

**METROPOLITAN
TRANSPORTATION
COMMISSION**
Meeting Transcript



November 11, 2021

1 **METROPOLITAN TRANSPORTATION COMMISSION**
2 **BOARD OF DIRECTORS OF 375 BEALE CONDOMINIUM CORPORATION**
3 **TUESDAY, NOVEMBER 11, 2021, 3:00 P.M.**

4
5 **JACK BROADBENT, CHAIR:** OKAY. I WILL CALL TO ORDER THIS MEETING
6 OF THE BOARD OF DIRECTORS OF THE 375 BEALE CONDOMINIUM
7 CORPORATION. AND I WAS GOING TO REQUEST THE INTRODUCTORY COVID
8 RECORDING BE PLAYED. [RECORDED MEETING PROCEDURES
9 ANNOUNCEMENT] DUE TO COVID-19, THIS MEETING WILL BE CONDUCTED
10 AS A ZOOM WEBINAR PURSUANT TO THE PROVISIONS OF ASSEMBLY BILL
11 361 WHICH SUSPENDS CERTAIN REQUIREMENTS OF THE BROWN ACT. THIS
12 MEETING IS BEING WEBCAST ON THE MTC WEBSITE. THE CHAIR WILL
13 CALL UPON COMMISSIONERS, PRESENTERS, STAFF, AND OTHER
14 SPEAKERS, BY NAME, AND ASK THAT THEY SPEAK CLEARLY AND STATE
15 THEIR NAMES BEFORE GIVING COMMENTS OR REMARKS. PERSONS
16 PARTICIPATING VIA WEBCAST AND ZOOM, WITH THEIR CAMERAS
17 ENABLED, ARE REMINDED THAT THEIR ACTIVITIES ARE VISIBLE TO
18 VIEWERS. COMMISSIONERS AND MEMBERS OF THE PUBLIC PARTICIPATION
19 BY ZOOM, WISHING TO SPEAK, SHOULD USE THE RAISE HAND FEATURE
20 OR DIAL STAR 9, AND THE CHAIR WILL CALL UPON THEM AT THE
21 APPROPRIATE TIME. TELECONFERENCE ATTENDEES WILL BE CALLED UPON
22 BY THE LAST FOUR DIGITS OF THEIR PHONE NUMBER. IT IS REQUESTED
23 THAT PUBLIC SPEAKERS STATE THEIR NAMES AND ORGANIZATION, BUT,
24 PROVIDING SUCH INFORMATION IS VOLUNTARY. WRITTEN PUBLIC
25 COMMENTS RECEIVED AT INFOATBAYAREAMETRO.GOV BY 5 P.M.,



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1 YESTERDAY, WILL BE POSTED TO THE ONLINE AGENDA AND ENTERED
2 INTO THE RECORD, BUT WILL NOT BE READ OUT LOUD. IF AUTHORS OF
3 THE WRITTEN CORRESPONDENCE WOULD LIKE TO SPEAK, THEY ARE FREE
4 TO DO SO. THEY SHOULD RAISE THEIR HAND AND THE CHAIR WILL
5 CALL UPON THEM AT THE APPROPRIATE TIME. A ROLL CALL VOTE WILL
6 BE TAKEN FOR ALL ACTION ITEMS. PANELISTS AND ATTENDEES SHOULD
7 NOTE THAT THE CHAT FEATURE IS NOT ACTIVE. IN ORDER TO GET THE
8 FULL ZOOM EXPERIENCE, PLEASE MAKE SURE YOUR APPLICATION IS UP
9 TO DATE.

10

11 **JACK BROADBENT, CHAIR:** I WOULD LIKE THE CLERK TO CALL THE ROLL
12 AND CONFIRM A QUORUM.

13

14 **KIMBERLY WARD, CLERK:** JACK BROADBENT?

15

16 **JACK BROADBENT, CHAIR:** HERE.

17

18 **KIMBERLY WARD, CLERK:** THERESE MCMILLAN.

19

20 **THERESE MCMILLAN:** HERE.

21

22 **KIMBERLY WARD, CLERK:** ANDREW FREMIER?

23

24 **ANDREW FREMIER:** HERE.

25



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1 **KIMBERLY WARD, CLERK:** BRAD PAUL?

2

3 **BRAD PAUL:** PRESENT.

4

5 **KIMBERLY WARD, CLERK:** QUORUM IS PRESENT.

6

7 **JACK BROADBENT, CHAIR:** THANK YOU. AGENDA ITEM TWO IS THE
8 MINUTES OF THE JUNE 14TH, 2021 MEETING. DO I HAVE A MOTION AND
9 A SECOND TO APPROVE THE MINUTES?

10

11 **THERESE MCMILLAN:** I'LL MOVE APPROVAL.

12

13 **JACK BROADBENT, CHAIR:** IS THAT THERESE?

14

15 **THERESE MCMILLAN:** YES.

16

17 **ANDREW FREMIER:** FREMIER WILL SECOND.

18

19 **JACK BROADBENT, CHAIR:** MR. FREMIER WILL SECOND. ROLL CALL
20 PLEASE.

21

22 **KIMBERLY WARD, CLERK:** [ROLL CALL VOTE]

23

24 **JACK BROADBENT, CHAIR:** MOVING ON TO ITEM 3, THE 375 BEALE
25 CONDOMINIUM CORPORATION FINANCIAL STATEMENTS FOR THE FY 2021



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1 FOURTH QUARTER. AND I THINK MR. MAYHEW IS GOING TO BE
2 PRESENTING THIS ITEM?

3

4 **BRIAN MAYHEW:** IT WILL BE VERY QUICK BECAUSE WE HAVE AN AUDIT
5 COMING RIGHT BEHIND IT THAT WILL SAY THE SAME THING. BASICALLY
6 NO SHOTS REVENUE 5.8 MILLION SHARED SERVICES 2.13.7 COMMON
7 AREA ASSESSMENTS NO MYSTERY. WE COLLECTED ALL EXPENSES ABOUT
8 4,400,070% SHARED SERVICES REMAINDER BEING IN THE COMMON AREAS
9 SURPLUS 1.4 MILLION DIVIDED BETWEEN THE PARTNERS, AND YOU CAN
10 SEE THAT WHEN WE GET TO THE POINT AUDIT YOU, YOU WILL SEE A
11 BIG CREDIT UP THERE. BIG SURPLUS A LITTLE MORE ALMOST TRIPLE
12 WHAT IT WAS LAST YEAR NO SURPRISES HERE. OUR OPERATING
13 EXPENSES ARE LOWER THAN WE ESTIMATED THEM IN THE REVENUES WE
14 COLLECT 100% OF. IT'S NOT A SHOCK WE HAVE A MILLION DOLLARS
15 LEFT OVER INSTEAD OF THE 3- OR 400,000; IT'S OUR CUSHION ON A
16 GIVEN YEAR. WITH THAT I'LL TAKE ANY COMMENTS OR QUESTIONS.

17

18 **JACK BROADBENT, CHAIR:** ANY COMMENTS OR QUESTIONS FROM THE
19 BOARD MEMBERS? ALL RIGHT. I'LL ASK THE CLERK IF THERE IS ANY
20 PUBLIC COMMENT RECEIVED IN ASSOCIATION WITH THIS ITEM?

21

22 **KIMBERLY WARD, CLERK:** THERE ARE NO MEMBERS OF THE PUBLIC WITH
23 THEIR HAND RAISED, AND THERE WAS NO PUBLIC COMMENT SUBMITTED
24 ON THIS ITEM.

25



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1 **JACK BROADBENT, CHAIR:** OKAY. WELL, THANK YOU, MR. MAYHEW. I'M
2 GOING TO MOVE ON TO ITEM NUMBER FOUR, THEN. WHICH IS THE FY
3 2021, 375 BEALE CONDOMINIUM AUDIT RESULTS AND REQUIRED
4 COMMUNICATIONS.

