



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Meeting Agenda

Bay Area Headquarters Authority

Authority Members:

Scott Haggerty, Chair Alfredo Pedroza, Vice Chair
Jeannie Bruins, Federal D. Glover, Libby Schaaf, Amy R. Worth

Wednesday, June 26, 2019

9:35 AM

Board Room - 1st Floor

This meeting is scheduled to be webcast live on the Metropolitan Transportation Commission's Web site: <http://mtc.ca.gov/whats-happening/meetings> and will take place at 9:35 a.m. or immediately following the 9:30 a.m. Bay Area Toll Authority meeting.

1. Roll Call/Confirm Quorum

Quorum: A quorum of this committee shall be a majority of its regular voting members (4).

2. Consent Calendar

- 2a. [19-0437](#) Minutes of the April 24, 2019 meeting
Action: Authority Approval
Attachments: [2a_04-24-2019_BAHA_Draft_Minutes.pdf](#)
- 2b. [19-0343](#) Third Quarter BAHA Financial Statements - March 2019
Action: Information
Presenter: Brian Mayhew
Attachments: [2b_BAHA_FY 2018-19 3rd Qtr Financial Statement.pdf](#)

3. Authority Approval

- 3a. [19-0644](#) Contract Amendment - Property Management Services: Cushman & Wakefield of California, Inc. (\$660,000)

A request for approval of a contract amendment with Cushman & Wakefield to complete building improvements at the Bay Area MetroCenter.
Action: Authority Approval
Presenter: Gary Szeto
Attachments: [3a_Cushman_Wakefield_ContractAmendment.pdf](#)

- 3b.** [19-0645](#) Contract- Bay Area Metro Center Design Services: Perkins + Will, Inc. (\$300,000)

A request for approval of a contract with Perkins + Will for design services of the Yerba Buena Conference Room expansion, Warming Kitchen expansion, and Control Room redesign at the Bay Area MetroCenter.

Action: Authority Approval

Presenter: Gary Szeto

Attachments: [3b Perkins + Will Contract.pdf](#)

- 3c.** [19-0344](#) BAHA Resolution No. 20, Revised - FY 2018-19 Bay Area Headquarters Authority Operating and Capital Budgets Revision; and BAHA Resolution No. 21 - FY 2019-20 Bay Area Headquarters Authority Operating and Capital Budgets

A request for approval of BAHA Resolution No. 20, Revised, FY 2018-19 Operating and Capital Budgets to increase assessment revenue and the revised assessment fee schedule in the Condo and Shared Services Program; and BAHA Resolution No. 21, FY 2019-20 Operating and Capital Budgets.

Action: Authority Approval

Presenter: Brian Mayhew

Attachments: [3c BAHA Resos 20-21 Budgets.pdf](#)

4. Public Comment / Other Business

5. Adjournment / Next Meeting

The next meeting of the Bay Area Headquarters Authority will be held on July 26, 2019 in the Board Room at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA.

Public Comment: The public is encouraged to comment on agenda items at Authority meetings by completing a request-to-speak card (available from staff) and passing it to the Authority secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Authority may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Authority meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Authority members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Authority. Actions recommended by staff are subject to change by the Authority.

Legislation Details (With Text)

File #: 19-0437 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 4/18/2019 **In control:** Bay Area Headquarters Authority
On agenda: 6/26/2019 **Final action:**
Title: Minutes of the April 24, 2019 meeting
Sponsors:
Indexes:
Code sections:
Attachments: [2a_04-24-2019_BAHA_Draft_Minutes.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of the April 24, 2019 meeting

Recommended Action:
Authority Approval



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Meeting Minutes

Bay Area Headquarters Authority

Authority Members:

Scott Haggerty, Chair Alfredo Pedroza, Vice Chair
Jeannie Bruins, Federal D. Glover, Libby Schaaf, Amy R. Worth

Wednesday, April 24, 2019

9:35 AM

Board Room - 1st Floor

Call Meeting to Order

1. Roll Call/Confirm Quorum

Present: 5 - Commissioner Bruins, Commissioner Glover, Chair Haggerty, Commissioner Schaaf and Commissioner Worth

Absent: 1 - Vice Chair Pedroza

2. Consent Calendar

Approval of the Consent Calendar

Upon the motion by Commissioner Glover and the second by Commissioner Worth, the Consent Calendar was unanimously approved by the following vote:

Aye: 5 - Commissioner Bruins, Commissioner Glover, Chair Haggerty, Commissioner Schaaf and Commissioner Worth

Absent: 1 - Vice Chair Pedroza

2a. [19-0314](#) Minutes of the February 27, 2019 meeting

Action: Authority Approval

2b. [19-0312](#) Contract Amendment - Furniture Procurement Services: KBM Office Equipment Inc. (\$300,000)

Action: Authority Approval

Presenter: Gary Szeto

3. Information

- 3a. [19-0313](#) Update on Final Lease Agreement - San Francisco Bay Conservation and Development Commission (BCDC): Department of General Services

Staff provided an update on the BCDC Final Lease Agreement.

Action: Information

Presenter: Denise Rodrigues

4. Public Comment / Other Business

5. Adjournment / Next Meeting

The next meeting of the Bay Area Headquarters Authority will be held on May 22, 2019 in the Board Room at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 19-0343 **Version:** 1 **Name:**
Type: Report **Status:** Consent
File created: 3/29/2019 **In control:** Bay Area Headquarters Authority
On agenda: 6/26/2019 **Final action:**
Title: Third Quarter BAHA Financial Statements - March 2019
Sponsors:
Indexes:
Code sections:
Attachments: [2b_BAHA_FY 2018-19 3rd Qtr Financial_Statement.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:
Third Quarter BAHA Financial Statements - March 2019

Presenter:
Brian Mayhew

Recommended Action:
Information

Bay Area Headquarters Authority (BAHA)

June 26, 2019

Agenda Item 2b

Third Quarter Bay Area Headquarters Authority (BAHA) Financial Statements for March 31, 2019

Background: Attached are the BAHA Operating and Capital Financial Statements for the Fiscal Year 2018-19 Third quarter ending on March 31, 2019.

Combined Operations: BAHA is the operating authority and provides oversight for the entire Bay Area Metro Center (BAMC) enterprise, including the operation of the 375 Beale Condominium Corporation (375 Beale Inc.). As of the end of the third quarter, the combined operating financials show a surplus of \$4.3 million before transfer out and depreciation.

BAHA Building Operations: BAHA Building Operations represents the BAHA commercial building operations. These operations reported a \$3.4 million surplus before transfer out and depreciation. Total revenue of \$7.6 million is 54% of the approved budget. The proceeds from the sale of the additional space to Bay Area Air Quality Management District (BAAQMD) were budgeted in Building Operations but reported in the Building Development Budget.

Total operating expense was slightly below the approved budget at 62% or \$4.1 million at the end of the third quarter.

375 Beale Inc.: The board of directors of 375 Beale Inc., composed of representatives of the condominium owners, oversees the condominium operations. As of March 31, 2019, the condominium operations show a surplus of \$879,733. Any surplus revenue at the end of the fiscal year will be returned to the condominium owners based on the assessment allocation formula.

Property Manager: Cushman & Wakefield of California, Inc. (CW) is hired by BAHA as the property manager for the BAMC. CW is responsible for ensuring the building is in operating condition throughout the fiscal year by managing utility services, building security, janitorial service, and building maintenance. Total operating expense incurred by CW at the end of the third quarter was \$5.3 million, 67% of the approved budget. CW expenses are split between BAHA Building Operations and 375 Beale Inc.

BAHA Building Development: BAHA received \$4.4 million from BAAQMD for the sale of additional space. The capital budget is 99% expended. The project budget has \$621,654 remaining after expenditures and encumbrances.

Commercial Development: Tenant improvements are 83% complete with three open projects remaining. The entire development project has \$4.7 million budget remaining which is largely reserved for the Retail Space project.

Building Improvement: This capital fund, established in the current fiscal year, is used for building improvement projects. Total budget for the fund is \$1.2 million. As of the end of March, the project budget has \$249,649 remaining after expenditures and encumbrances

Recommendation: None. This item provided as information only.

