIRM QUORUM?
16	
17	CLERK OF THE BOARD: YES. GOOD AFTERNOON. BOARD MEMBER FINE?
18	
19	PHILIP FINE: PRESENT.
20	
21	CLERK OF THE BOARD: FREMIER?
22	
23	ANDREW B. FREMIER: PRESENT.
24	
25	CI.FDK OF THE BOADD. BOFTHEL?



1 2 NICK ROETHEL: PRESENT. 3 CLERK OF THE BOARD: OUORUM IS PRESENT. 4 5 PHILIP FINE: QUORUM. GOT IT. SO, THAT WILL MOVE US TO AGENDA 6 7 ITEM TWO, CONSENT CALENDAR, WHICH IS THE MINUTES FROM THE JUNE 8 4TH, 2024 MEETING. DO I HAVE A MOTION AND A SECOND TO APPROVE 9 THE CONSENT? 10 ANDREW B. FREMIER: FREMIER MOVES IT. 11 12 NICK ROETHEL: ROETHEL SECONDS. 13 14 PHILIP FINE: OKAY. ANY BOARD MEMBER THAT WOULD LIKE TO HAVE 15 16 COMMENTS ON THIS ITEM? SEEING NONE. ANY WRITTEN COMMENTS OR PUBLIC COMMENTS? ANYONE WISH TO SPEAK ON THIS ITEM? 17 18 19 CLERK, KIMBERLY WARD: I HAVE RECEIVED NOTHING IN WRITING FOR THIS ITEM, I SEE NO HANDS RAISED IN THE ZOOM SPACE, AND NO ONE 20 21 HAS APPROACHED THE PODIUM. 22 23 PHILIP FINE: ALL IN FAVOR, ACKNOWLEDGE BY SAYING AYE. [AYES]



- 1 PHILIP FINE: AYE. ANY OPPOSED? OKAY. THE MOTION PASSES. THE
- 2 MOTION PASSES UNANIMOUSLY BY ALL MEMBERS PRESENT. ALL RIGHT.
- 3 MOVING ON TO ITEM 3A, APPOINTMENT OF BOARD OFFICER. THE BOARD
- 4 RECEIVED A LETTER FROM MTC EXECUTIVE DIRECTOR FREMIER ADVISING
- 5 THAT BRAD PAUL NO LONGER SERVE AS THE ASSOCIATION OF BAY AREA
- 6 GOVERNMENTS REPRESENTATIVE MEMBER ON THE 375 BEALE CONDOMINIUM
- 7 CORPORATION BOARD AND APPOINTED JANE ELIAS, DIRECTOR OF ENERGY
- 8 PROGRAMS AS ABAG'S REPRESENTATIVE ON THE CORPORATION BOARD
- 9 EFFECTIVE NOVEMBER 1ST, 2024 TO FILL THE VACANCY CREATED BY
- 10 MR. PAUL. DO I HAVE A MOTION AND SECOND TO PROVE THIS NEW
- 11 APPOINTMENT?

12

14

16

19

21

13 ANDREW B. FREMIER: MOVE IT.

15 NICK ROETHEL: SECOND.

- 17 PHILIP FINE: GREAT. ANY BOARD MEMBER THAT WOULD LIKE TO
- 18 COMMENT ON THIS ITEM?
- 20 NICK ROETHEL: I THINK THEY WILL MAKE A GREAT ADDITION.
- 22 PHILIP FINE: ANY COMMENTS? ANY WRITTEN PUBLIC COMMENTS OR
- 23 MEMBERS OF THE PUBLIC WISHING TO SPEAK?



- 1 CLERK, KIMBERLY WARD: I HAVE RECEIVED NOTHING IN WRITING FOR
- 2 THIS ITEM, AND THERE NO MEMBERS IN THE BOARDROOM OR ZOOM
- 3 WISHING TO SPEAK ON THIS ITEM. AND LET THE RECORD REFLECT THAT
- 4 JANE ELIAS IS PRESENT.

5

6 PHILIP FINE: ABSOLUTELY. OKAY. ALL IN FAVOR, SAY AYE. [AYES]

7

- 8 PHILIP FINE: AYE. ANY OPPOSED? MOTION PASSES UNANIMOUSLY BY
- 9 ALL MEMBERS PRESENT. THANK YOU. AND WELCOME, JANE. ALL RIGHT.
- 10 THAT WILL MOVE US TO 3B, WHICH IS THE BEALE CONDOMINIUM
- 11 CORPORATION AUDIT RESULTS AND REQUIRED COMMUNICATIONS. SO,
- 12 GRACE MARTINEZ FROM MTC AND JOSEPH WIDJAJA FROM CROWE LLP WILL
- 13 PRESENT THIS ITEM FOR ACCEPTANCE. I PROBABLY BUTCHERED THE
- 14 NAME. SORRY.