5

6 **BRIAN MAYHEW:** AND LET ME START THAT OFF AND INTRODUCE KATHY
7 LAI, WHO IS THE -- WOULD IT BE PARTNER IN CHARGE NOW? OR WHAT
8 OTHER COOL TERM THERE IS FOR IT?

9

10 **KATHLEEN LAI:** ENGAGEMENT PARTNER [INDISCERNIBLE].

11

12 **BRIAN MAYHEW:** THAT'S RIGHT. YOU'RE MARRIED NOW. ANYHOW, KATHY
13 LAI IS THE HEAD OF THE SHOW AND SHE IS GOING YOU A LIST OF HER
14 DOCUMENTS AND PRESENT HER FINDINGS FOR THE YEAR. IT IS
15 IMPORTANT THERE ARE DIRECT COMMUNICATIONS WITH THE AUDITORS.
16 IT'S VERY IMPORTANT YOU HAVE OPPORTUNITY TO DISCUSS THINGS
17 WITH THEM DIRECTLY, AS OPPOSED TO JUST ME THE AUDIT IS CLEAN;
18 IT'S UNMODIFIED. AND I'LL LET KATHY PRESENT. IT'S ALL YOURS.

19

20 **KATHLEEN LAI:** I'LL ASK STAFF TO PULL UP THE PRESENTATION. IT'S
21 BRIEF AND THE RESULTS ARE POSITIVE. WE'LL GO THROUGH THIS
22 FAIRLY QUICKLY. IF YOU MOVE TO THE NEXT SLIDE HERE. OUR AUDIT
23 IS SUBSTANTIALLY COMPLETED AS OF TODAY JUST A FEW REMAINING
24 ITEMS THAT ARE TYPICAL AT THIS STAGE FOR EXAMPLE,
25 REPRESENTATION LETTER FROM MANAGEMENT AND DOING STANDARD



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1 SUBSEQUENT PROCEDURES. ON OUR WAY TO CONCLUDING. I WANT TO
2 INTRODUCE AND WON'T GO INTO A LOT OF DETAILS BUT AUDITS TAKE A
3 LOT OF WORK ON BOTH SIDES FROM BOTH MANAGEMENT AS WELL AS FOR
4 THE CROWE ENGAGEMENT TEAM. ON THE NEXT SLIDE HERE YOU WILL SEE
5 JUST A SMATTERING OF THE INDIVIDUALS WHO HAVE WORKED VERY HARD
6 TO PUSH THROUGH THE FINANCIAL STATEMENT AUDIT HERE AND WITH ME
7 I HAVE JOSEPH WHO HAS JOINED THIS AUDIT AS PART OF THIS
8 PRESENTATION. ALL RIGHT LEADS MOVE TO THE NEXT SLIDE. THE
9 AGENDA IT'S VERY BRIEF I THOUGHT IT'S WORTHWHILE SINCE THIS IS
10 THE FIRST TIME MEETING WITH YOU'RE COMMITTEE TO TALK THROUGH
11 THE AUDIT OBJECTIVES AND TO REMIND YOU WHAT MANAGEMENT HAS
12 ENGAGED CROWE TO PERFORM IN TERMS OF THE AUDIT OBJECTIVES GO
13 THROUGH THE AUDIT RESULTS AND FINISH UP WITH REQUIRED
14 COMMUNICATES. IF YOU WANT TO GO AHEAD AND FORWARD TO THE SLIDE
15 THAT TALKS ABOUT ENGAGEMENT OBJECTIVES. IN ANY AUDIT THERE ARE
16 MANAGEMENT RESPONSIBILITIES AND THEN THERE IS AUDITOR
17 RESPONSIBILITIES AS THE AUDITOR I HAVE BEEN ENGAGED TO EXPRESS
18 AN OPINION ON WHETHER OR NOT THE 375 BEALE FINANCIAL
19 STATEMENTS ARE STATED AND IN ACCORDANCE WITH GENERALLY KNOW
20 ACCEPTED ACCOUNTING PRINCIPLES OR GAPS AND IN ACCORDANCE WITH
21 GENERAL AUDIT STANDARDS AND ENSURING REASONABLE ASSURANCE THAT
22 THOSE FINANCIAL STATEMENTS ARE FAIRLY STATED. MANAGEMENT IS
23 RESPONSIBLE FOR THE FINANCIAL STATEMENTS, AND THE FAIR
24 PRESENTATION IN ACCORDANCE WITH GAP AND ALSO ALL RELATED
25 CONTROLS OVER FINANCIAL REPORTING TO ENSURE THAT THEY'RE



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1 OPERATING EFFECTIVELY AND DESIGNED APPROPRIATELY. THAT'S THE
2 AUDIT SCOPE LET'S FAST FORWARD TO THE ANTICIPATED AUDIT
3 RESULTS. SO BRIAN ALREADY HINTED WE EXPECT TO ISSUE AN
4 UNMODIFIED OPINION THAT'S THE HIGHEST LEVEL OF DEGREE OF
5 ASSURANCE THAT WE CAN PROVIDE. AN OPINION WILL STATE THAT THE
6 FINANCIAL STATEMENTS ARE FAIRLY STATED IN ACCORDANCE WITH THE
7 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES THAT'S UNMODIFIED
8 ACTUALLY VERY GOOD RESULTS. WE DIDN'T IDENTIFY ANY CONTROL
9 DEFICIENCIES OR SIGNIFICANT DEFICIENCIES OR MATERIAL
10 WEAKNESSES DURING OUR AUDIT. MORE GOOD NEWS FOR THE
11 ORGANIZATION. WE'LL FINISH UP WITH REQUIRED COMMUNICATIONS.
12 OUR GO THROUGH THESE QUICKLY THEY'RE FAIRLY STANDARD. IF YOU
13 WANT TO GO TO THE REQUIRED COMMUNICATION. ANY KIND OF
14 FINANCIAL STATEMENTS MANAGEMENT IS REQUIRED TO DISCLOSE
15 SIGNIFICANT ACCOUNTING POLICIES YOU CAN SEE THAT CLEARLY IN
16 THE FINANCIAL STATEMENTS AS PART OF OUR AUDIT PROCEEDS WE
17 REVIEW THE SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND WE
18 BELIEVE THAT THEY ARE APPROPRIATE, CLEAR, AND CONSISTENT WITH
19 THE PRIOR YEAR. RIGHT BELOW HERE YOU WILL SEE MANAGEMENT
20 JUDGMENTS AND ACCOUNTING ESTIMATES. THAT'S JUST A TYPICAL
21 DISCLOSURE THAT ANY SET OF FINANCIAL STATEMENTS MANAGEMENT
22 MIGHT HAVE TO MAKE FROM TIME TO TIME WE DIDN'T OBSERVE ANY IN
23 THIS PARTICULAR GIVEN YEAR BUT IT'S REQUIRED COMMUNICATION IN
24 CASE THAT OCCUR IN FUTURE YEARS. ON THE NEXT SLIDE AS I SAID
25 MY JOB IS TO DETERMINE WHETHER OR NOT THOSE FINANCIAL