Attachments: Attachment A – BAHA Third Quarter Financial Statements for period ending March 31, 2019



Therese W. McMillan

Agenda Item 2b - Attachment A

BAHA Building and 375 Beale Inc. Operations BAHA Operating Budget by Group As of March 31, 2019

	FY2018-19 Budget	Actual YTD	Budget Bal Over/(Under)	% of Budget	Year Expired	Enc	YTD Total (YTD + Enc)
Revenue:							
Assessment Fee - Shared Services	\$ 2,044,713	\$ 1,533,535	\$ (511,178)	75%	75%	\$ -	\$ 1,533,535
Assessment Fee - Common Area	3,414,726	2,561,045	(853,681)	75%	75%	-	2,561,045
Special Assessment for Ada's	152,000	152,000	-	100%	75%	-	152,000
Lease income	8,963,946	6,937,350	(2,026,596)	77%	75%	-	6,937,350
Expense reimbursements	206,368	222,318	15,950	108%	75%	-	222,318
Sales proceeds	4,389,000	-	(4,389,000)	0%	75%	-	-
Other income - Parking/Antenna	230,100	145,413	(84,687)	63%	75%	-	145,413
Other income	-	8,794	8,794	N/A	75%	-	8,794
Interest Income	-	93,829	93,829	N/A	75%	-	93,829
Total Operating Revenue	19,400,853	11,654,284	(7,746,569)	60%	75%	-	11,654,284
Expense:							
Staff Cost (In-House)							
Salaries and Benefits	1,270,919	642,207	(628,712)	51%	75%	-	642,207
Overhead	634,790	338,893	(295,897)	53%	75%	-	338,893
Total Staff Cost	1,905,709	981,100	(924,609)	51%	75%	-	981,100
Property Management Op Exp (CW)							
375 Beale Inc (SSO)	3,414,726	2,198,833	(1,215,893)	64%	75%	-	2,198,833
Building Op Exp	4,480,597	3,093,358	(1,387,239)	69%	75%	-	3,093,358
Total Property Management Op Exp	7,895,323	5,292,191	(2,603,132)	67%	75%	-	5,292,191
In-House Op Exp							
375 Beale Inc (SSO)	1,160,000	492,313	(667,687)	42%	75%	382,055	874,368
Building Op Exp	1,031,744	570,969	(460,775)	55%	75%	166,449	737,418
Total In-House Op Exp	2,191,744	1,063,282	(1,128,462)	49%	75%	548,504	1,611,786
Total Operating Exp	11,992,776	7,336,573	(4,656,203)	61%	75%	548,504	7,885,077
Total Operating Suplus (Deficit) before Transfer and Depreciation	7,408,077	4,317,711	(3,090,366)	58%	75%		
Transfer In/(Out)	(7,370,634)	(10,842,289)	(3,471,655)	147%	75%		
Depreciation	6,814,218	4,961,092	(1,853,126)	73%	75%		
Total Operating Suplus (Deficit)	<u>\$ (6,776,775)</u>	<u>\$ (11,485,670)</u>					

Agenda Item 2b - Attachment A

BAHA Building Operations As of March 31, 2019

	FY2018-19 Budget	Actual YTD	Budget Bal Over/(Under)	% of Budget	Year Expired	Enc	YTD Total (YTD + Enc)
Revenue							
Special Assessment for Ada's	\$ 152,000	\$ 152,000	\$ -	100%	75%	\$ -	\$ 152,000
Lease income	8,963,946	6,937,350	(2,026,596)	77%	75%	-	6,937,350
Expense reimbursements	206,368	222,318	15,950	108%	75%	-	222,318
Sales proceeds	4,389,000	-	(4,389,000)	0%	75%	-	-
Other income - Parking/Antenna	230,100	142,632	87,468	62%	75%	-	142,632
Other income - Antenna	3,600	2,781	819	77%	75%	-	2,781
Other income	-	8,794	(8,794)	N/A	75%	-	8,794
Interest Income	-	84,755	84,755	N/A	75%	-	84,755
Total Revenue	13,945,014	7,550,630	(6,235,398)	54%	75%	-	7,550,630
In-House Op Exp							
Salaries and Benefits	680,903	293,464	(387,439)	43%	75%	-	293,464
Overhead	340,093	154,861	(185,232)	46%	75%	-	154,861
Contractual services	250,000	15,749	(234,251)	6%	75%	55,979	71,728
IT Licenses, Maintenance	288,000	228,409	(59,591)	79%	75%	50,670	279,079
Audit/Accounting/Other	129,088	48,910	(80,178)	38%	75%	1,434	50,344
Other Op Exp	135,520	86,559	(48,961)	64%	75%	5,891	92,450
Insurance	17,000	11,737	(5,263)	69%	75%	-	11,737
Art Related	90,000	45,150	(44,850)	50%	75%	41,738	86,888
Contribution to Ada's	172,000	134,455	(37,545)	78%	75%	10,737	145,192
Total In-House Op Exp	2,102,604	1,019,294	(1,083,310)	48%	75%	166,449	1,185,743
Property Management Op Exp (CW)							
Contractual services	499,403	332,462	(166,941)	67%	75%	-	332,462
Building Repair and Maint.	1,133,176	645,870	(487,306)	57%	75%	-	645,870
Security	524,606	367,623	(156,983)	70%	75%	-	367,623
Parking	272,011	201,652	(70,359)	74%	75%	-	201,652
Other Op Exp	26,305	17,923	(8,382)	68%	75%	-	17,923
Insurance	176,070	126,506	(49,564)	72%	75%	-	126,506
Utility - Ele	353,332	245,249	(108,083)	69%	75%	-	245,249
Utility - Gas	48,810	28,760	(20,050)	59%	75%	-	28,760
Utility - Water	61,857	31,249	(30,608)	51%	75%	-	31,249
Janitorial Service	742,686	468,437	(274,249)	63%	75%	-	468,437
Landscape	42,341	28,625	(13,716)	68%	75%	-	28,625
Possessory Tax	600,000	599,002	(998)	100%	75%	-	599,002
Total Property Management Op Exp	4,480,597	3,093,358	(1,387,239)	69%	75%	-	3,093,358
Total Operating Exp	6,583,201	4,112,652	(2,470,549)	62%	75%	166,449	4,279,101
Total Operating Suplus (Deficit) before Transfer and Depreciation	7,361,813	3,437,978	(3,764,849)	47%	75%		
Transfer In/(Out)	(7,370,634)	(10,842,289)	(3,471,655)	147%	75%		
Depreciation	6,814,218	4,961,092	(1,853,126)	73%	75%		
Total Operating Suplus (Deficit)	<u>\$ (6,823,039)</u>	<u>\$ (12,365,403)</u>					

Agenda Item 2b - Attachment A

375 Beale Inc. Operations As of March 31, 2019

	FY2018-19 Budget	Actual YTD	Budget Bal Over/(Under)	% of Budget	Year Expired	Enc	YTD Total (YTD + Enc)
Revenue							
Assessment Fee - Shared Services	\$ 2,044,713	\$ 1,533,535	\$ (511,178)	75%	75%	\$ -	\$ 1,533,535
Assessment Fee - Common Area	3,414,726	2,561,045	(853,681)	75%	75%	-	2,561,045
Interest Income	-	9,074	9,074	N/A	75%	-	9,074
Total Revenue	5,459,439	4,103,654	(1,355,785)	75%	75%	-	4,103,654
In-House Op Exp							
Salaries and Benefits	590,016	348,743	(241,273)	59%	75%	-	348,743
Overhead	294,697	184,032	(110,665)	62%	75%	-	184,032
IT Licenses, Maintenance	802,000	290,175	(511,825)	36%	75%	298,426	588,601
Audit/Accounting/Other	40,000	38,431	(1,569)	96%	75%	-	38,431
Office Supplies	121,000	24,104	(96,896)	20%	75%	35,264	59,368
Coffee/Tea Service	96,000	67,472	(28,528)	70%	75%	12,528	80,000
Other Op Exp	101,000	72,131	(28,869)	71%	75%	35,837	107,968
Total In-House Op Exp	2,044,713	1,025,088	(1,019,625)	50%	75%	382,055	1,407,143
Property Management Op Exp (CW)							
Contractual services	578,249	417,786	(160,463)	72%	75%	-	417,786
Building Repair and Maint.	839,624	478,555	(361,069)	57%	75%	-	478,555
Security	390,985	272,929	(118,056)	70%	75%	-	272,929
Other Op Exp	19,491	13,280	(6,211)	68%	75%	-	13,280
Insurance	130,458	93,734	(36,724)	72%	75%	-	93,734
Utility - Ele	539,956	386,439	(153,517)	72%	75%	-	386,439
Utility - Gas	36,165	21,309	(14,856)	59%	75%	-	21,309
Utility - Water	45,833	23,153	(22,680)	51%	75%	-	23,153
Janitorial Service	797,662	470,109	(327,553)	59%	75%	-	470,109
Landscape	36,303	21,539	(14,764)	59%	75%	-	21,539
Total Property Management Op Exp	3,414,726	2,198,833	(1,215,893)	64%	75%	-	2,198,833
Total Operating Exp	5,459,439	3,223,921	(2,235,518)	59%	75%	382,055	3,605,976
Total Operating Suplus (Deficit)	\$ -	\$ 879,733					