15

16 JOSEPH WIDJAJA: THAT'S OKAY.

- 18 GRACE MARTINEZ: ALL RIGHT. THANK YOU, MR. CHAIR. AND
- 19 CONGRATULATIONS, JANE. GOOD AFTERNOON BOARD OF DIRECTORS FOR
- 20 THE RECORD GRACE MARTINEZ DIRECTOR OF ACCOUNTING AND FINANCIAL
- 21 REPORTING FIRST PRESENTATION IS CROWE LLP AUDIT AND THEN I'LL
- 22 COME BACK AND PRESENT THE HIGHLIGHTS OF FINANCIAL STATEMENTS.
- 23 KATHY LAI PARTNER FOR CROWE IS ON LEAVE OF ABSENCE
- 24 UNFORTUNATELY SO SHE WILL NOT JOIN US TODAY. THE PRESENTER
- 25 FROM CROWE LLP WILL BE JOSEPH WIDJAJA, SENIOR MANAGER AND WE



1 ALSO HAVE ONLINE BRAD HE'S CONCURRING REVIEWER. I'LL HAND IT

2 OVER TO JOE.

- 4 SPEAKER: NEXT SLIDE. FOR THE RECORD I'M JOSEPH WIDJAJA JUST
- 5 WANTED TO HIGHLIGHT OUR CLIENT SERVICE TEAM HERE WITH KATHY
- 6 LAI BEING THE LEAD ENGAGEMENT PARTNER WHO IS CURRENTLY ON
- 7 LEAVE OF ABSENCE I'M STEPPING IN FOR HER ALSO WITH US IS BRAD
- 8 JOINING US TODAY HERE ON THE CALL WITH OUR CONCURRING PARTNER
- 9 ON ENGAGEMENT. NEXT SLIDE. AGENDA FOR TODAY FIRST AUDIT
- 10 OBJECTIVES AND AUDIT RESULTS THEN WRAP UP WITH REQUIRED
- 11 COMMUNICATIONS BASED ON PROFESSIONAL STANDARDS. NEXT SLIDE.
- 12 BEFORE I GIVE THE AUDIT RESULTS, I THOUGHT IT WOULD BE
- 13 WORTHWHILE TO REVISIT ENGAGEMENT OBJECTIVES. CROWE WAS ENGAGED
- 14 TO EXPRESS AN OPINION ON WHETHER THE FINANCIAL STATEMENTS ARE
- 15 MATERIALLY CORRECT IN ACCORDANCE TO ACCOUNTING PRINCIPLES
- 16 GENERALLY ACCEPTED IN THE UNITED STATES, OR GAP FOR SHORT. WE
- 17 CONDUCTED OUR AUDIT IN ACCORDANCE WITH AUDITING STANDARDS, AND
- 18 THOSE ARE THE AUDITOR RESPONSIBILITIES. ON THE OTHER HAND, IT
- 19 IS IMPORTANT TO NOTE THAT MANAGEMENT IS RESPONSIBLE FOR THE
- 20 FAIR PRESENTATION AND FINANCIAL STATEMENTS IN ACCORDANCE WITH
- 21 GAP AND ALL RELATED INTERNAL CONTROLS OVER FINANCIAL
- 22 REPORTING. NEXT SLIDE. NEXT SLIDE AGAIN. ALL RIGHT. NOW FOR
- 23 THE AUDIT RESULTS. FOR 375 BEALE WE VANISHED AN UNMODIFIED
- 24 OPINION THAT IS THE HIGHEST LEVEL OF ASSURANCE THAT WE CAN
- 25 PROVIDE AS AN AUDITOR. OUR AUDITED OPINIONS STATED THAT THE