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1 STATEMENTS IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING
2 PRINCIPLES. WHO ESTABLISHES GENERALLY ACCEPTED ACCOUNTING
3 PRINCIPLES THE GOVERNMENTAL ACCOUNTING STANDARDS, GASB, AND
4 EACH YEAR THEY TYPICALLY ISSUE A VARIETY OF ACCOUNTING
5 STANDARDS AND REQUIRES MANAGEMENT TO EVALUATE THOSE STANDARDS
6 AND IMPLEMENT THEM AND REFLECT IN THE FINANCIAL REPORTING. IT
7 WAS A VERY ACTIVE YEAR YOU CAN SEE THREE STANDARDS, SHARE
8 ACTIVITIES, MAJORITY, EQUITY INTEREST, AND ALSO THE
9 REPLACEMENT OF INTERBANK OFFERED RATES I'M SURE YOU HEARD
10 LIBOR GOING AWAY AND WHAT DO YOU DO IN THAT REPLACEMENT AND
11 FOR THESE STANDARDS THERE ARE DIFFERENT IMPLEMENTATION GUIDES
12 AND MANAGEMENT HAS A LOT OF WORK TO DO TO EVALUATE THESE
13 STANDARDS I'M PLEASED TO REPORT THAT NONE OF THESE STANDARDS
14 SEEM APPLICABLE WITH RESPECT TO 375 BEALE NO CHANGES RELATED
15 TO THESE STANDARDS. ON THE NEXT SLIDE HERE, AGAIN PLEASED TO
16 REPORT THAT WE DID NOT NOTE ANY MISSTATEMENTS THAT IT WERE
17 EITHER CORRECTED OR UNCORRECTED. SO, AGAIN, NOTHING TO REPORT
18 HERE. WITH RESPECT TO ANY AUDIT ADJUSTMENTS. AND THEN LAST
19 BUT NOT LEAST, THERE IS A VARIETY OF DISCLOSURES HERE ON THIS
20 NEXT SLIDE. WE NOT NOTE ANY -- IF YOU WANT TO ADVANCE THE
21 SLIDE -- PERFECT. WE DID NOT NOTE ANY OF THESE ITEMS THAT ARE
22 LISTED HERE. MANAGEMENT, CERTAINLY WAS COOPERATIVE THROUGHOUT
23 THE AUDIT. AGAIN A LOT OF WORK TO PERFORM THESE AUDITS AND
24 CERTAINLY TO DO IT IN A REMOTE ENVIRONMENT DURING THE ALMOST
25 SECOND YEAR OF THE PANDEMIC. SO WE APPRECIATE ALL OF THEIR



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1 EFFORTS THERE WERE NO CONTROVERSIAL OR EMERGING AREAS NOR
2 UNUSUAL TRANSACTIONS AND NO DISAGREEMENTS WITH MANAGEMENT OR
3 OTHERWISE RELATED TO THIS SLIDE. SO IN THAT I AM HAPPY TO
4 ADDRESS ANY QUESTIONS WITH RESPECT TO OUR AUDIT.

5

6 **JACK BROADBENT, CHAIR:** DO WE HAVE ANY QUESTIONS FOR MS. LAI?
7 IT SEEMS THERE ARE CONGRATULATIONS IN ORDER FOR MR. MAYHEW
8 HERE.

9

10 **BRIAN MAYHEW:** YOU MEAN BECAUSE WE GOT A GOOD AUDIT?

11

12 **JACK BROADBENT, CHAIR:** YEAH.

13

14 **BRIAN MAYHEW:** I GOT LUCKY. I WOULD RATHER HAVE A GOOD STAFF
15 THAN HAVE A GOOD AUDIT. IS THERE ANOTHER PAGE? NO.

16

17 **KIMBERLY WARD, CLERK:** ACTUALLY, THIS IS A SEPARATE
18 PRESENTATION FOR THE SAME ITEM.

19

20 **BRIAN MAYHEW:** YEAH IT'S JUST TWO PAGE. THERE IS ONLY ONE PAGE
21 I WANT TO BRING YOUR ATTENTION. THE REST OF THE AUDIT IS A LOT
22 OF NICE WORDS AND IT REDOES THINGS OVER AND OVER AGAIN. THIS
23 IS KIND OF THE IMPORTANT ONE. YOU KNOW WHO YOU ARE, YOU KNOW
24 WHAT WE'RE DOING HERE. YOU WILL NOTICE AS YOU GO THROUGH AND
25 SEE THE BOTTOMS CHANGE IN NET POSITION, WHICH IS A FANCY WAY



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1 OF SAYING ENDING BALANCE, YOU WILL NOTICE THAT COMES TO ZERO
2 THIS IS A SELF BALANCING ACCOUNT. IT'S DESIGNED TO BE SELF
3 BALANCING THAT MEANS WHAT ASSETS, REVENUES AND EXPENSES WE
4 TAKE INTO THE YEAR STAY IN BALANCE IF WE DEFICIT OR
5 UNDERBUDGET WE ADJUST AND CHARGE AGAIN EITHER MAKING A
6 CORRECTION AT THE YEAR END BUDGET OR ENSUING BUDGET. IF THERE
7 IS SURPLUS, THE SECOND LINE DOWN, THE REFUNDS OF RECENT
8 ASSESSMENT FEES IF THERE IS A REFUND THAT IS PUT IN THERE.
9 THAT BRINGS DOWN THE REVENUES TO MATCH SO THAT IT WILL NOW
10 MATCH THE EXPENSES. SO THERE IS NO ASSETS OR ANYTHING LYING
11 AROUND HERE THIS IS DISTRIBUTED BACK TO THE PARTNERS. JEFF
12 DOES A COMPONENT WITH HIS. I TAKE MINE AND STASH IT INTO
13 ANOTHER RESERVE IN BAHA. BUT THAT'S HOW YOU WANT TO SEE IT END
14 IN PERFECT BALANCE AT THE END OF THE YEAR AND THAT'S WHERE WE
15 ARE. AND THAT, I'M HAPPY TO ANSWER ANY QUESTIONS, AS LONG AS
16 I'M STAYING LUCKY, SIR.

17

18 **JACK BROADBENT, CHAIR:** DO WE HAVE ANY QUESTIONS OF BRIAN OR
19 KATHY? I'M NOT SEEING QUESTIONS HERE. THEREFORE I'M GOING TO
20 ASK FOR A MOTION AND A SECOND TO APPROVE RECEIPT OF THE
21 FY2020, 2021 AUDIT RESULTS AND REQUIRED COMMUNICATIONS?

22

23 **ANDREW FREMIER:** FREMIER WILL MOVE.

24

25 **BRAD PAUL:** PAUL WILL SECOND.



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1

2 **JACK BROADBENT, CHAIR:** ALL RIGHT. MR. PREMIER MOVED AND MR.
3 PAUL SECONDED. IF I COULD ASK THE CLERK TO TAKE A ROLL CALL?

4

5 **KIMBERLY WARD, CLERK:** LET THE RECORD REFLECT THAT THERE ARE NO
6 MEMBERS OF THE PUBLIC WITH THEIR HAND RAISED, AND I HAVE
7 RECEIVED NOTHING IN WRITING FOR THIS ITEM. AND WITH THAT,
8 MEMBER BROADBENT?

9

10 **JACK BROADBENT, CHAIR:** YES.

11

12 **KIMBERLY WARD, CLERK:** MEMBER MCMILLAN?

13

14 **THERESE MCMILLAN:** YES.

15

16 **KIMBERLY WARD, CLERK:** MEMBER PREMIER?

17

18 **ANDREW PREMIER:** YES.

19

20 **KIMBERLY WARD, CLERK:** PAUL?

21

22 **BRAD PAUL:** YES.

23

24 **KIMBERLY WARD, CLERK:** PASSES UNANIMOUSLY BY ALL MEMBERS
25 PRESENT.



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1

2 **JACK BROADBENT, CHAIR:** NEXT IS OUR OPERATIONS AND PROJECT
3 REPORT AND I THINK I HAND THIS OVER TO DENISE.