Agenda Item 2b - Attachment A

Property Management Operations (CW) As of March 31, 2019

	FY2018-19 Budget	Actual YTD	Budget Bal Over/(Under)	% of Budget	Year Expired
Op Exp - Split among 375 Beale Inc. and BAHA Building Operation					
Contractual services	812,687	578,800	(233,887)	71%	75%
Building Repair and Maint.	1,972,800	1,124,425	(848,375)	57%	75%
Security	913,311	640,012	(273,299)	70%	75%
Parking	272,011	201,652	(70,359)	74%	75%
Other Op Exp	45,796	31,203	(14,593)	68%	75%
Insurance	306,528	220,240	(86,288)	72%	75%
Utility - Ele	615,133	426,966	(188,167)	69%	75%
Utility - Gas	84,975	50,069	(34,906)	59%	75%
Utility - Water	107,690	54,402	(53,288)	51%	75%
Janitorial Service	1,292,976	815,524	(477,452)	63%	75%
Landscape	73,714	49,834	(23,880)	68%	75%
Total Op Exp	6,497,621	4,193,127	(2,304,494)	65%	75%
Op Exp - 375 Beale Inc.					
Contractual services	232,369	171,448	(60,921)	74%	75%
Security	2,280	540	(1,740)	24%	75%
Utility - Ele	278,155	204,722	(73,433)	74%	75%
Janitorial Service	247,372	123,022	(124,350)	50%	75%
Landscape	4,930	330	(4,600)	7%	75%
Total Op Exp - 375 Beale Inc.	765,106	500,062	(265,044)	65%	75%
Op Exp - BAHA Building Operation					
Contractual services	32,596	-	(32,596)	0%	75%
Possessory Tax	600,000	599,002	(998)	100%	75%
Total Op Exp - BAHA Building Operation	632,596	599,002	(33,594)	95%	75%
Total Operating Exp	\$ 7,895,323	\$ 5,292,191	(2,603,132)	67%	75%
Depreciation - BAHA Building Operation	1,514,218	1,135,663	(378,555)	75%	75%
Transfer Out - BAHA Building Operation	-	2,500,000	2,500,000	N/A	75%
Total Expense	\$ 9,409,541	\$ 8,927,854	\$ (481,687)	95%	75%

BAHA Building Development Fund
As of December 2018 - Life To Date

		Budget LTD	Actual LTD	Encumbrances	Total LTD	Budget Balance Over/(Under)	% of Budget
Revenue:							
R1	Insurance Proceeds	\$ 1,817,087	\$ 1,817,087	\$ -	\$ 1,817,087	\$ -	100%
R2	Transfer in from MTC	801,160	801,160	-	801,160	-	100%
R3	Transfer in from SAFE	112,910	112,910	-	112,910	-	100%
R4	Transfer in from BATA	6,906,010	6,906,010	-	6,906,010	-	100%
R6	Purchase from ABAG	1,600,000	5,815,497	-	5,815,497	4,215,497	363%
R7	Purchase from Air District	34,000,000	34,141,265	-	34,141,265	141,265	100%
R8	Reimbursement from PG&E	54,601	54,601	-	54,601	-	100%
R9	TFCA Grant	151,000	-	-	-	(151,000)	0%
R10	Grant Local Match from MTC	119,000	-	-	-	(119,000)	0%
R11	Grant Local Match from Air District	150,000	-	-	-	(150,000)	0%
R12	SPANs Savings	33,000,000	33,000,000	-	33,000,000	-	100%
R13	Capital Contribution (BATA)	193,310,846	193,610,846	-	193,610,846	300,000	100%
R15	Interest Revenue	-	203,999	-	203,999	203,999	-100%
R16	Reimbursement for Capital Expenditure	-	1,091,258	-	1,091,258	1,091,258	-100%
R17	Miscellaneous	-	27,133	-	27,133	27,133	-100%
R18	Transfer in from BAHA Operation	245,634	-	-	-	(245,634)	-100%
Total Revenue		272,268,248	277,581,766	-	277,581,766	5,313,518	
Expenses:							
	Purchase Building	\$ 93,000,000	\$ 93,000,000	\$ -	\$ 93,000,000	\$ -	100%
E1	Building Development	154,207,882	153,497,216	704,094	154,201,310	(6,572)	100%
E2	Insurance	573,017	573,017	-	573,017	-	100%
E3	Development Contingency	400,000	-	-	-	(400,000)	0%
E4	Furniture, Fixtures, Equipment	15,000,000	15,000,000	-	15,000,000	-	100%
E5	12V Feed	307,606	307,606	-	307,606	-	100%
E6	EV Station Project	420,000	290,538	55,333	345,871	(74,129)	69%
E7	Staff Costs	8,359,743	8,218,790	-	8,218,790	(140,953)	98%
Total Expenses		272,268,248	270,887,167	759,427	271,646,594	(621,654)	
Transfer to CDF			5,313,518				

**BAHA Commercial Development Fund
As of March 2019 - Life To Date**

Program #	Budget	Tenant Improvements	Commissions	Total	LTD Expense	Enc Amt	Budget Bal Over/(Under)
	Sales Proceeds			\$ 24,139,154			
	Air District Contribution			3,000,000			
	Cubic Reimbursement for TI			100,000			
				<u>\$ 27,239,154</u>			
9135	T.I. Rutherford and Chekene	\$ 1,112,749	\$ 123,181	\$ 1,235,930	\$ 1,235,930	\$ -	\$ -
9136	Conduent	-	110,975	110,975	110,975	-	-
9137	T.I. Degenkolb	1,834,670	452,740	2,287,410	2,287,410	-	-
9138	T.I. Twilio	8,338,957	1,836,460	10,175,417	10,175,417	-	-
9139	Engineering/Architectural	350,000	-	350,000	349,438	-	(562)
9140	T.I. Ada's Café	465,454	-	465,454	465,454	-	-
9141	BCDC	7,014,940	-	7,014,940	6,995,698	19,242	-
9142	Cubic	550,000	44,000	594,000	565,628		(28,372)
9144	Retail Space	5,000,000	-	5,000,000	223,803	149,047	(4,627,150)
	Total Tenant Improvements	\$ 24,666,770	\$ 2,567,356	\$ 27,234,126	\$ 22,409,753	\$ 168,289	\$ (4,656,084)
	Total Budgeted CDF Expenses			\$ 27,234,126	\$ 22,409,753	\$ 168,289	\$ (4,656,084)
	Net			\$ 5,028			

Completed Project

BAHA Building Improvement Fund
As of March 2019 - Life To Date

Program #	Program Name	LTD FY2018-19	LTD Expense	Enc Amt	Budget Bal Over/(Under)
	In-House Improvement Project				
9160	IT Improvement Project	\$525,000	\$272,604	\$95,404	-\$156,992
	Total In-House Project	\$525,000	\$272,604	\$95,404	-\$156,992
	CW Improvement Project				
9180	AHUs1-4 Eyebrow Install	\$400,000	\$29,618	\$370,382	\$0
9181	Building Improvement	300,000	85,440	121,903	-\$92,657
	Total CW Project	\$700,000	\$115,058	\$492,285	-\$92,657
	Total Building Improvement Budget	\$1,225,000	\$387,662	\$587,689	-\$249,649

Legislation Details (With Text)

File #: 19-0644 **Version:** 1 **Name:**
Type: Contract **Status:** Authority Approval
File created: 5/23/2019 **In control:** Bay Area Headquarters Authority
On agenda: 6/26/2019 **Final action:**
Title: Contract Amendment - Property Management Services: Cushman & Wakefield of California, Inc.
(\$660,000)

A request for approval of a contract amendment with Cushman & Wakefield to complete building improvements at the Bay Area MetroCenter.

Sponsors:

Indexes:

Code sections:

Attachments: [3a Cushman Wakefield ContractAmendment.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Contract Amendment - Property Management Services: Cushman & Wakefield of California, Inc.
(\$660,000)

A request for approval of a contract amendment with Cushman & Wakefield to complete building improvements at the Bay Area MetroCenter.

Presenter:

Gary Szeto

Recommended Action:

Authority Approval

Bay Area Headquarters Authority (BAHA)

June 26, 2019

Agenda Item 3a

Contract Amendment – Property Management Services: Cushman & Wakefield of California, Inc. (\$660,000)

Subject: A request that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment in the amount of \$660,000 with Cushman & Wakefield of California, Inc. (“Cushman Wakefield”) to implement and administer building improvements projects at 375 Beale Street, San Francisco (Bay Area Metro Center).

Background: On January 23, 2013, after a competitive procurement, BAHA authorized a contract with Cushman Wakefield to provide property management services at 375 Beale Street for a five-year term, with the option to renew for two additional five-year terms. On December 29, 2017, BAHA authorized the first five-year renewal.