- 1 FINANCIAL STATEMENTS ARE FAIRLY STATED IN ALL MATERIAL
- 2 RESPECTS IN ACCORDANCE WITH GAP. SO, IF THAT STATEMENT IS
- 3 UNMODIFIED THAT, IS ACTUALLY EXCELLENT NEWS. CONCURRENT WITH
- 4 THAT, WE CONSIDERED INTERNAL CONTROLS OVER FINANCIAL REPORTS
- 5 AND I'M PLEASED TO REPORT DURING THE AUDIT, WE DID NOT
- 6 IDENTIFY ANY MATERIAL WEAKNESSES OR SIGNIFICANT DEFICIENCIES
- 7 IN INTERNAL CONTROL. NEXT SLIDE. ALL RIGHT, NOW WE'LL WRAP UP
- 8 WITH OUR REQUIRED COMMUNICATIONS. NEXT SLIDE. SO, FIRST AND
- 9 FOREMOST, SIGNIFICANT ACCOUNTING POLICIES, MANAGEMENT HAS
- 10 PROPERLY DISCLOSED THEIR POLICIES IN FOOTNOTE NUMBER ONE OF
- 11 THE REPORT. WE HAVE REVIEWED THEM AND THEY APPEAR TO BE BOTH
- 12 CLEAR AND CONSISTENT FROM PRIOR PERIODS. ALSO FOR MANAGEMENT'S
- 13 ACCOUNTING ESTIMATES WE HAVE REVIEWED THEM AND HAVE NO ISSUES
- 14 TO REPORT. NEXT SLIDE. SO, EVERY YEAR, THE GOVERNMENT
- 15 OBJECTING STANDARDS BOARD, OR SHORT FOR GASB, THEY ISSUE NEW
- 16 ACCOUNTING PRO ANNOUNCEMENTS THIS YEAR THERE WERE SEVERAL
- 17 STATEMENT TO BE ADOPTED HOWEVER THERE WAS NO NEW ACCOUNTING
- 18 STANDARDS THAT SIGNIFICANTLY IMPACT THE CORPORATION'S
- 19 FINANCIAL STATEMENTS. NEXT SLIDE. ALSO HAPPY TO REPORT THAT WE
- 20 DID NOT NOTE ANY MATERIAL CORRECTED MISSTATEMENTS, IN ADDITION
- 21 WE DID NOT NOTE ANY UNCORRECTED MISSTATEMENTS. SO, OVERALL,
- 22 REALLY CLEAN AUDIT. AND NEXT SLIDE, HERE. LASTLY, WE DID NOT
- 23 NOTE ANY OF THE FOLLOWING, DID NOT NOTE SIGNIFICANT ACCOUNTING
- 24 POLICIES OR CONTROVERSIAL EMERGING AREAS WE DID NOT NOTE
- 25 SIGNIFICANT UNUSUAL TRANSACTIONS SIGNIFICANT DIFFICULTIES



- 1 ENCOUNTERED DURING THE AUDIT WE DID NOT NOTE DISAGREEMENTS
- 2 WITH MANAGEMENT ON THE OTHER HAND MANAGEMENT IS ACTUALLY
- 3 PLEASED TO WORK WITH WE DID NOT -- CONSULTATIONS WITH OTHER
- 4 ACCOUNTANTS SIGNIFICANT RELATED TO PARTY FINDINGS AND NO
- 5 ISSUES INDEPENDENT MATTERS WITH THAT BEFORE I CONCLUDE I WANT
- 6 TO APPRECIATE GRACE MARTINEZ AND JENNIFER YE THE REST OF MTC
- 7 TEAM FOR THEIR TIME AND EFFORTS GETTING THIS AUDIT DONE. THANK
- 8 YOU. WITH THAT I'M HAPPY TO ADDRESS ANY QUESTIONS FROM THE
- 9 BOARD.

- 11 GRACE MARTINEZ: I'LL GO AHEAD AND PRESENT THE FINANCIAL
- 12 REPORT. IF WE CAN PLEASE GO TO THE NEXT GROUP OF SLIDES. NEXT
- 13 SLIDE, PLEASE. OKAY. SO, THE FINANCIAL STATEMENTS ARE REALLY
- 14 STRAIGHT FORWARD, IT'S UNIQUE FROM OTHER FINANCIAL STATEMENTS
- 15 WHEREIN THE CORPORATION DOESN'T MAINTAIN A FUND BALANCE. ANY
- 16 SURPLUS FOR THE YEAR OR DEFICIT ARE REFUNDED OR CHARGED BACK
- 17 TO THE OWNERS. SO, THERE IS ALWAYS ZERO FUND BALANCE. SO, FOR
- 18 THE YEAR, TOTAL GROSS ASSESSMENTS WAS ALMOST 9 MILLION. THIS
- 19 IS UP BY ABOUT OVER 20% COMPARED TO PRIOR YEARS, OPERATING
- 20 EXPENSES ABOUT 7 MILLION, UP BY 14% COMPARED TO THE PRIOR
- 21 YEAR. THE DIFFERENCE RESULTED IN A SURPLUS OF ABOUT 2.1
- 22 MILLION, AND THIS IS THE AMOUNT THAT WILL BE REFUNDED TO THE
- 23 OWNERS. NEXT SLIDE, PLEASE. SO, THIS IS A STATEMENT OF NET
- 24 POSITION, AS STATED EARLIER, OF THE CORPORATION DOESN'T
- 25 MAINTAIN A NET POSITION, SO, YOU WILL SEE A ZERO BALANCE AT