4

5 **DENISE RODRIGUES:** GOOD AFTERNOON I'M DENISE R, PROVIDING
6 INFORMATION ON BUILDING RELATED ACTIVITIES THAT HAVE OCCURRED
7 SINCE THE LAST BOARD MEETING BACK IN JUNE THE SAN FRANCISCO
8 DEPARTMENT OF PUBLIC HEALTH UPDATED THEIR HEALTH ORDERS TO
9 RETURN TO SAFER TOGETHER WITH RESTRICTIONS STILL REQUIRING
10 COVERINGS WORN. TENANTS HAVE RETURNED APPROXIMATELY 60 STAFF
11 TO WORKING IN THE BUILDING AS OF THE FIRST OF THIS MONTH. I
12 WANT TO NOTE THAT. ONE CHANGE THAT WE WERE ABLE TO ACCOMMODATE
13 UNDER THE UPDATED HEALTH ORDERS IS WE NOW ALLOW VISITORS IN
14 THE BUILDING AND ATTACHMENT A REOPENING AT 375 BEALE DOCUMENT
15 IS WHAT WE'RE FOLLOWING IN REGARD TO BUILDING VISITORS AND
16 PUBLIC MEETINGS. I WILL NOTE THAT CUSHMAN WAKEFIELD OUR
17 PROPERTY MANAGEMENT TEAM HAS IMPLEMENTED A VARIETY OF COST
18 SAVING MEASURES AND I'M VERY HAPPY TO LET YOU ALL KNOW THAT IN
19 FISCAL YEAR 2021, CUSHMAN & WAKEFIELD WAS ABLE TO SAVE US
20 APPROXIMATELY \$468,000 FOR BUILDING OPERATIONS AND AGENCY
21 RELATED EXPENSES DUE TO CHANGES THAT WE MADE WHILE WE WERE
22 WORKING IN THE BUILDING BOTH TENANT AND AGENCIES. THIS FISCAL
23 YEAR WE'RE CONTINUING TO REDUCE COST WHERE POSSIBLE AND SO FAR
24 CW HAS SAVED APPROXIMATELY \$190,000 FOR BOTH BUILDING
25 OPERATIONS AND AGENCY RELATED EXPENSES. AND MYSELF AND EBONY



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1 HORACE, CUSHMAN & WAKEFIELD PROPERTY MANAGER ARE TAKING
2 ATTENTION TO LOOK AT AFFECT OF AGENCY'S ATTENDANCE AND
3 REOCCUPYING THE BUILDING. THE MAJORITY OF OUR BAY AREA METRO
4 CENTER TENANTS AND AGENCIES ARE WORKING REMOTELY AND WE WANT
5 TO LET YOU KNOW SINCE THE LAST BOARD MEETING OUR VENUE OUR
6 OFFICE HAS SERVED AS THE SPACE FOR SEVEN BLOOD DRIVES AND A
7 POLLING PLACE IN THE ELECTION IN SEPTEMBER. IN ALL UTILIZATION
8 FOR MEETINGS AND OTHER ACTIVITIES THAT HAPPENED IN THE
9 BUILDING SINCE JUNE IS INCLUDED IN AND ATTACHED IN THE MEMO.
10 WE HAD A SECURITY INCIDENT LAST MONTH IT WAS A FORCED ENTRY
11 INTO THE MAIN LOBBY THROUGH THE BEALE STREET ENTRANCE WITH A
12 PIECE OF REBAR WHAT I CAN SAY IS THE SECURITY TEAM QUICKLY
13 RESPONDED CALLED 911 DEESCALATED THE SITUATION AND REDIRECTED
14 THE INTRUDER TO THE OUTSIDE OF THE BUILDING THERE WAS NO
15 DAMAGE TO THE LOBBY DOOR OR TO THE BUILDING ITSELF AND
16 SECURITY TEAM AND STAFF ARE LOOKING INTO HOW WE CAN MITIGATE
17 FUTURE RISKS LIKE THAT AND REPORT BACK TO THIS BOARD ON
18 BROADER SECURITY MEASURES THAT WE WANT TO TAKE TO MITIGATE ANY
19 ISSUES LIKE THAT OR OTHER POSSIBLE SECURITY EVENTS. I'M GOING
20 TO TURN TO OTHER PROJECTS WORK TO OPTIMIZE THE USABLE SPACE IN
21 THE FIRST FLOOR YERBA BUENA AND CONFERENCE ROOMS IN THE
22 ADJACENT WARM KITCHEN IS PROGRESSING IN ORDER TO REPLACE THE
23 LIGHTING IN THE BOARDROOM YERBA BUENA AND ROOM LIGHTING IS
24 CURRENT UNDERWAY AND STARTED TODAY WE PLAN TO HAVE THAT DONE
25 BY THE END OF THIS CALENDAR YEE. BAHA HAS CONTRACTED WITH



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1 ARCHITECTURAL AND ENGINEERING DESIGN IN RELATED PROJECT
2 MANAGEMENT TO ASSIST IN AGENCY INDIVIDUAL HYBRID WORKING
3 ENVIRONMENT ENGAGING STAFF AND ALL AGENCIES WORK AND REPORT
4 BACK NEXT MONTH. PARKING FEASIBILITY STUDY TO COMPARE CURRENT
5 MARKET RATES WITH THE RATE THAT WE'RE CHARGING AND WILL
6 PRESENT RECOMMENDATIONS FROM THAT STUDY FOR ANY POTENTIAL
7 OPERATIONAL RESTRUCTURE OR PRICING CHANGES AT A FUTURE BOARD
8 MEETING PROBABLY THE NEXT BOARD MEETING EARLY 2022. AND THEN,
9 A COUPLE LAST THINGS ARE, WE HAD HOPED TO BRING FORWARD THE
10 OPERATING ROLES AND PROCEDURES FOR TEMESCAL IN THE FIRST FOUR
11 SPACES SO WE COULD UTILIZE THOSE EVENINGS AND WEEKENDS. BUT
12 BECAUSE OF THE PANDEMIC, STAFF IS MAKING SURE WE'RE ABIDING BY
13 ALL HEALTH ORDERS MAKING SURE OUR OWN INTERNAL OPERATIONS ARE
14 RUNNING AS SMOOTHLY AS POSSIBLE. WE WILL PICK THAT WORK BACK
15 UP IN 2022 AND BRING THOSE DOCUMENTS TO YOU AS EARLY AS
16 POSSIBLE NEXT CALENDAR YEAR. AND THEN ONE PIECE OF INFORMATION
17 I WASN'T ABLE TO GET INTO YOUR MEMO IT'S KIND OF LATE BREAKING
18 IS OUR TENANT TWILIO ON 3 AND 4 ARE TAKING STEPS TO VACATE
19 THEIR SPACE AND TO SUBLEASE THEIR SPACE AND WE'LL BRING MORE
20 INFORMATION AS WE HAVE MORE INFORMATIONS ON THE SUBLEASE OF
21 THAT AREA AT THE NEXT BOARD MEETING. AND THAT CONCLUDES THE
22 PRESENTATION. EBONY HORACE, THE PROPERTY BUILDING MANAGER AND
23 I ARE AVAILABLE TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.
24



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1 **JACK BROADBENT, CHAIR:** THANKS MS. RODRIGUEZ. AND, SO -- AND
2 MS. HORACE. I'M WONDERING IF THIS IS THE RIGHT PLACE TO JUST
3 ASK, AND MY COLLEAGUES HERE, ABOUT PLANS IN TERMS OF COMING
4 BACK. IF I CAN ASK THERESE, ARE YOU ALL THINKING ABOUT YOUR
5 RETURN TO WORK? RETURN TO THE OFFICE, LET'S SAY, IN TERMS OF
6 THE STAFF? AND TIME FRAME? FIRST QUARTER OF 2022.

7

8 **THERESE MCMILLAN:** WE WILL BE RELEASING, VERY SHORTLY.