Cushman Wakefield’s responsibilities as property manager for BAHA include implementing and administering the design and construction of capital projects on behalf of both BAHA and its tenants. Upon written approval by BAHA, Cushman Wakefield acts as BAHA’s agent with respect to a given BAHA project and agrees to perform the following:

1. Place for bid with contractors, tenant improvement and/or capital improvement work required to be completed in connection with the leasing of space or renovations at the Bay Area Metro Center;
2. Coordinate with BAHA, tenants, architects, engineers, contractors and other consultants the preparation and finalization of construction drawings;
3. Oversee the administration of the construction contracts, including the construction schedule, disbursement process, lien-waiver collection and financial reporting;
4. Perform final walk-through and assist in the preparation of a final punch-list which itemizes all work which must be completed or which requires repair, if applicable;
5. Assist contractors in obtaining notices of completion, certificates of occupancy, or equivalent documents;
6. Ensure adherence with all applicable laws, codes and regulations, including but not limited to building, fire and safety codes; and
7. Additional tasks as mutually agreed upon in advance.

The proposed contract amendment would fund the following projects from the FY 2019-20 Capital Improvement Building Budget:

- Air handling unit eyebrow and waterproofing installation: \$460,000; and
- Miscellaneous building improvements, including elevator efficiency study, freight elevator modifications, and Data Center Emergency Power Off (EPO) Button: \$200,000.

The \$660,000 would include Cushman Wakefield's project management fee, which ranges from 3% for projects with a value greater than \$1,000,000 to 5% for smaller projects.

Cushman Wakefield is neither a small business enterprise, nor is it a disadvantaged business enterprise.

Issues: None

Recommendation: Staff recommends that the Authority authorize the Executive Director or designee to negotiate and enter into a contract amendment with Cushman Wakefield to add \$660,000 for implementation and administration of building improvement projects at the Bay Area Metro Center.

Attachments: Request for Committee Approval – Summary of Proposed Contract Amendment


Therese W. McMillan

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract Amendment

Work Item No.: 9180, 9181

Consultant: Cushman & Wakefield of California, Inc.
San Francisco, CA

Work Project Title: Property Management Services

Purpose of Project: Provide property management services for 375 Beale Street

Brief Scope of Work: Implement and administer building improvement projects consistent with the FY 2019-20 Budget

Project Cost Not to Exceed: This amendment: \$660,000
Current contract authorization before this amendment: \$7,715,064.80
Maximum contract authorization after this amendment: \$8,375,064.80

Funding Source: BAHA FY 2019-20 Capital Building Improvement Project Budget

Fiscal Impact: Funding subject to approval of the BAHA FY 2019-20 budget

Motion by Authority: That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with Cushman & Wakefield of California, Inc. for property management services as described above and in the Bay Area Headquarters Authority Summary Sheet dated June 26, 2019, and the Treasurer and Auditor is directed to set aside funds in the amount of \$660,000 for such contract amendment, subject to approval of the BAHA FY 2019-20 budget.

BAHA Chair:

Scott Haggerty

Approved:

Date: June 26, 2019

Legislation Details (With Text)

File #: 19-0645 **Version:** 1 **Name:**
Type: Contract **Status:** Authority Approval
File created: 5/23/2019 **In control:** Bay Area Headquarters Authority
On agenda: 6/26/2019 **Final action:**
Title: Contract- Bay Area Metro Center Design Services: Perkins + Will, Inc. (\$300,000)

A request for approval of a contract with Perkins + Will for design services of the Yerba Buena Conference Room expansion, Warming Kitchen expansion, and Control Room redesign at the Bay Area MetroCenter.

Sponsors:

Indexes:

Code sections:

Attachments: [3b Perkins + Will Contract.pdf](#)

Date	Ver.	Action By	Action	Result
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Subject:

Contract- Bay Area Metro Center Design Services: Perkins + Will, Inc. (\$300,000)

A request for approval of a contract with Perkins + Will for design services of the Yerba Buena Conference Room expansion, Warming Kitchen expansion, and Control Room redesign at the Bay Area MetroCenter.

Presenter:

Gary Szeto

Recommended Action:

Authority Approval

Bay Area Headquarters Authority (BAHA)

June 26, 2019

Agenda Item 3b

Contract– Bay Area Metro Center Design Services: Perkins + Will, Inc. (\$300,000)

Subject: A request that the Authority authorize the Executive Director or designee to negotiate and enter into a contract with Perkins + Will, Inc. (“Perkins + Will”) to perform design consulting services for the reconfiguration of the existing multipurpose rooms and warming kitchen on Level 1 at 375 Beale Street, with an estimated total value of \$300,000.

Background: MTC requires the services of a professional consultant firm to provide architectural, structural, mechanical, electrical, plumbing, and audio-visual design consulting services and to produce schematic design through construction design documents sufficient for BAHA to obtain pricing and building permits for the following improvements:

1. The reconfiguration and expansion of the existing Multipurpose Rooms 100 and 107, performed in partnership with the Air District, to increase room capacity and improve functionality.
2. The expansion of the Warming Kitchen 174 into adjoining IT Support Room 172.

Review of Bench and Direct Selection

Under the 2018-2021 On-Call Building Architectural and Engineering Services Bench, three firms, including Perkins + Will, proposed and were qualified in the Architect Category: Perkins + Will, TEF Design, and Walker Consultants. After a review of the original Statements of Qualifications (SOQs), BAHA staff determined Perkins + Will is the most qualified for performance of the anticipated scope of work for the reasons stated below, and therefore recommends a direct selection award to Perkins + Will.

The project expands the size of the existing multipurpose rooms and warming kitchen while maintaining the aesthetic and function. Perkins + Will is the designer of record for the existing space, built in 2016. Since the proposed work is only a modification, not a replacement, BAHA is best served by using Perkins + Will to design the expansions so as to maintain Perkins and Will’s accountability for its original design and continued function after the expansions are complete. Additionally, Perkins + Will is the firm on the bench most knowledgeable about the original design criteria and details, and is therefore most qualified to develop the modifications.

Attachment A includes a summary of Perkins + Will's and its subcontractors' small business and disadvantaged business enterprise status.

Issues: None

Recommendation: Staff recommends that the Authority authorize the Executive Director or designee to negotiate and enter into a contract with Perkins + Will in an amount not to exceed \$300,000 for design consulting services for the reconfiguration of the existing multipurpose rooms and warming kitchen at the Bay Area Metro Center.

Attachments: Attachment A
Request for Committee Approval – Summary of Proposed Contract Amendment


Therese W. McMillan

Attachment A

		DBE* Firm			SBE** Firm			
	Firm Name	Role on Project	Yes	If Yes, List #	No	Yes	If Yes, List #	No
Prime Contractor	Perkins + Will, Inc.	Architect			X			X
Subcontractor	Holmes Structures	Structural Engineer			X			X
Subcontractor	Randall/Lamb/Associates dba Randall Lamb Associates Inc.	Mechanical, Electrical, and Plumbing Engineer			X	X	1739950	
	TEECOM Inc.	Audio/Visual and Information Technology Designer			X	X	31339	

*Denotes certification by the California Unified Certification Program (CUCP).

**Denotes certification by the State of California.

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.:	9160
Consultant:	Perkins + Will, Inc. San Francisco, CA
Work Project Title:	Professional Design Services
Purpose of Project:	Provide property management services for 375 Beale Street
Brief Scope of Work:	Perform design services for the reconfiguration of the existing multipurpose rooms and warming kitchen
Project Cost Not to Exceed:	\$300,000
Funding Source:	BAHA FY 2019-20 Capital Building Improvement Project Budget
Fiscal Impact:	Funding is subject to approval of the BAHA FY 2019-20 budget
Motion by Authority:	That the Executive Director or designee is authorized to negotiate and enter into a contract amendment with Perkins + Will, Inc. for professional design services as described above and in the Bay Area Headquarters Authority Summary Sheet dated June 26, 2019, and the Treasurer and Auditor is directed to set aside funds in the amount of \$300,000 for such contract amendment, subject to approval of the BAHA FY 2019-20 budget.

BAHA Chair:

Scott Haggerty

Approved:

Date: June 26, 2019

Legislation Details (With Text)

File #:	19-0344	Version:	1	Name:	
Type:	Resolution	Status:		Authority Approval	
File created:	3/29/2019	In control:		Bay Area Headquarters Authority	
On agenda:	6/26/2019	Final action:			
Title:	BAHA Resolution No. 20, Revised - FY 2018-19 Bay Area Headquarters Authority Operating and Capital Budgets Revision; and BAHA Resolution No. 21 - FY 2019-20 Bay Area Headquarters Authority Operating and Capital Budgets				
	A request for approval of BAHA Resolution No. 20, Revised, FY 2018-19 Operating and Capital Budgets to increase assessment revenue and the revised assessment fee schedule in the Condo and Shared Services Program; and BAHA Resolution No. 21, FY 2019-20 Operating and Capital Budgets.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	3c_BAHA_Resos_20-21_Budgets.pdf				

Date	Ver.	Action By	Action	Result
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Subject:

BAHA Resolution No. 20, Revised - FY 2018-19 Bay Area Headquarters Authority Operating and Capital Budgets Revision; and BAHA Resolution No. 21 - FY 2019-20 Bay Area Headquarters Authority Operating and Capital Budgets

A request for approval of BAHA Resolution No. 20, Revised, FY 2018-19 Operating and Capital Budgets to increase assessment revenue and the revised assessment fee schedule in the Condo and Shared Services Program; and BAHA Resolution No. 21, FY 2019-20 Operating and Capital Budgets.