- 1 THE END THERE. BUT WHAT WE WANTED TO HIGHLIGHT HERE IS THAT
- 2 TOTAL ASSETS INCREASED BY ABOUT 600 DURING THE YEAR, AND THEN
- 3 THERE IS ALSO INCREASES AND DECREASES IN BOTH THE ASSETS AND
- 4 LIABILITIES. SO, REASONS FOR THOSE ARE DESCRIBED IN THE SLIDE.
- 5 I WON'T READ THEM TO YOU ONE BY ONE. THEY'RE PRETTY STRAIGHT
- 6 FORWARD. NEXT SLIDE, PLEASE. THIS IS A STATEMENT OF REVENUES
- 7 AND EXPENSES. THIS IS REALLY WHERE IT SHOWS WHAT HAPPENED
- 8 DURING THE YEAR. RESULTING IN THE SURPLUS OF 2.1 MILLION. THIS
- 9 SLIDE -- THIS SLIDE, PARTICULAR SLIDE, HIGHLIGHTS THE
- 10 OPERATING REVENUES FOR THE YEAR. SIGNIFICANT -- THE MOST
- 11 SIGNIFICANT PORTION OF IT IS THE ASSESSMENT FEES, WHICH WE
- 12 COVERED IN THE PREVIOUS SLIDE. AND NEXT SLIDE, PLEASE. YES.
- 13 SO, THIS ONE IS JUST A CONTINUATION OF THE STATEMENT OF
- 14 REVENUES AND EXPENSES, BUT WE HIGHLIGHT THE OPERATING
- 15 EXPENSES, WHICH INCREASED COMPARED TO THE PRIOR YEAR. AND MOST
- 16 OF THE INCREASES ARE REALLY ON THE SALARIES AND BENEFITS AND
- 17 OVERHEAD COMPARED TO THE PRIOR YEAR. AND I THINK THIS IS THE
- 18 LAST SLIDE THAT END OF PRESENTATION. WE ARE READY FOR YOUR
- 19 QUESTIONS OR COMMENTS, IF YOU HAVE ANY. OTHERWISE, THE ACTION
- 20 THAT'S REQUESTED FROM THE BOARD IS ACCEPTANCE OF THE AUDITED
- 21 FINANCIAL STATEMENTS. LET'S ASK FOR A MOTION FIRST THEN WE CAN
- 22 HAVE DISCUSSION

24 **SPEAKER:** MOTION.

25



SPEAKER: SECOND. 1 2 3 PHILIP FINE: MOTION AND SECOND. ANY BOARD MEMBERS THAT WOULD LIKE TO COMMENT? 4 5 ANDREW B. FREMIER: I DO HAVE ONE QUESTION, MAYBE IT'S FOR YOU 6 DENISE. I KNOW WE HAVE CHANGED -- I KNOW SECURITY COSTS HAVE 7 8 GONE UP, I TOTALLY UNDERSTAND THAT, BUT TO SOME DEGREE, I KNOW WE HAVE CHANGED THE PRACTICE AROUND THE FASTRAK WALK UP WHERE 9 THE LOBBY IS, SORT OF, BECOME THE STANDING PLACE DOES THAT 10 MEAN YOU STILL NEED A SECURITY GUARD THERE ON THE SECOND 11 FLOOR? 12 13 SPEAKER: WE DO NOT WE'RE ACTUALLY LOOKING AT REMOVING THE 14 15 GUARD FROM THE SECOND FLOOR OVER THE NEXT SEVERAL WEEKS. 16 ANDREW B. FREMIER: I KNEW YOU HAD TAKEN CARE OF IT. 17 18 SPEAKER: ABSOLUTELY. 19 20 21 NICK ROETHEL: I APPRECIATE THE WORK OF GRACE, AND YOUR TEAM, 22 HAVING CLEAN FINANCIALS. I MEAN, I THINK THAT'S NOTEWORTHY. 23 GRACE MARTINEZ: I JUST WANTED TO RECOGNIZE MEMBERS OF MY TEAM 24 25 THAT ARE HERE. WE HAVE JENNIFER YE AND TAREK, OUR ASSISTANT



- 1 DIRECTOR FOR ACCOUNTING, AND THEN WE ALSO HAVE ANNA PAN WHO IS
- 2 THE SENIOR ACCOUNTANT WHO IS REALLY RESPONSIBLE FOR ALL THE
- 3 WORK JUST TO REPORT SHE DOES EVERYTHING, GATHERING ALL DATA
- 4 AND ACCOUNTING. I WANT TO MAKE SURE THEY ARE RECOGNIZED.