9 [LAUGHTER] A HYBRID WORK POLICY, WHICH IS AN EVOLUTION OF THE
10 ALTERNATIVE WORK POLICY IRONICALLY WE HAD IN PLACE TWO WEEKS
11 BEFORE THE COVID PANDEMIC BEGAN, AND IT SETS OUT AN
12 INDIVIDUALIZED APPROACH WHERE EVERY STAFF MEMBER WILL WORK OUT
13 WITH THEIR SUPERVISOR A SCHEDULE FOR WHEN THEY ANTICIPATE TO
14 COME TO THE BUILDING AND ACCOMPLISH TASK IN THEIR WORK, VERSUS
15 CONTINUED TO WORK REMOTELY. I WOULD SAY, THE, YOU KNOW, BROAD
16 CONCLUSION COMING OUT OF OUR LIVING LAB OF, YOU KNOW, REMOTE
17 WORK, WITH THE PANDEMIC, HAS BEEN AN INCREDIBLY PRODUCTIVE
18 ENVIRONMENT FOR MEMBERS OF OUR STAFF IN TERMS OF ACCOMPLISHING
19 AN ENORMOUS PORTFOLIO, REMOTELY, EVEN THOUGH IT WAS, OF
20 COURSE, DRAMATICALLY IMPOSED. REALIZING THERE IS A NUMBER OF
21 FACTORS THAT WOULD INVOLVE STAFF, EITHER HAVING TO OR WANTING
22 TO COME BACK TO THE BUILDING. SO, FROM -- YOU KNOW, WE'LL BE
23 RELEASING THE POLICY, AND, YOU KNOW, OUR IDEA IS THAT
24 PROBABLY, THE BEGINNING OF THE YEAR, THE, SORT OF, AGREEMENTS
25 FOR LACK OF A BETTER TERM BETWEEN THE EMPLOYEES AND THEIR



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1 SUPERVISORS WOULD BE IN PLACE, AND YOU KNOW, WE WOULD MOVE
2 ALONG IN THAT SPACE. THAT'S SEPARATE AND APART FROM THE
3 SEPARATE QUESTION OF WHAT OUR BOARD MEMBERS WILL WANT TO BE
4 DOING WITH RESPECT TO, YOU KNOW, IN-PERSON, OR REMOTE. MY
5 BOARD, MTC, HAD A HYBRID MEETING FOR THE COMMISSION WORKSHOP
6 ON OCTOBER 27TH, AND 28TH, THAT WORKED OUT VERY WELL. AND I
7 WILL HAVE ONGOING DISCUSSIONS WITH THE CHAIR OF MTC AND THE
8 PRESIDENT OF ABAG AS TO WHAT THEIR EXPECTATIONS WOULD BE IN
9 TERMS OF BOARD LEVEL ACTIVITY, YOU KNOW, IN THE BUILDING.

10

11 **JACK BROADBENT, CHAIR:** YEAH. I WOULD LIKE TO TALK TO YOU
12 FURTHER ABOUT THAT, THERESE, MYSELF. BECAUSE OUR BOARD IS
13 INTERESTED IN BEING ABLE TO GO TO A FULL HYBRID IN JANUARY.
14 AND HYBRID MEANING ALLOWING SOME TO PARTICIPATE REMOTELY, SOME
15 TO COME INTO THE BUILDING.

16

17 **THERESE MCMILLAN:** YEAH.

18

19 **JACK BROADBENT, CHAIR:** SO, I HAVE GOT A NEW CHAIR. I HAVE A
20 NEW ONE EVERY YEAR. I HAVE DIRECTOR KAREN MITCHOFF, IS THE
21 CHAIR ON CONTRA COSTA COUNTY. DIRECTOR CHAVEZ IS GOING TO BE
22 ENTERING HER YEAR, AND SHE IS STILL ON YOUR BOARD, I BELIEVE.

23

24 **THERESE MCMILLAN:** YES.

25



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1 **JACK BROADBENT, CHAIR:** I WAS GOING TO ASK LARRY, I KNOW, BEING
2 WITH THE STATE, THAT PROBABLY DICTATES WHAT HAPPENS WITH BCDC?
3
4 **LARRY GOLDZBAND:** IT DOES TO SOME EXTENT. THANKS FOR ASKING. WE
5 ARE SETTING UP WITH OUR MANAGEMENT TEAM, TWO WEEKS FROM --
6 ACTUALLY A WEEK FROM THURSDAY TO GO OVER WHAT WE THINK IS OUR,
7 FROM SENIOR STAFF'S PERSPECTIVE, A FRAMEWORK FOR GOING BACK IN
8 SOMETIME DURING THE FIRST QUARTER OF 2022, KNOCK ON WOOD, THAT
9 WE DON'T HAVE ANY FURTHER ISSUES, AND THAT THE BUILDING WORKS
10 THROUGH ISSUES WITH US, THAT ALLOWS US TO BRING PEOPLE BACK IN
11 WAYS THAT WILL BE HELPFUL. I WOULD SAY THREE THINGS ABOUT IT.
12 PART OF WHAT WE ARE GOING TO BE SUGGESTING TO THE MANAGEMENT
13 TEAM WILL BE REQUIRING PEOPLE TO COME BACK ONE DAY A WEEK, FOR
14 EXAMPLE. BUT, CANDIDLY, HAVING THE MANAGERS WORK WITH OTHER
15 MANAGERS TO MAKE SURE THE TEAMS ARE IN THE OFFICE AT VARIOUS
16 TIMES SO THAT THEY CAN WORK WITH EACH OTHER IN PERSON. BECAUSE
17 WE THINK A LOT HAS BEEN LOST BY NOT BEING IN PERSON. THE
18 SECOND THING THAT I WOULD POSIT, THEY BELIEVE AND I'M NOT SURE
19 AT ALL, IS THAT A LOT OF EFFICIENCY HAS BEEN SEEN AND A LOT OF
20 WORK HAS BEEN DONE REALLY, REALLY WELL, NO DOUBT ABOUT THAT.
21 WITHIN TEAMS IN THE VIRTUAL ENVIRONMENT I'M NOT SURE THAT
22 BETWEEN AND AMONG TEAMS WE HAVE BEEN ABLE TO KEEP UP AS WELL
23 AS WE HAVE KEPT UP WITHIN TEAMS. WHICH IS WHY I WOULD LIKE TO
24 SEE MORE TEAM AND TEAM COOPERATION, COLLABORATION, PHYSICALLY
25 WITHIN THE OFFICE. AND THE ONLY OTHER THING I WOULD SAY IS



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1 THAT WE ARE POSITING THAT WHEN THE BUILDING ALLOWS US TO STATE
2 AND THE STATE, AND CITY AND COUNTY ALLOWS US TO. WE ARE GOING
3 TO PROSE CERTAIN DAYS OF THE YEAR IN WHICH EVERYBODY IS IN THE
4 OFFICE SO THAT WE CAN ALL SEE EACH OTHER AND WE CAN ALL
5 ACTUALLY SAY HELLO AND ALL WORK PERHAPS AS A STAFF. THAT IS
6 PERHAPS THE STRETCH GOAL FOR 2022. BUT THAT'S WHAT WE ARE
7 GOING TO BE TALKING ABOUT NEXT WEEK.

8

9 **JACK BROADBENT, CHAIR:** AS THIS YEAR PROGRESSES AND COMES TO AN
10 END, IT SOUNDS LIKE A LOT OF US ARE GOING TO BE MOVING IN THE
11 SAME DIRECTION FOR THAT FIRST MONTH, OR THE FIRST QUARTER OF
12 2022 WOULD IT MAKE SENSE, THERESE, LARRY, TO HAVE US ALL FIRST
13 MEET, THINK ABOUT COORDINATING EFFORTS AND MAYBE GO SO FAR AS
14 TO HAVE A VIDEO FOR THE STAFF. DO YOU REMEMBER HOW WE DID THIS
15 IN THE SUMMER?

16

17 **THERESE MCMILLAN:** UH-HUH. I THINK THAT WOULD BE A GREAT IDEA.
18 YEAH.

19

20 **LARRY GOLDZBAND:** LOVE IT.