Presenter:

Brian Mayhew

Recommended Action:

Authority Approval

Bay Area Headquarters Authority (BAHA)

June 26, 2019

Agenda Item 3c

BAHA Resolution No. 20, Revised – FY 2018-19 Operating and Capital Budgets, Revision and BAHA Resolution No. 21 – FY 2019-20 Operating and Capital Budgets

Background: Staff requests approval of BAHA Resolution No. 20, Revised, authorizing an amendment to the FY 2018-19 Operating Budget and BAHA Resolution No. 21 authorizing the Operating and Capital budgets for FY 2019-20.

FY 2018-19 Budget

in October 2018, the 375 Beale Condominium Corporation (Condo Corp) amended its Declaration of Covenants, Conditions and Restrictions (CC&R) to reflect the latest total facility square footage and the amended percentage of ownership interests among BAHA, the Bay Area Air Quality Management District (BAAQMD) and the Association of Bay Area Governments (ABAG) in the Bay Area Metro Center (BAMC) following the sale of additional space to the BAAQMD on the 8th floor of BAMC. As a result of CC&R amendment, staff proposes to revise the FY 2018-19 Operating Budget to shift \$3,425 of building expense originally budgeted in BAHA Building and Commercial Operations to the Condo Corp.

Adoption of the FY 2019-20 Budget

The San Francisco Bay Conservation and Development Commission (BCDC) will move in to the fifth floor of the BAMC as a tenant at the beginning of FY 2019-20.

The large retail space on the first floor will be converted into a multipurpose meeting/conference room for use by owner agencies and their parties.

Operating Budget

The proposed budget for FY 2019-20 shows an operating surplus of \$3.4 million before depreciation. \$2 million will be transferred to BATA and \$1.4 million to BAHA Capital Program. Operating income decreased by \$3.7 million or 19.3% due to the one-time revenue generated from the sale to BAAQMD in FY 2018-19. Operating expenses such as utilities, security and janitorial services are expected to increase slightly in FY 2019-20. (BAHA Resolution No. 21, Attachment A, pages 1 and 2)

Operating Revenue

Total FY 2019-20 revenue is projected at \$16 million, about 19.3% or \$3.7 million less than in the FY 2018-19 budget. The decrease is due to the one-time revenue generated from the sale to BAAQMD in FY 2018-

19. Recurring revenue sources for BAHA include lease income, parking revenue, and assessment fees.

- The increase in lease income is due to annual rent adjustments built into existing leases.
- Shared services assessment fee covers staff costs, IT services, office supplies and other expenses shared among the three condominium unit owners. In FY 2019-20, the assessment fee will decrease by \$38,113. The proposed decrease comes from eliminating an annual maintenance contract budgeted in the Shared Service budget.
- The major components of the common area assessment fees are security, janitorial services, utilities, administration, repair and maintenance services. In FY 2019-20, the total assessment for common area expenses will increase by \$37,121. The increase is due to wage adjustments, additional staffing for the parking facility, and utility charges.

Operating Expense

Total operating expenses before depreciation will increase by \$207,797 or 1.7% in FY 2019-20. Major operating expenses include staff costs, repair and maintenance services, utilities, and IT related services.

- Salaries, benefits, and associated overhead will increase by \$68,081. The increase is mainly due to MOU adjustments.
- As property manager, Cushman & Wakefield of California, Inc. will receive approximately \$7.7 million for all building operations and \$330,442 for parking operation. The total is up \$176,594 from FY 2018-19, due mainly to the rising cost for parking operation, utilities, cleaning and security services.

Transfers

Staff proposes the following transfers:

- A total of \$2 million is budgeted to re-paying the BATA contribution to BAHA.
- A capital reserve will be established and \$1.4 million will be transferred to this reserve for future capital projects.
- A transfer of \$45,147 to BAHA Capital Program is budgeted to cover FY 2019-20 staff cost.

Capital Budget

Building Development

The total building development budget is proposed to increase by \$45,147 in FY 2019-20 as a result of a transfer in from the operating budget to cover staff cost. (BAHA Resolution No. 21, Attachment A, page 4)

Commercial Development

The State has agreed to pay BAHA \$2.5 million for tenant improvements to the fifth floor space to be occupied by BCDC. Staff proposes to transfer \$2.1 million of this reimbursement to the Building Improvement Fund for improvement projects. (BAHA Resolution No. 21, Attachment A, page 5)

Building Improvement

The proposed building improvement project budget includes \$2.1 million for projects divided among the following improvements (BAHA Resolution No. 21, Attachment A, page 6):

- Agency space modifications to convert some offices into conference rooms.
- Agency infrastructure to replace uninterrupted power supply batteries serving the data center and reaching their end of service life.
- Level 1 Public Space modifications, to design the expansion of the Yerba Buena and Ohlone multipurpose rooms for improved functionality. Construction costs will be added to the budget in the future as funds become available.

Recommendation: Staff requests approval of BAHA Resolution No. 20, Revised authorizing revisions to the FY 2018-19 Operating Budget and BAHA Resolution No. 21 authorizing the FY 2019-20 BAHA Operating and Capital Project Budgets.

Attachments: BAHA Resolution No. 20, Revised, FY 2018-19 Operating and Capital Budget; and
BAHA Resolution No. 21, FY 2019-20 Operating and Capital Budget and



Therese W. McMillan

Date: June 27, 2018
W.I.: 9110, 9120, 9130
Revised: 02/27/19-BAHA
06/26/19-BAHA

ABSTRACT

BAHA Resolution No. 20, Revised

This resolution approves the Budget for FY 2018-19 for the Bay Area Headquarters Authority (BAHA).

This resolution was revised on February 27, 2019 to update the LTD Capital Commercial Development Budget in Attachment A, page 5 of 6.

This resolution was revised on June 26, 2019 to update the BAHA Building and Commercial Operating Budget and Distribution of Condo Area Fee Schedule in Attachment A, pages 1, 2 and 3 of 6.

Discussion of this Resolution can be found in the Executive Director's Memoranda to BAHA dated June 20, 2018 and February 13, 2019, and the BAHA Summary Sheet dated June 26, 2019.

Date: June 27, 2018
W.I.: 9110, 9120, 9130

Re: Bay Area Headquarters Authority Operating and Capital Budgets for FY 2018-19

BAY AREA HEADQUARTERS AUTHORITY
RESOLUTION No. 20

WHEREAS, the Metropolitan Transportation Commission (“MTC”) and the Bay Area Toll Authority (“BATA”) have executed a joint exercise of powers agreement dated September 28, 2011 which creates and establishes the Bay Area Headquarters Authority (“BAHA”): and

WHEREAS, the BAHA staff has prepared a proposed operating and capital budget setting forth the anticipated revenues and expenditures of BAHA for FY 2018-19 according to generally accepted accounting principles; now, therefore, be it

RESOLVED, that BAHA approves the FY 2018-19 operating and capital budgets (the “BAHA Budget”) as set forth in Attachment A to this Resolution; and, be it further

RESOLVED, that the Executive Director or designee may approve adjustments among line items in the BAHA Budget for FY 2018-19, provided that there shall be no increase in the overall BAHA Budget without prior approval of BAHA; and, be it further

RESOLVED, that the Executive Director or designee shall submit written requests to BAHA for approval of consultants, professional services, and expenditures authorized in the BAHA Budget for FY 2018-19; and be it further

RESOLVED, that the Executive Director and Treasurer and Auditor are authorized to carry over and re-budget all funds and contracts properly budgeted in the prior year for which expenditures were budgeted and encumbered and which will take place in FY 2018-19; and, be it further

RESOLVED, that the Executive Director and Chief Financial Officer are authorized to utilize generally available cash as an advance for project cash flow purposes provided the advance is repaid from project funds by the close of the fiscal year; and, be it further

RESOLVED, that the BAHA staff shall furnish BAHA with at minimum, at least quarterly, a financial report to reflect budgeted and actual income, expenditures, obligations for professional and consultant services, and such other information and data as may be requested by BAHA.

BAY AREA HEADQUARTERS AUTHORITY

A handwritten signature in black ink, appearing to read "Jake Mackenzie", written over a horizontal line.