5

- 6 PHILIP FINE: ANY OTHER COMMENTS? I WANT TO CONGRATULATE THE
- 7 TEAM ON THE CLEAN FINDINGS. JUST ONE QUESTION, IF THERE IS A
- 8 REFUND, A SURPLUS AT THE END OF THE YEAR, IS THERE ACTUALLY A
- 9 CHECK WRITTEN BACK OR CREDIT TOWARDS FUTURE DUES?

10

11 GRACE MARTINEZ: IT'S A CHECK.

12

- 13 PHILIP FINE: IT'S A CHECK. OKAY. ALL RIGHT. ANY WRITTEN PUBLIC
- 14 COMMENTS FROM THE PUBLIC TO SPEAK ON THIS ITEM?

15

- 16 CLERK, KIMBERLY WARD: THANK YOU. I HAVE RECEIVED NOTHING IN
- 17 WRITING FOR THIS ITEM. I SEE NO HANDS IN THE ZOOM SPACE AND NO
- 18 ONE HAS APPROACHED THE PODIUM.

- 20 PHILIP FINE: OKAY. WE HAVE OUR MOTION AND SECOND. WE'LL VOTE
- 21 NOW. ALL THOSE IN FAVOR OF ACCEPTING THESE REPORTS, SAY AYE.
- 22 ALL IN FAVOR, SAY AYE. [AYES] AYE OPPOSED? SEEING NONE. IT
- 23 PASSES UNANIMOUSLY. ALL RIGHT MOVING TO ITEM 3C. WHICH IS THE
- 24 UPCOMING FISCAL YEAR 2025, 2026 OPERATING BUDGET AND
- 25 ASSESSMENTS.



1	
2	IASHA SPENCER: GOOD AFTERNOON EVERYONE. I'M IASHA SPENCER
3	FINANCIAL PLANNING AND UNLESS MANAGER FOR THE BUDGET FINANCIAL
4	PLANNING ANALYSIS SECTION WE HAVE ARLEICKA CONLEY ALSO ON LINE
5	JOINING ME TODAY SHE'S SECTION DIRECTOR FOR BFPA. NEXT SLIDE.
6	IN 2011 THE BAY AREA HEADQUARTERS AUTHORITY PURCHASED 375
7	BEALE STREET AND IN 2017 THE 375 BEALE STREET CONDOMINIUM
8	CORPORATION WAS ESTABLISHED TO MANAGE THE CONDOMINIUM INTEREST
9	OF THE BAY AREA DECLARATION OF COVENANTS CONDITIONS AND
10	RESTRICTIONS OR CC&RS PROVIDES POLICY OPERATING GUIDANCE AND
11	CCNR AUTHORIZES ASSESSMENT FEES TO COVER COMMON AREA SHARED
12	SERVICES EXPENSES. NEXT SLIDE PLEASE. FOR FISCAL YEAR 2025,
13	2026 TOTAL ASSESSMENT FEES ARE DECREASING EIGHT HELPED 19,000
14	OR 8% FROM FISCAL YEAR '24/'25 BUDGET. THE COMMON AREA
15	ASSESSMENT YOU WILL SEE DECREASING 621,000 OR 13% PRIMARILY
16	DUE TO THE PROPERTY MANAGER CUSHMAN & WAKEFIELD BEING MORE
17	PRECISE DETERMINING THE ACTUAL EXPENSE NEEDS FOR MAINTAINING
18	THE BUILDING. TO GIVE YOU ALL BACKGROUND, THE COMMON AREA
19	ASSESSMENTS ARE USED TO PROVIDE SERVICES THAT ALL BUILDING
20	TENANTS BENEFIT FROM SUCH AS SECURITY, JANITORIAL SERVICES
21	UTILITIES ADMINISTRATION AND REPAIR AND MAINTENANCE
22	ASSESSMENTS ARE SPLIT BETWEEN BAHA ABAG AND THE AIR DISTRICT
23	BASED ON SCARE FOOTAGE OWNERSHIP OF THE COMMON AND SHARED