21

22 **THERESE MCMILLAN:** AND THE ONLY THING I WOULD ADD, AGAIN, IS
23 JUST AN OBSERVATION IN WORKING VERY MUCH WITH MY TEAM, ANDY,
24 AND BRAD, AND ALIX, WHO IS NOT ON HERE, AND BRIAN, AND
25 KATHLEEN, AND NALUNGO, AS MY CORE EXECUTIVE TEAM. ONE OF THE



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1 THINGS WE TALK ABOUT IN PRODUCTIVITY AND EFFICIENCY THEY HAVE
2 COME TO APPRECIATE IS THERE IS THE MEASURE OF THAT WHEN YOU
3 HAVE PEOPLE TOGETHER BALANCE WITH WHAT'S LOST OR GAINED WITHIN
4 GETTING TO THE BUILDING, AND THE IMPACT OF THESE CONTINUED
5 CRUSHING COMMUTES, WHICH ANDY HAS MADE SEVERAL PRESENTATIONS
6 ON WITH RESPECT TO THE CONGESTION LEVELS, ARE AS BAD OR ARE
7 GETTING THERE IN LARGE SWATHS OF THE BAY AREA. AND THAT'S
8 SOMETHING -- YOU KNOW, I'M THE TRANSPORTATION PERSON, SO I CAN
9 SAY THAT. BUT IT'S SOMETHING TO REALLY BE AWARE OF IN TERMS OF
10 THE COMPREHENSIVE DETERMINATION OF EFFICIENCY AND PRODUCTIVITY
11 AND EFFECTIVENESS, WHICH, YOU KNOW, GOES A FAR WAY TOWARD OUR
12 THINKING ON THE HYBRID MODEL IS BALANCING ALL OF THAT. SO JUST
13 TO SAY THAT WE ALL LEARNED A LOT IN THE -- WHAT IS IT NOW? 18
14 MONTHS. THIS PANDEMIC RESPONSE, AND THAT'S ONE OF THE KEY
15 THINGS THEY HAVE CERTAINLY APPRECIATED AND COME AWAY WITH, NOT
16 THE LEAST OF WHICH I HAVE COME TO THE BUILDING DURING COMMUTE
17 HOURS, I HAVE EXPERIENCED IT MYSELF. SO JUST SAYING IT'S NOT A
18 SMALL THING THAT US AND AGENCIES ARE HAVING TO APPRECIATE.

19

20 **LARRY GOLDZBAND:** IF I CAN JUMP IN ON THAT I FULLY AGREE ONE OF
21 THE THINGS WE'RE FINDING IS STATE AGENCY ONE OF THE THINGS
22 THAT WE CONSISTENTLY REMIND OUR BRETHERN IN SACRAMENTO THAT
23 EVERYBODY AT BCDC COMMUTES TO WORK VIA MASS TRANSIT, WHICH IS
24 FUNDAMENTALLY DIFFERENT THAN SACRAMENTO, LOS ANGELES, FRESNO,
25 BAKERSFIELD, SAN DIEGO, ET CETERA. WE ARE GOING TO DEFINITELY



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1 RELY UPON SAFE EFFECTIVE EFFICIENT MASS TRANSIT. WHICH, I
2 KNOW, THAT IS DEFINITELY HIGH ON YOUR AGENDA. AND WE
3 APPRECIATE EVERYTHING MTC IS DOING WITH REGARD TO WORKING WITH
4 BART, GOLDEN GATE, AC TRANSIT, ALL OF THOSE PROVIDERS THAT OUR
5 FOLKS WOULD USE TO GET INTO THE OFFICE.

6

7 **JACK BROADBENT, CHAIR:** AGREE. AND I THINK OUR NUMBERS ARE,
8 LIKE 805 TO 90% OF OUR EMPLOYEES ARE TAKING TRANSIT.

9

10 **LARRY GOLDZBAND:** I WOULD SAY 1% OF OURS PLAN TO DRIVE.

11

12 **JACK BROADBENT, CHAIR:** THIS BEAUTIFUL BUILDING THAT WE ALL PUT
13 TOGETHER, AND I COMMUTE IN ON A DAY IN WHICH IT'S RAINING. SO
14 I TOTALLY UNDERSTAND THERESE WHAT YOU'RE TALKING ABOUT I HAD
15 TO DRIVE IN, AND IT WAS NOT PRETTY. SO ARE THERE ANY OTHER
16 QUESTIONS ABOUT THIS REPORT? AND I THINK THIS IS JUST A
17 RECEIVE AND FILE, RIGHT DENISE?

18

19 **DENISE RODRIGUES:** THAT IS CORRECT.

20

21 **ANDREW FREMIER:** IF I COULD ASK A QUESTION ABOUT THE TWILIO
22 SPACE TO MAKE SURE PEOPLE REALIZE HOW SIGNIFICANT THAT IS? CAN
23 YOU REMIND US ALL, THERE ON THREE AND ALL OF FOUR HOW MANY --

24



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1 **DENISE RODRIGUES:** ON LEVEL FOUR THEY'RE ARE APPROXIMATELY
2 58,000 SQUARE FEET AND LEVEL THREE, APPROXIMATELY 333,000
3 SQUARE FEET; TOTAL SQUARE FOOTAGE IN THE BUILDING IS 91,000
4 SQUARE FEET.

5

6 **JACK BROADBENT, CHAIR:** THEY HAVE ALREADY LEASED IT?

7

8 **DENISE RODRIGUES:** THEY HAVE NOT YET. THEY HAVE STARTED TAKING
9 ACTIONS TO DECOMMISSION THEIR SPACE, AND THEY WILL BE REACHING
10 OUT TO US AS BUILDING OWNER TO APPROVE ANY SUBLEASE THAT THEY
11 ENTER INTO, AND LET US KNOW THAT'S THEIR INTENT.

12

13 **JACK BROADBENT, CHAIR:** THEY'RE GOING TO FULLY REMOTE MODEL? IS
14 THAT WHY THEY'RE SUBLEASING?

15

16 **DENISE RODRIGUES:** NO FROM OUR CORRESPOND THEY HAD ANOTHER
17 LOCATION IN DOWNTOWN SAN FRANCISCO AND THEY ARE GOING TO BE
18 FULLY OCCUPYING THAT ONE SPACE AND BRINGING THEIR STAFF
19 TOGETHER. GOING ON MEMORY.

20

21 **EBONY HORACE:** YES, THAT CORRECT. THANKS, DENISE.

22

23 **ANDREW FREMIER:** THEY'RE RIGHT DOWN THE STREET FROM US.

24



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1 **DENISE RODRIGUES:** I THINK THEY'RE IN THE SALESFORCE TOWER, BUT
2 THE OTHER SALESFORCE BUILDING WHICH IS ADJACENT.

3

4 **JACK BROADBENT, CHAIR:** ANY FURTHER DISCUSSION ON THIS ITEM?
5 SEEING NONE. LET ME MOVE TO ITEM SIX, RESOLUTION NUMBER 001
6 PROVIDING FOR REMOTE MEETINGS FOR PURSUANT TO A.B. 361. MS.
7 CANE?

8

9 **KATHLEEN KANE:** GOOD AFTERNOON EVERYONE WELCOME TO THE BELT AND
10 SUSPENDERS PORTION OF YOUR PROCEEDINGS HERE I AM SURE YOU'RE
11 FAMILIAR WITH THIS BECAUSE OF YOUR OWN AGENCIES BECAUSE WE
12 HAVE BEEN TREATING WITH THE BROWN ACT AGENDA BUT WANT TO MAKE
13 CLEAR THE INTENT IS TO MEET REMOTELY FOR THIS MEETING AND ANY
14 OCCURRING IN THE 30 DAYS THEREAFTER MAYBE AFTER THE FIRST OF
15 THE YEAR YOU MAY WANT TO FIGURE OUT HOW TO CONTINUE THIS BASED
16 ON THE Q ONE DEPENDING ON THE STATE OF THE PUBLIC HEALTH
17 SITUATION OBVIOUSLY IF PEOPLE ARE GOING TO BE IN THE OFFICE
18 THAT WOULD BE A MOOT ISSUE. BUT WE WANTED TO COVER TODAY'S
19 MEETING AND ANY THAT YOU MIGHT HAVE SHORTLY.

20

21 **JACK BROADBENT, CHAIR:** SO WE NEED TO ADOPT THIS MOTION. I CAN
22 SEE I NEED TO ASK FOR A MOTION AND SECOND TO APPROVE THE
23 RESOLUTION.

24

25 **ANDREW FREMIER:** FREMIER MOVES.



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1

2 **THERESE MCMILLAN:** I'LL SECOND. THERESE.

3

4 **JACK BROADBENT, CHAIR:** ALL RIGHT. THE MOTIONER IS FREMIER WITH
5 A SECOND BY MCMILLAN. AND I'LL ASK THE CLERK TO TAKE ROLL.