Jake Mackenzie, Chair

The above resolution was entered into by the Bay Area Headquarters Authority at a regular meeting of the Authority held in San Francisco, California, on June 27, 2018.

Date: June 27, 2018
W.I.: 9110, 9120, 9130
Revised: 02/27/19-BAHA
06/26/19-BAHA

Attachment A
BAHA Resolution No. 20

FY 2018-19 BAHA Budget

BAHA Building and Commercial Operating Budget FY2018-19

	Approved FY2018- 19	Amendment FY2018-19	Percent Change	Change in \$ inc (dec)
Revenue:				
Assessment fee - shared services	\$ 2,044,713	\$ 2,044,713	0.0%	\$ -
Assessment fee - common area	3,414,726	3,418,151	0.1%	3,425
Special assessment	152,000	152,000	0.0%	-
Sales proceeds	4,389,000	4,389,000	0.0%	-
Lease income	8,963,946	8,963,946	0.0%	-
Expense reimbursements	121,000	121,000	0.0%	-
Other income - parking	230,100	230,100	0.0%	-
Other income	3,600	3,600	0.0%	-
Utility reimbursements	85,368	85,368	0.0%	-
Total revenue	19,404,453	19,407,878	0.0%	3,425
Expenses:				
Salaries and Benefits	1,270,919	1,270,919	0.0%	-
Overhead	634,790	634,790	0.0%	-
Services and supplies	273,000	273,000	0.0%	-
Contractual services - CW	7,623,312	7,623,312	0.0%	-
Other contractual servies	225,000	227,520	1.1%	2,520
Legal services	100,000	100,000	0.0%	-
IT licenses, maintenance	1,030,000	1,030,000	0.0%	-
Audit/tax prep	76,744	124,088	61.7%	47,344
Parking operation	272,011	272,011	0.0%	-
Insurance	17,000	17,000	0.0%	-
Catering	5,000	5,000	0.0%	-
Special Event Setups	50,000	50,000	0.0%	-
Other expenses	20,000	20,000	0.0%	-
Special assessment project	152,000	152,000	0.0%	-
Contingency	243,000	243,000	0.0%	-
Total expense before depreciation	11,992,776	12,042,640	0.4%	49,864
Transfer in/(out):				
Transfer in from Reserve	-	49,864	N/A	49,864
Transfer to BATA	(3,900,000)	(3,900,000)	0.0%	-
Transfer to Capital	(3,470,634)	(3,470,634)	0.0%	-
Total transfer	(7,370,634)	(7,320,770)	-0.7%	49,864
Operating surplus before depreciation	41,043	44,468	8.3%	3,425
Depreciation	6,814,218	6,814,218	0.0%	-
Total operating gain (loss)	\$ (6,773,175)	\$ (6,769,750)	-0.1%	\$ 3,425

BAHA Building and Commercial Operating Budget FY2018-19									
Approved					Amendment				
Building and Commercial Operations- CW	Condo and Shared Services	BAHA Operating	Total BAHA Operating		Building and Commercial Operations- CW	Condo and Shared Services	BAHA Operating	Total BAHA Operating	Change in \$ inc (dec)
Revenue:									
Assessment fee - shared services	\$ -	\$ 2,044,713	\$ -	\$ 2,044,713	\$ -	\$ 2,044,713	\$ -	\$ 2,044,713	\$ -
Assessment fee - common area	-	3,414,726	-	3,414,726	-	3,418,151	-	3,418,151	3,425
Special assessment	-	-	152,000	152,000	-	-	152,000	152,000	-
Sales proceeds	-	-	4,389,000	4,389,000	-	-	4,389,000	4,389,000	-
Lease income	8,963,946	-	-	8,963,946	8,963,946	-	-	8,963,946	-
Expense reimbursements	-	-	121,000	121,000	-	-	121,000	121,000	-
Other income - parking	230,100	-	-	230,100	230,100	-	-	230,100	-
Utility reimbursements	85,368	-	-	85,368	85,368	-	-	85,368	-
Other revenue	3,600	-	-	3,600	3,600	-	-	3,600	-
Total revenue	9,283,014	5,459,439	4,662,000	19,404,453	9,283,014	5,462,864	4,662,000	19,407,878	3,425
Expenses:									
Salaries and Benefits	-	590,016	680,903	1,270,919	-	590,016	680,903	1,270,919	-
Overhead	-	294,697	340,093	634,790	-	294,697	340,093	634,790	-
Services and supplies	-	262,000	11,000	273,000	-	262,000	11,000	273,000	-
Contractual services - CW	4,208,586	3,414,726	-	7,623,312	4,205,161	3,418,151	-	7,623,312	-
Other contractual services	-	-	225,000	225,000	-	-	227,520	227,520	2,520
Legal services	-	-	100,000	100,000	-	-	100,000	100,000	-
IT licenses, maintenance	-	802,000	228,000	1,030,000	-	802,000	228,000	1,030,000	-
Audit/tax prep	-	-	76,744	76,744	-	-	124,088	124,088	47,344
Parking operation	272,011	-	-	272,011	272,011	-	-	272,011	-
Insurance	-	-	17,000	17,000	-	-	17,000	17,000	-
Catering	-	5,000	-	5,000	-	5,000	-	5,000	-
Special Event Setups	-	50,000	-	50,000	-	50,000	-	50,000	-
Other expenses	-	-	20,000	20,000	-	-	20,000	20,000	-
Special assessment project	-	-	152,000	152,000	-	-	152,000	152,000	-
Contingency	-	41,000	202,000	243,000	-	41,000	202,000	243,000	-
Total expense w/o depreciation	4,480,597	5,459,439	2,052,740	11,992,776	4,477,172	5,462,864	2,102,604	12,042,640	49,864
Transfer in/(out):									
Transfer in from Reserve	-	-	-	-	-	-	49,864	49,864	
Transfer to BATA	-	-	(3,900,000)	(3,900,000)	-	-	(3,900,000)	(3,900,000)	-
Transfer to Capital	-	-	(3,470,634)	(3,470,634)	-	-	(3,470,634)	(3,470,634)	-
Total transfer	-	-	(7,370,634)	(7,370,634)	-	-	(7,320,770)	(7,320,770)	49,864
Operating surplus before depreciation	4,802,417	-	(4,761,374)	41,043	4,805,842	-	(4,761,374)	44,468	3,425
Depreciation	1,514,218	-	5,300,000	6,814,218	1,514,218	-	5,300,000	6,814,218	-
Total operating gain (loss)	\$ 3,288,199	\$ -	\$ (10,061,374)	\$ (6,773,175)	\$ 3,291,624	\$ -	\$ (10,061,374)	\$ (6,769,750)	\$ 3,425

Distribution of Condo Area Fees

Amended

	Common Area	Shared Services	Total
BAAQMD	\$ 1,431,197	\$ 869,207	\$ 2,300,404
ABAG	149,135	185,865	335,000 *
MTC	1,837,819	989,641	2,827,460
Total	<u>\$ 3,418,151</u>	<u>\$ 2,044,713</u>	<u>\$ 5,462,864</u>

Approved

BAAQMD	\$ 1,353,598	\$ 810,524	\$ 2,164,122
ABAG	149,135	185,865	335,000
MTC	1,911,993	1,048,324	2,960,317
Total	<u>\$ 3,414,726</u>	<u>\$ 2,044,713</u>	<u>\$ 5,459,439</u>

Diff

BAAQMD	\$ 77,599	\$ 58,683	\$ 136,282
ABAG	-	-	-
MTC	(74,174)	(58,683)	(132,857)
Total	<u>\$ 3,425</u>	<u>\$ -</u>	<u>\$ 3,425</u>

* Max ABAG assessment fee for FY19 is \$335,000 based on CC&R Section

Amended	RSF	
MTC/BATA	96,257	45.58%
BAAQMD	95,834	45.38%
ABAG	19,091	9.04%
375 Condo Sq. Ft	211,182 **	42.67%
Total CC&R Sq. Ft.	494,956	57.33%
** Agency Space RSF from CC&R Exhibit B and 15,600 RSF for 1st floor		

Approved	RSF	
MTC/BATA	107,804	51.27%
BAAQMD	83,350	39.64%
ABAG	19,113	9.09%
375 Condo Sq. Ft	210,267 **	42.56%
Total CC&R Sq. Ft.	494,027	57.44%
** Agency Space RSF from CC&R Exhibit B and 15,600 RSF for 1st floor		