AREAS AS DESCRIBED IN THE CC&RS, PROVIDING CC&RS I WANT TO

NOTE THAT ABAG'S FISCAL YEAR 2025, 2026 ASSESSMENTS ARE CAPPED

24



- 1 AT 419,811 AND FISCAL YEAR 2025, 2026 SHARED SERVICES
- 2 ASSESSMENTS ARE DECREASING \$198,000 OR 4% PRIMARILY DUE TO
- 3 DECREASES IN COST RELATED PROJECTS CONTRACT SERVICES INCLUDING
- 4 HYBRID CONFERENCE ROOM ROLL OUT AND TEMAZCAL EVENT CONSULTANT
- 5 FOR AV SUPPORT SHARED SERVICES ASSESSMENTS ARE USED TO PROVIDE
- 6 SERVICES THAT BENEFIT THE THREE CONDO OWNERS SUCH AS SERVICES
- 7 UPGRADES OFFICE SUPPLIES AND CONFERENCE ROOM IMPROVEMENTS.
- 8 OPERATING EXPENSES DECREASING 800 NAN THOUSAND OR 3% PRIMARILY
- 9 DUE TO PREVIOUSLY MENTIONED DECREASE IN IT PROJECTS AND
- 10 CONTRACT SERVICES OTHER EXPENSES DECREASING PRIMARILY DUE TO
- 11 [INDISCERNIBLE] FURNITURE FROM OPERATING CAPITAL STAFF COSTS
- 12 ARE INCREASING 182,000 OR 11.5% PRIMARILY DUE TO THE ADDITION
- 13 OF ONE NEW FTE IN A 2.8% COLA INCREASE. NEXT SLIDE PLEASE. IN
- 14 ADDITION TO THE OPERATING EXPENSES, THE BUILDING HAS ONGOING
- 15 CAPITAL REPAIR AND MAINTENANCE NEEDS THAT HAVE NOT BEEN
- 16 INCLUDED IN THE ASSESSMENT CALCULATION. AS WELL AS
- 17 INFRASTRUCTURE UPGRADES THAT WILL BENEFIT THE CONDO OWNERS AND
- 18 MAKE THE BUILDING MORE MARKETABLE IN AN EXTREMELY COMPETITIVE
- 19 REAL ESTATE MARKET. WHILE BAHA HAS RELIES ON RENTAL INCOME TO
- 20 SUPPORT CAPITAL REPAIR AND MAINTENANCE COSTS THIS IS BECOMING
- 21 INCREASINGLY CHALLENGING AS EXISTING TENANTS ARE NOT RENEWING
- 22 LEASES AND VACANCY RATES IN DOWNTOWN SAN FRANCISCO CONTINUE AT
- 23 HISTORIC HIGHS STAFF WILL BE WORKING WITH OWNERS TO EVALUATE
- 24 ADDITIONAL ASSESSMENT FOR ONGOING CAPITAL REPAIR AND
- 25 MAINTENANCE CAPITAL IMPROVEMENT PROJECTS STAFF ANTICIPATE



- 1 RETURNING AT A LATER DATE FOR AN AMENDMENT THAT INCLUDES
- 2 FUNDING FOR ONGOING CAPITAL PROJECTS IN CONCLUSION WE ARE
- 3 REQUESTING THAT THE BOARD APPROVE THIS FISCAL YEAR 2025, 2026
- 4 BUDGET AND THANK YOU EVERYONE FOR YOUR TIME AND I'M HAPPY TO
- 5 ANSWER ANY QUESTIONS YOU MAY HAVE.

6

- 7 PHILIP FINE: THANK YOU, AISHA. WE'LL ENTERTAIN A MOTION BEFORE
- 8 WE GET TO DISCUSSION. SO MOVED. DO I HAVE A SECOND?

9

10 **SPEAKER:** SECOND.

11

- 12 PHILIP FINE: OKAY. SO, ANY BOARD MEMBER THAT HAS ANY COMMENTS
- 13 OR QUESTIONS?

14

- 15 ANDREW B. FREMIER: ONE CLARIFICATION, YOU MENTIONED ABAG CAPS
- 16 OUT, BUT JUST TO BE CLEAR, BAHA COVERS THE DIFFERENCE, RIGHT?
- 17 NONE OF THAT GETS -- YEAH.

18

19 PHILIP FINE: ANY OTHER QUESTIONS?

20

- 21 NICK ROETHEL: JUST SHARE MY APPRECIATION WITH STAFF.
- 22 [INDISCERNIBLE] WILLIAMS, IN PARTICULAR, FOR SOME PRETTY
- 23 SIGNIFICANT COST SAVINGS IN THE IT SERVICES IN AN AREA THAT
- 24 HAD BEEN GROWING UP UNTIL THIS YEAR. SO, APPRECIATE THAT.