6

7 **KIMBERLY WARD, CLERK:** AND I HAVE RECEIVED NOTHING IN WRITING
8 AND I SEE NO MEMBER OF THE PUBLIC WITH THEIR HAND RAISED. WITH
9 THAT, MR. BROADBENT?

10

11 **JACK BROADBENT, CHAIR:** YES.

12

13 **KIMBERLY WARD, CLERK:** MEMBER MCMILLAN?

14

15 **THERESE MCMILLAN:** YES. PAUL?

16

17 **KIMBERLY WARD, CLERK:** MEMBER FREMIER?

18

19 **ANDREW FREMIER:** YES.

20

21 **KIMBERLY WARD, CLERK:** MEMBER PAUL?

22

23 **BRAD PAUL:** YES.

24



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1 **KIMBERLY WARD, CLERK:** PASSES UNANIMOUSLY BY ALL MEMBERS
2 PRESENT.

3

4 **JACK BROADBENT, CHAIR:** NEXT ITEM SPACE ACQUISITION. MR.
5 MAYHEW.

6

7 **BRIAN MAYHEW:** BRIEFLY, ON AN EXPLORATORY THING WE'RE NOT
8 ASKING FOR A DECISION ANYTHING WOULD BE DONE BETWEEN THE TWO
9 BOARDS AND WOULD TAKE THE REMAINDER OF TIME MORE THAN MY
10 TENURE HERE. ABAG PURCHASED A COMPONENT PIECE OF THE BUILDING
11 COMING IN AS ONE OF THE THREE ORIGINAL PARTNERS THEIR PURCHASE
12 PRICE WAS ROUGHLY \$5 MILLION. THE TIME THEY HAD ABOUT 70
13 EMPLOYEES THEIR FLOOR SPACE ABOUT 17,000 SQUARE FEET ON THE
14 FLOOR. AND, YOU KNOW, WE WENT ON ABOUT BUSINESS. IN THE LAST
15 COUPLE OF YEARS, WE HAVE TRANSITIONED. ABAG NO LONGER HAS
16 THOSE EMPLOYEES. THEY NOW ALL ARE MTC EMPLOYEES, AND THEY ARE
17 MTC EMPLOYEES COVERED ON MTC'S OVERHEAD. SO THE CONCEPT IS NOW
18 IT'S A BIT UNFAIR FOR ABAG TO BE PAYING FOR SPACE ON THE FLOOR
19 THAT THEY'RE ACTUALLY NOT USING. MTC IS, AND MTC IS COVERING
20 IT. SO, ONE OF THE IDEAS, AND IT'S CERTAINLY ONLY ONE WE CAME
21 UP WITH, BUT ONE OF THE IDEAS IS THAT WE HAD, WE ACQUIRE THE
22 FLOOR SPACE WHERE THE -- FOR THE EMPLOYEES, AND THEN WE GIVE
23 THEM MORE OF THE COMMON AREA SPACE SO THEY WILL BE 1/3 OWNERS
24 IN THE COMMON AREA, AND THEN THEY WON'T HAVE ANY OWNERSHIP ON
25 THE FLOOR DIRECTLY. IF THAT MAKES SENSE, IT WOULD ELIMINATE



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1 THEIR SHARED SERVICES, CHARGES, THEY WOULD STILL GET COMMON
2 AREA ASSESSMENTS. THAT WOULD BE MORE IN LINE WITH THE WAY
3 THEY'RE ACTUALLY OCCUPYING THE BUILDING. PART OF THAT IS, ONE
4 OF THE THINGS WE WONDERED IS IF YOU WANTED -- YOU KNOW, IF YOU
5 HAD AN INTEREST IN SHARING THAT ACQUISITION. THERE ARE REASONS
6 FOR THAT. OBVIOUSLY, AS TWILIO S WE'RE GOING TO BE RELOOKING
7 AT THE BUILDING AT SOME POINT IN TIME BECAUSE YOU'RE JUST NOT
8 GOING TO HAVE OUR 330 EMPLOYEES IN THE BUILDING AT ANY ONE
9 TIME. IT WILL ACTUALLY KEEP THE BUILDING OWNERSHIP IN BALANCE
10 AS IT IS RIGHT NOW. AND AS WE LOOK AT THE FUTURE OF THE
11 BUILDING WE WOULD STILL BE THE SAME EQUAL PARTNERS ON MAKING
12 THOSE DECISIONS. BASICALLY, IF WE WERE TO CARRY THIS OUT THE
13 WAY IT IS, ABAG CAN ONLY GET A COMPONENT OF THE 5 MILLION.
14 THEY CAN'T GET THE IMPROVED VALUE OF THE BUILDING, THEY CAN'T
15 GET ANY OTHER CHANGE. THEIR AGREEMENT IS IF THEY SELL ANY PART
16 OF THE BUILDING THEY PAY A PRO RATA SHARE OF THE PRICE GOING
17 IN. WE ESTIMATE THAT WOULD BE ABOUT 3.7 MILLION NET, THE
18 REDUCTION IN SHARED SERVICE COST WOULD BE ABOUT 272,000 A YEAR
19 SO THAT WOULD BE WHAT THE SUCCESSORS WOULD INCREASE AND AS
20 PART OF THEIR ANNUAL EXPENSES. IT'S AN IDEA. I THINK THERE IS
21 A BASIC FAIRNESS THAT HAS TO BE ADDRESSED BETWEEN ABAG AND MTC
22 THAT THEY'RE PAYING FOR SPACE THAT THEY'RE NOT OCCUPYING AND
23 THAT WE TOOK THE OVERHEAD, WE TOOK THE POSITIONS, PROBABLY A
24 BIT OF FAIRNESS COMING THROUGH THERE BUT AGAIN AS WE LOOK
25 FORWARD IN A PARTNERSHIP, IT IS ONE OF THOSE THINGS THAT WE



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1 SHOULD THINK OF ESPECIALLY AS WE DO NOT WORK IN THE BUILDING
2 GOING INTO THE FUTURE. IT'S JUST AN IDEA CLEARLY THINGS WOULD
3 HAVE TO GO TO BOTH BOARDS A LOT OF THINGS WOULD HAVE TO HAPPEN
4 IF YOU SAY OKAY WE'RE GOING TO CONSIDER T WE PROBABLY WOULD
5 DIRECT THAT THE BOARDS THEN GIVE IT SOME THOUGHT THEN WE WOULD
6 PROBABLY START HIRING SOME REAL ESTATE AND SOME OFFICIALS AND
7 SOME OTHER PEOPLE TO START TAKING A LOOK AT IT. BECAUSE OF THE
8 THREE, OF ALL THE PEOPLE HERE, ABAG ACTUALLY IS NOT
9 REPRESENTED BY ANYBODY INDEPENDENT OF THERESE. SO WE WOULD
10 WANT TO GET SOMEBODY TO MAKE SURE THEIR TRANSACTION IS
11 COMFORTABLE WITH THEM. AGAIN IT'S REALLY AN INFORMATION ITEM.
12 I CAN'T REALLY ASK TO YOU DO ANYTHING. BUT IT IS WORTH
13 CONSIDERING. WHERE WE GO FROM HERE, I'M NOT COMPLETELY SURE.
14 BUT I AM HAPPY TO ANSWER ANY QUESTIONS IF I HAVE AN ANSWER.

15

16 **JACK BROADBENT, CHAIR:** BRIAN WE, AT LEAST, AT AIR DISTRICT CAN
17 TAKE A LOOK AT THIS AND COME BACK. AND I GUESS WE WOULD WANT
18 TO BE ABLE TO AGENDAIZE THIS AT A FUTURE MEETING. WHATEVER YOU
19 WANT TO DO.

20

21 **THERESE MCMILLAN:** BRIAN, THIS IS THERESE, MAYBE YOU COULD
22 CLARIFY FOR JACK AND THE REST OF US, THE TIMING, EITHER
23 CONSTRAINTS, AND MAYBE THEY DON'T EXIST IN TERMS OF
24 CONSTRAINTS, OF WHEN ABAG MAY WANT TO TAKE THIS UP WITH THE
25 EXECUTIVE COMMITTEE?