Capital Building Development Budget LTD Thru FY 2018-19

	LTD Budget Thru FY2017-18	Total Budget FY2018-19	Total LTD Budget Thru FY2018-19
Sources			
Insurance proceeds	\$ 1,284,457	\$ 532,630	\$ 1,817,087
Transfer in from MTC	801,160	-	801,160
Transfer in from SAFE	112,910	-	112,910
Transfer in from BATA	6,906,010	-	6,906,010
Purchase from ABAG	1,600,000	-	1,600,000
Purchase from Air District	34,000,000	-	34,000,000
Reimbursement from Air District	500,000	(500,000)	-
Reimbursement from PG&E	54,601	-	54,601
TFCA Grant	151,000	-	151,000
Grant Local Match from MTC/BATA	119,000	-	119,000
Grant Local Match from Air District	150,000	-	150,000
SPANs savings	33,000,000	-	33,000,000
Capital Contribution (BATA)	193,310,846	-	193,310,846
Transfer in from BAHA Operation	-	245,634	245,634
Total Transfer In	271,989,984	278,264	272,268,248
Uses			
Purchase Building	\$ 93,000,000	\$ -	\$ 93,000,000
Building Development	138,357,333	15,923,566	154,280,899
Development Contingency	18,824,538	(17,924,538)	900,000
Furniture, Fixtures, Equipment	15,000,000	-	15,000,000
12V Feed	500,000	(192,394)	307,606
Backup Generator	500,000	(500,000)	-
EV Charging Station	420,000	-	420,000
Staff Costs	5,388,113	2,971,630	8,359,743
Total Usage	271,989,984	278,264	272,268,248
LTD Actual and Encumbrances as of March 2018			<u>270,649,664</u>
Remining Balance			<u>\$ 1,618,584</u>

Capital Commercial Development Budget LTD Thru FY 2018-19

Program #	Budget	Approved LTD Budget Thru FY2018-19	FY2018-19 Amendment			Thru FY2018-19
			Tenant Improvements	Commissions	Total	
	Transfer In	\$ 24,139,154	\$ -	\$ -	\$ -	\$ 24,139,154
	Cubic Reimbursement for TI	100,000	-	-	-	100,000
	Air District	-	3,000,000	-	3,000,000	3,000,000
		<u>\$ 24,239,154</u>	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ 3,000,000</u>	<u>\$ 27,239,154</u>
9135	T.I. Rutherford and Chekene	\$ 1,235,930	\$ -	\$ -	\$ -	\$ 1,235,930
9136	Conduent (Xerox)	110,975	-	-	-	110,975
9137	T.I. Degenkolb	2,287,410	-	-	-	2,287,410
9138	T.I. Twilio	10,175,417	-	-	-	10,175,417
9139	Engineering/Architectural	350,000	-	-	-	350,000
9140	T.I. Ada's Café	465,454	-	-	-	465,454
9141	BCDC	7,014,940	-	-	-	7,014,940
9142	Cubic	594,000	-	-	-	594,000
9144	Retail Space	2,000,000	3,000,000	-	3,000,000	5,000,000
	Total Tenant Improvements	<u>\$ 24,234,126</u>	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ 3,000,000</u>	<u>\$ 27,234,126</u>
9143	Marketing	<u>\$ -</u>			<u>\$ -</u>	<u>\$ -</u>
9143	Building Improvements	\$ -			\$ -	\$ -
	Net	\$ 5,028			\$ -	\$ 5,028

Capital Building Improvement Budget LTD Thru FY 2018-19

Budget	LTD Budget Thru FY2017-18	FY2018-19	Thru FY2018-19
Transfer In	\$0	\$1,225,000	\$1,225,000
In-House Improvement Project			
IT Improvement Project	\$0	\$525,000	\$525,000
Total In-House Project	\$0	\$525,000	\$525,000
CW Improvement Project			
AHUs1-4 Eyebrow Install	\$0	\$400,000	\$400,000
Building Improvement	0	300,000	300,000
Total CW Project	\$0	\$700,000	\$700,000
Total Building Improvement Budget	\$0	\$1,225,000	\$1,225,000

Date: June 26, 2019
W.I.: 9110, 9120, 9130

ABSTRACT

BAHA Resolution No. 21

This resolution approves the Budget for FY 2019-20 for the Bay Area Headquarters Authority (BAHA).

Discussion of this Resolution can be found in the BAHA Summary Sheet dated June 26, 2019.

Date: June 26, 2019
W.I.: 9110, 9120, 9130

Re: Bay Area Headquarters Authority Operating and Capital Budgets for FY 2019-20

BAY AREA HEADQUARTERS AUTHORITY
RESOLUTION No. 21

WHEREAS, the Metropolitan Transportation Commission (“MTC”) and the Bay Area Toll Authority (“BATA”) have executed a joint exercise of powers agreement dated September 28, 2011 which creates and establishes the Bay Area Headquarters Authority (“BAHA”): and

WHEREAS, the BAHA staff has prepared a proposed operating and capital budget setting forth the anticipated revenues and expenditures of BAHA for FY 2019-20 according to generally accepted accounting principles; now, therefore, be it

RESOLVED, that BAHA approves the FY 2019-20 operating and capital budgets (the “BAHA Budget”) as set forth in Attachment A to this Resolution; and, be it further

RESOLVED, that the Executive Director or designee may approve adjustments among line items in the BAHA Budget for FY 2019-20, provided that there shall be no increase in the overall BAHA Budget without prior approval of BAHA; and, be it further

RESOLVED, that the Executive Director or designee shall submit written requests to BAHA for approval of consultants, professional services, and expenditures authorized in the BAHA Budget for FY 2019-20; and be it further

RESOLVED, that the Executive Director and Treasurer and Auditor are authorized to carry over and re-budget all funds and contracts properly budgeted in the prior year for which expenditures were budgeted and encumbered and which will take place in FY 2019-20; and, be it further

RESOLVED, that the Executive Director and Chief Financial Officer are authorized to transfer \$2,000,000 to BATA in FY 2019-20 as a re-payment of the capital contribution made to BAHA; and, be it further

RESOLVED, that the Executive Director and Chief Financial Officer are authorized to utilize generally available cash as an advance for project cash flow purposes provided the advance is repaid from project funds by the close of the fiscal year; and, be it further

RESOLVED, that the BAHA staff shall furnish BAHA with at minimum, at least quarterly, a financial report to reflect budgeted and actual income, expenditures, obligations for professional and consultant services, and such other information and data as may be requested by BAHA.

BAY AREA HEADQUARTERS AUTHORITY

Scott Haggerty, Chair

The above resolution was entered into by the Bay Area Headquarters Authority at a regular meeting of the Authority held in San Francisco, California, on June 26, 2019.

Date: June 26, 2019
W.I.: 9110, 9120, 9130

Attachment A
BAHA Resolution No. 21

FY 2019-20 BAHA Budget

BAHA Building and Commercial Operating Budget FY2019-20

	Adopted Budget FY2018-19	Draft Budget FY2019-20	Percent Change	Change in \$ inc (dec)
Revenue:				
Assessment fee - shared services	\$ 2,044,713	\$ 2,006,600	-1.9%	\$ (38,113)
Assessment fee - common area	3,418,151	3,455,272	1.1%	37,121
Special assessment	152,000	-	-100.0%	(152,000)
Sales proceeds	4,389,000	-	-100.0%	(4,389,000)
Lease income	8,963,946	9,645,222	7.6%	681,276
Expense reimbursements	121,000	181,000	49.6%	60,000
Other income - parking	230,100	202,200	-12.1%	(27,900)
Other income	3,600	3,819	6.1%	219
Utility reimbursements	85,368	177,333	107.7%	91,965
Total revenue	19,407,878	15,671,446	-19.3%	(3,736,432)
Expenses:				
Salaries and Benefits	1,270,919	1,339,000	5.4%	68,081
Overhead	634,790	711,500	12.1%	76,710
Legal services	100,000	100,000	0.0%	-
Other contractual services	152,520	152,520	0.0%	-
IT licenses, maintenance	1,030,000	1,076,500	4.5%	46,500
Audit/tax prep	129,088	140,000	8.5%	10,912
Supplies	221,000	190,000	-14.0%	(31,000)
Parking operation	272,011	330,442	21.5%	58,431
Catering	5,000	7,500	50.0%	2,500
Other expenses	290,000	237,500	-18.1%	(52,500)
Special Event Setups	50,000	50,000	0.0%	-
Insurance	17,000	17,000	0.0%	-
Art related	75,000	75,000	0.0%	-
Special assessment project	172,000	32,000	-81.4%	(140,000)
Lease commission	-	50,000	N/A	50,000
Contractual services - CW	7,623,312	7,741,475	1.6%	118,163
Total expense before depreciation	12,042,640	12,250,437	1.7%	207,797
Surplus (deficit) before transfer and depreciation	7,365,238	3,421,009	-53.6%	(3,944,229)
Transfer in/(out):				
Transfer in from Reserve	49,864	-	-100.0%	(49,864)
Transfer to BATA	(3,900,000)	(2,000,000)	-48.7%	1,900,000
Transfer to Capital	(3,470,634)	(45,147)	-98.7%	3,425,487
Transfer to Capital Reserve	-	(1,375,862)	N/A	(1,375,862)
Total transfer	(7,320,770)	(3,421,009)	-53.3%	3,899,761
Operating surplus (deficit) before depreciation	44,468	-	-100.0%	(44,468)
Depreciation	6,814,218	6,814,218	100.0%	-
Total operating gain (loss)	\$ (6,769,750)	\$ (6,814,218)	0.7%	(44,468)