- 1 PHILIP FINE: GREAT. I'LL ECHO THAT. NICE TO SEE COST SAVINGS;
- 2 THAT'S HARD TO DO IN CURRENT TIMES. ONE QUESTION -- I KNOW
- 3 WE'RE GOING TO TALK ABOUT IT LATER -- THE CURRENT EXTERIOR
- 4 PROJECT IS THAT CONSIDERED CAPITAL OR IS THAT PART OF
- 5 MAINTENANCE?

6

- 7 SPEAKER: CORRECT. THAT IS UNDER THE CAPITAL PROJECTS UNDER
- 8 BAHA.

9

- 10 PHILIP FINE: OKAY. UNDER CAPITAL PROJECTS BAHA.
- 11 [INDISCERNIBLE] MY COMMENTS FOR LATER. OKAY WE HAVE A MOTION
- 12 AND SECOND. ANY PUBLIC WRITTEN COMMENTS PUBLIC COMMENTS OR
- 13 WRITTEN COMMENTS?

14

- 15 CLERK, KIMBERLY WARD: I HAVE RECEIVED NOTHING IN WRITING NO
- 16 ONE HAS APPROACHED THE PODIUM NO HANDS ARE RAISED IN THE ZOOM
- 17 SPACE.

18

- 19 PHILIP FINE: MOTION AND SECOND. GOING TO VOTE. ALL IN FAVOR,
- 20 SAY AYE. [AYES]

- 22 PHILIP FINE: AYE. ANY OPPOSED? SEEING NONE. MOTION PASSES
- 23 UNANIMOUSLY BY ALL MEMBERS PRESENT. OKAY. OF THE MOVING ON TO
- 24 ITEM 4A, THE BUILDING OPERATIONS AND PROJECTS REPORT. DENISE
- 25 BLAKE WILL PRESENT THIS ITEM.



1 2 DENIS BLAKE: GOOD AFTERNOON BOARD MEMBERS DENISE BLAKE 3 ASSISTANT DIRECTOR OF OPERATIONS AND CAPITAL PROJECTS. THE MEMO FOR ITEM FOUR IS INCLUDED IN YOUR BOARD PACKET AND 4 5 PROVIDES SUMMARY OF BUILDING ACTIVITIES SINCE OUR LAST MEETING ON JUNE 4TH, 2024. I WOULD LIKE TO HIGHLIGHT A FEW OF THOSE 6 PROJECTS DURING MY SHORT PRESENTATION. FIRST, THERE HAVE BEEN 7 8 NO SIGNIFICANT SAFETY OR SECURITY INCIDENTS REPORTED SINCE THE LAST MEETING UNTIL THE PREPARATION OF MATERIALS FOR TODAY'S 9 MEETING. ADDITIONAL INFORMATION REGARDING OUR OPERATIONAL 10 ACTIVITIES INCLUDING AGENCY SUBMITTED SERVICE REQUESTS AND 11 STATISTICAL DATA RELATED TO OUR PUBLIC MEETINGS IS INCLUDED IN 12 ATTACHMENT A AND B. AND AS IT RELATES TO OUR CAPITAL PROJECTS, 13 THE FIRST FLOOR RECONFIGURATION PROJECT SUCCESSFULLY REACHED 14 15 FINAL COMPLETION LAST MONTH. SO, KUDOS TO THE TEAM THAT WORKED 16 ON THAT PROGRAM TO BRING IT TO FINAL COMPLETION. THE ENHANCEMENTS TO THE TECHNOLOGY, HVAC SYSTEM, AND THE OVERALL 17 CONSTRUCTION PROJECT HAS SIGNIFICANTLY IMPROVED OUR 18 FUNCTIONALITY AND EFFICIENCIES IN THOSE SPACES, SO WE HAVE A 19 GREAT APPRECIATION FOR THAT. AND AS IT RELATES TO OUR FACADE 20 21 WORK, DR. FINE T WILL CONTINUE AND IS ONGOING UNTIL FALL OF 2028. AND JUST A REMINDER OUR CONTRACTORS ARE WORKING ON EIGHT 22 DROPS AROUND THE CIRCUMFERENCE OF THE BUILDING. WE HAVE 23 SUCCESSFULLY COMPLETED ONE OF THOSE EIGHT DROPS, AND WE 24