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1

2 **BRIAN MAYHEW:** WELL, I DON'T KNOW THAT THERE ARE CONSTRAINTS,
3 BOSS. THIS IS KIND OF A SELF INFLICTED WOUND ON MY PART. IT'S
4 BEEN PART OF WHAT I HAVE DONE LOOKING AT THEIR REVENUES AND
5 EXPENSES. SO I'M NOT SURE THERE IS COMPLETELY ANY CONSTRAINTS
6 BUT I DO THINK THAT IT WOULD BE SOMEWHAT IMPORTANT THAT IF
7 WE'RE GOING TO MAKE DECISIONS WE MAKE THEM GOING INTO NEXT
8 YEAR'S '23 BUDGET AND THIS SHOULD BE AN ADEQUATE AMOUNT OF
9 TIME IT'S NOT THE HARDEST THING IN THE WORLD TO DO BUT THIS
10 SHOULD GIVE US ADEQUATE TIME TO EXPLORE IT DECIDE WHAT WE'RE
11 GOING TO DO AND THEN GIVE IT BACK TO THE ABAG EXECUTIVE BOARD
12 AND SEE WHICH DIRECTION THAT I WANT TO GO. I KNOW THE ISSUE
13 WITH THE ABAG EXECUTIVE BOARD, AND RIGHTLY SHOW, THEY DO NOT
14 WANT TO GIVE UP OWNERSHIP OF THE BUILDING IT'S JUST UNFAIR FOR
15 THEM TO BE PAYING FOR SEATS ON THE FLOOR THEY'RE SIMPLY NOT
16 OCCUPYING AND PAYING FOR. THEY CERTAINLY DON'T RECOMMEND THEY
17 GIVE UP FULL OWNERSHIP OF THE BUILDING BECAUSE THIS IS PART OF
18 THEIR HERITAGE NOW.

19

20 **THERESE MCMILLAN:** I THINK YOUR PROPOSAL -- OR "THE" PROPOSAL
21 HAS THEM SHARING IN THE BUILDING SOME OF THE COMMON AREA SO
22 THAT IMPORTANT DETAIL WOULD REMAIN TO SOME DEGREE AND AS I
23 UNDERSTAND FROM THE EXECUTIVE BOARD THAT SOME MEMBERS VIEW
24 THAT AS PERFECTLY FINE AND SUFFICIENT OTHERS MAY HAVE A
25 DIFFERENT PERSPECTIVE BUT I THINK IT'S VERY HELPFUL FOR US TO



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1 CONSIDER FOR OUR PURPOSES AND, SORT OF, THE WATER FALL OF
2 OTHER DECISIONS THAT MY BOARD AND, JACK, YOURS, WOULD NEED TO
3 MAKE IS THAT WE REALLY WOULD WANT TO ALIGN THIS WITH THE
4 BUDGET PROCESS IT GETS MESS FE IT'S NOT AND WE COULD WORK
5 BACKWARDS FROM THAT IN TERMS OF THE TIMELINE. AND THE LAST
6 THING, BRIAN, DENISE, OR EBONY, WHOEVER CAN ANSWER THIS
7 QUESTION IT'S REALLY JUST MY OWN EDIFICATION, IS, FOR SHARED
8 SERVICES, EVEN IF ABAG HAS A RETAINING INTEREST IN THE COMMON
9 AREAS, THERE IS NO TRANSLATION OF A SHARED SERVICES IMPACT FOR
10 THAT? BECAUSE IT'S LISTED AS ZERO UNDER THE REVISED FEES.

11

12 **BRIAN MAYHEW:** THE CONCEPT IS SHARED SERVICES ARE PENCILS,
13 PENS, OTHER THINGS WE DO, COFFEE.

14

15 **DENISE RODRIGUES:** COFFEE MACHINE.

16

17 **BRIAN MAYHEW:** WE DIDN'T SEE THAT THAT WOULD BE A PART OF WHAT
18 THEY'RE DOING, EVEN THOUGH -- AND THE COMMON AREA HAS ITS OWN,
19 SORT OF, COMMON AREAS EXPENSES FOR THOSE THINGS. SO AT THE
20 TIME WE CAME UP WITH THIS, WE DIDN'T SEE THAT SHARED SERVICES
21 WOULD STILL BE PART OF IT. IT VERY WELL MIGHT BE. THERE MIGHT
22 BE A COMPONENT OF IT LEFT. WE JUST DIDN'T SEE IT AT THE TIME
23 WE CAME UP WITH THE NUMBERS.

24

25 **THERESE MCMILLAN:** OKAY.



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1

2 **JACK BROADBENT, CHAIR:** SO, YEAH, WE'LL HAVE -- THE TIMING IS
3 GOING TO BE OKAY, THERESE, IT SOUNDS LIKE. BECAUSE IF WE BUILD
4 INTO THE NEXT BUDGET THAT GIVES US SOME TIME, ACTUALLY. IT
5 SOUNDS LIKE. SO, ALL RIGHT. ANY OTHER QUESTIONS OR COMMENTS
6 FROM THE BOARD MEMBERS? SEEING NONE. I THINK THIS IS ALSO
7 RECEIVE AND FILE ITEM, IF I RECALL. RIGHT? I'LL ASK THE CLERK
8 IF THEY HAVE ANY PUBLIC COMMENTS RECEIVED?

9

10 **KIMBERLY WARD, CLERK:** I HAVE RECEIVED NOTHING IN WRITING, AND
11 I SEE NO MEMBER OF THE PUBLIC WITH THEIR HAND RAISED.

12

13 **JACK BROADBENT, CHAIR:** OKAY. MOVE US TO ITEM EIGHT WHICH IS -
14 - I WAS GOING TO ASK THE CLERK TO READ THE NAMES AND
15 ORGANIZATIONS OF ANY GENERAL WRITTEN PUBLIC COMMENTS RECEIVED?

16

17 **KIMBERLY WARD, CLERK:** NONE RECEIVED.

18

19 **JACK BROADBENT, CHAIR:** OKAY. IT LOOKS LIKE THE NEXT ITEM IS
20 ADJOURNING. AND I WOULD SAY OUR NEXT MEETING IS GOING TO BE --
21 IT SOUND LIKE IT WILL BE 2022, DENISE, DOES THAT SOUND RIGHT?
22 I'LL LOOK TO DENISE.

23

24 **DENISE RODRIGUES:** YOU ARE CORRECT, JACK, PROBABLY EARLY IN
25 2022, BUT I'LL MAKE SURE WE CONVENE WITH LARRY, THERESE, AND



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1 YOURSELF, AND WE'LL GET A RECORDING TOGETHER, AND, AS WELL AS
2 STAFF, AGAIN, TO REITERATE THAT WE'LL BE WORKING ON SPACE
3 ALLOCATION TOO.

4

5 **JACK BROADBENT, CHAIR:** I WOULD MAKE THAT SUGGESTION AND IT
6 SOUNDS LIKE YOU ALL AGREE I'M GETTING QUESTIONS AND PEOPLE ARE
7 STARTING TO FEEL ANXIOUS, IF YOU WILL, WHAT'S GOING ON, IN THE
8 BIGGER SENSE AND I THOUGHT IT WORKED WELL WHEN WE HAD A COMMON
9 VOICE BEFORE, TALKING ABOUT, YOU KNOW, WHEN WE FIRST STARTED,
10 WHAT WAS IT, 18 MONTHS AGO, THERESE? SOMETHING LIKE THAT. IT
11 JUST FEELS LIKE WE NEED TO COME BACK OUT OF IT AND COMMUNICATE
12 TO EVERYONE.

13

14 **DENISE RODRIGUES:** YES WE'LL GET THAT DONE BEFORE THE END OF
15 THE YEAR.

16

17 **JACK BROADBENT, CHAIR:** GREAT EVERYONE.

18

19 **THERESE MCMILLAN:** GREAT. EFFICIENT MEETING, MR. CHAIR.

20 [ADJOURNED]

21



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