BAHA Building and Commercial Operations Budget FY2019-20

	Building and Commercial Operations- CW	Condo and Shared Services	BAHA Operating	Total BAHA Operating
Revenue:				
Assessment fee - shared services	\$ -	\$ 2,006,600	\$ -	\$ 2,006,600
Assessment fee - common area	-	3,455,272	-	3,455,272
Lease income	9,645,222	-	-	9,645,222
Expense reimbursements	-	-	181,000	181,000
Parking	202,200	-	-	202,200
Utility reimbursements	177,333	-	-	177,333
Other revenue	3,819	-	-	3,819
Total revenue	10,028,574	5,461,872	181,000	15,671,446
Expenses:				
Salaries and Benefits	-	600,600	738,400	1,339,000
Overhead	-	319,000	392,500	711,500
Legal services	-	-	100,000	100,000
Other contractual services	-	-	152,520	152,520
IT licenses, maintenance	-	655,500	421,000	1,076,500
Audit/tax prep	-	53,000	87,000	140,000
Supplies	-	140,000	50,000	190,000
Parking operation	330,442	-	-	330,442
Catering	-	7,500	-	7,500
Other expenses	-	181,000	56,500	237,500
Special Event Setups	-	50,000	-	50,000
Insurance	-	-	17,000	17,000
Art Related	-	-	75,000	75,000
Contribution to Ada's	-	-	32,000	32,000
Lease commission	-	-	50,000	50,000
Contractual services - CW	4,286,203	3,455,272	-	7,741,475
Total expense w/o depreciation	4,616,645	5,461,872	2,171,920	12,250,437
Surplus (deficit) before transfer and depreciation	5,411,929	-	(1,990,920)	3,421,009
Transfer in/(out):				
Transfer to BATA	-	-	(2,000,000)	(2,000,000)
Transfer to Capital	-	-	(45,147)	(45,147)
Transfer to Capital Reserve	-	-	(1,375,862)	(1,375,862)
Total transfer	-	-	(3,421,009)	(3,421,009)
Operating surplus (deficit) before depreciation	5,411,929	-	(5,411,929)	-
Depreciation	1,514,218	-	5,300,000	6,814,218
Total operating gain (loss)	\$ 3,897,711	\$ -	\$ (10,711,929)	\$ (6,814,218)

Distribution of Condo Area Fees

FY 2019-20

	Common Area	Shared Services	Total
BAAQMD	\$ 1,568,002	\$ 910,595	\$ 2,478,597
ABAG	168,603	181,397	350,000 *
MTC	1,718,667	914,608	2,633,275
Total	<u>\$ 3,455,272</u>	<u>\$ 2,006,600</u>	<u>\$ 5,461,872</u>

FY 2018-19

BAAQMD	\$ 1,431,197	\$ 869,207	\$ 2,300,404
ABAG	149,135	185,865	335,000
MTC	1,837,819	989,641	2,827,460
Total	<u>\$ 3,418,151</u>	<u>\$ 2,044,713</u>	<u>\$ 5,462,864</u>

Diff

BAAQMD	\$ 136,805	\$ 41,388	\$ 178,193
ABAG	19,468	(4,468)	15,000
MTC	(119,152)	(75,033)	(194,185)
Total	<u>\$ 37,121</u>	<u>\$ (38,113)</u>	<u>\$ (992)</u>

* Max ABAG assessment fee for FY20 is \$350,000 based on CC&R Section

	RSF	
MTC/BATA	96,257	45.58%
BAAQMD	95,834	45.38%
ABAG	19,091	9.04%
375 Condo Sq. Ft	211,182 **	42.67%
Total CC&R Sq. Ft.	494,956	57.33%
** Agency Space RSF from CC&R Exhibit B and 15,600 RSF for 1st floor		

Building Development Budget FY 2019-20	LTD Budget Thru FY2018-19	Total Budget FY2019-20	Total LTD Budget Thru FY2019-20
Sources			
Insurance proceeds	\$ 1,817,087	\$ -	\$ 1,817,087
Transfer in from MTC	801,160	-	801,160
Transfer in from SAFE	112,910	-	112,910
Transfer in from BATA	6,906,010	-	6,906,010
Purchase from ABAG	1,600,000	-	1,600,000
Purchase from Air District	34,000,000	-	34,000,000
Reimbursement from PG&E	54,601	-	54,601
TFCA Grant	151,000	-	151,000
Grant Local Match from MTC/BATA	119,000	-	119,000
Grant Local Match from Air District	150,000	-	150,000
SPANs savings	33,000,000	-	33,000,000
Capital Contribution (BATA)	193,310,846	-	193,310,846
Transfer in from BAHA Operation	245,634	45,147	290,781
Total Transfer In	272,268,248	45,147	272,313,395
Uses			
Purchase Building	\$ 93,000,000	\$ -	\$ 93,000,000
Building Development	154,280,899	-	154,280,899
Development Contingency	900,000	-	900,000
Furniture, Fixtures, Equipment	15,000,000	-	15,000,000
12V Feed	307,606	-	307,606
EV Charging Station	420,000	-	420,000
Staff Costs	8,359,743	45,147	8,404,890
Total Usage	272,268,248	45,147	272,313,395
LTD Actual and Encumbrances as of December 2018			271,646,594
Remining Balance			\$ 666,801

Commercial Development Fund Life To Date thru FY 2019-20

Program # Budget		LTD Budget Thru FY2018-19	FY 2019-20			Thru FY2019-20	LTD Exp & Enc As Of 3/31/2019
			Tenant Improvements	Commissions	Total		
	Transfer In	\$ 24,139,154	\$ -	\$ -	\$ -	\$ 24,139,154	
	Cubic Reimbursement for TI	100,000	-	-	-	100,000	
	BCDC	-	2,518,283	-	2,518,283	2,518,283	
	IT Improvement Projects	3,000,000	-	-	-	3,000,000	
	Agency Space Modifications	\$ 27,239,154	\$ 2,518,283	\$ -	\$ 2,518,283	\$ 29,757,437	
	Agency Infrastructure Improvements						
9135	T.I. Rutherford and Chekene	\$ 1,235,930	\$ -	\$ -	\$ -	\$ 1,235,930	\$ 1,235,930
	Conduent (Xerox)	110,975	-	-	-	110,975	110,975
1	T.I. Degenkolb	2,287,410	-	-	-	2,287,410	2,287,410
2	T.I. Twilio	10,175,417	3,000	-	3,000	10,178,417	10,175,417
9139	Engineering/Architectural	350,000	-	-	-	350,000	349,438
9140	Building Improvements	465,454	-	-	-	465,454	465,454
9141	BCDC	7,014,940	-	-	-	7,014,940	7,014,940
9142	Cubic	594,000	-	-	-	594,000	565,628
9144	Retail Space	5,000,000	-	-	-	5,000,000	372,850
	Total Tenant Improvements	\$ 27,234,126	\$ 3,000	\$ -	\$ 3,000	\$ 27,237,126	\$ 22,578,042
9143	Marketing	\$ -			\$ -	\$ -	
9143	Building Improvements	\$ -			\$ -	\$ -	
	Transfer Out - Building Improvement	\$ -	\$ -	\$ -	\$ 2,100,000	\$ 2,100,000	
	Net	\$ 5,028			\$ 415,283	\$ 420,311	

Building Improvement Fund Life To Date thru FY 2019-20

Program #	Budget	LTD Budget Thru FY2018-19	FY2019-20	Thru FY2019-20	LTD Exp & Enc As Of 3/31/2019
	Transfer In	\$1,225,000	\$2,100,000	\$3,325,000	
	In-House Improvement Project				
9160	IT Improvement Projects	\$525,000	\$490,000	\$1,015,000	\$368,008
9161	Agency Space Modifications	-	300,000	300,000	-
9162	Agency Infrastructure Improvements	-	250,000	250,000	-
9163	Level 1 Public Space Modifications	-	400,000	400,000	-
	Total In-House Project	<u>\$525,000</u>	<u>\$1,440,000</u>	<u>\$1,965,000</u>	<u>\$368,008</u>
9180	CW Improvement Project				
9181	AHUs1-4 Eyebrow Install	\$400,000	\$460,000	\$860,000	\$400,000
	Building Improvements	300,000	200,000	500,000	207,343
	Total CW Project	<u>\$700,000</u>	<u>\$660,000</u>	<u>\$1,360,000</u>	<u>\$607,343</u>