WELCOME YOU TO TAKE A LOOK AT THE MAIN STREET SIDE OF THE



1	BUILDING TO SEE THE DIFFERENCE BETWEEN ONE SIDE OF THE
2	BUILDING TO THE NEXT. WE RECOGNIZE THAT THERE IS NOISE
3	ASSOCIATED WITH THE WORK THAT'S HAPPENING AROUND THE BUILDING,
4	AND CUSHMAN & WAKEFIELD, OUR PROPERTY MANAGEMENT TEAM, THEY
5	CONTINUE TO SHARE INFORMATION WITH OUR BUILDING TENANTS TO LET
6	FOLKS KNOW IN ADVANCE OF THE IMPACT OF THE NOISE THAT MAY
7	IMPACT OPERATIONS WITHIN THE BUILDING. SO, THANK YOU TO VIVIAN
8	CLAUSON AND THE TEAM FOR THEIR WORK ON COMMUNICATION. AND I
9	WOULD ALSO LIKE TO NOTE THAT SINCE OUR LAST MEETING, VIVIAN
10	CLAUSON HAS OFFICIALLY ACCEPTED THE POSITION OF SENIOR
11	PROPERTY MANAGER FOR CUSHMAN & WAKEFIELD. SHE WAS IN INTERIM
12	STATUTES DURING OUR LAST MEETING, AND IN ADDITION, COURTNEY
13	JOHNSON HAS BEEN SELECTED AS OUR DIRECTOR OF OUR SECURITY TEAM
14	FOR OUR BUILDING. SO, WELCOME TO COURTNEY. AND THAT CONCLUDES
15	MY PRESENTATION. VIVIAN, COURTNEY, AND I WOULD BE GLAD TO
16	ANSWER ANY QUESTIONS THAT YOU MAY HAVE OF US.
17	
18	NICK ROETHEL: QUESTION. THAT MEANS VIVIAN IS STAYING WITH THE
19	BUILDING, RIGHT? [LAUGHTER] OKAY.
20	
21	DENISE BLAKE: ABSOLUTELY. WE'RE KEEPING HER.

NICK ROETHEL: THAT'S GOOD NEWS. EXCELLENT.

24

22



PHILIP FINE: MY OUESTION ON THE FACADE JOB IS IT A TIMING AND 1 -- IS IT TIMING AND COST AS ANTICIPATED AT THE BEGINNING OR 2 3 HAS A BIT OF DETAIL IN HISTORY ON WHERE WE ARE VERSUS WHAT WE THOUGHT IT WOULD BE GOING IN LINE OR THEY DISCOVER THINGS? 4 5 DENISE BLAKE: A FEW DISCOVERIES NOTHING SIGNIFICANT, COMES TO 6 AN 80 YEAR BUILDING, SO THERE HAVE BEEN SOME THINGS DISCOVERED 7 8 DURING THE PROCESS NOTHING SUBSTANTIAL. 9 >>PHILIP FINE: IT'S ON SCHEDULE FOR YOUR PROJECT? 10 11 DENISE BLAKE: AT LEAST. 12 13 PHILIP FINE: ANY OTHER COMMENTS FROM THE BOARD MEMBERS? OKAY. 14 WRITTEN PUBLIC COMMENTS? 15 16 CLERK, KIMBERLY WARD: I HAVE RECEIVED NOTHING IN WRITING AND 17 18 NO ONE HAS RAISED THEIR HAND TO SPEAK ON THIS ITEM. 19 PHILIP FINE: OKAY. THIS WAS AN INFORMATIONAL ITEM; NO VOTE 20 21 REQUIRED. WE'LL MOVE TO ITEM FIVE. ARE THERE ANY WRITTEN 22 PUBLIC COMMENTS OR MEMBERS OF THE PUBLIC WISHING TO SPEAK ON 23 ITEMS THAT WERE NOT ON THE AGENDA.



- 1 CLERK, KIMBERLY WARD: I HAVE RECEIVED NOTHING IN WRITING, AND
- 2 NO ONE HAS RAISED THEIR HAND TO SPEAK ON THIS ITEM.

3

- 4 PHILIP FINE: ANY OTHER BUSINESS YOU WANT TO RAISE ATTENTION
- 5 FROM BOARD MEMBERS. WE WILL CONCLUDE ITEM FIVE. THIS MEETING
- 6 AND NEXT MEETING OF THE BOARD OF DIRECTORS OF 375 BEALE
- 7 CONDOMINIUM CORPORATION WILL BE HELD ON A DATE AND TIME TO BE
- 8 DULY NOTICED IN THE FUTURE. THANK YOU, EVERYONE. [ADJOURNED]



Broadcasting Government