

# 375 Beale Condominium Corporation

November 9, 2021

Agenda Item 5 - 21- 0935

## Building Operations and Projects Report

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### **Background:**

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

### Cushman & Wakefield (CW)

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

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

### Bay Area Metro Center (BAMC) Activities

In this report, we advise you of scheduled activities and shared services utilization since the June 14, 2021, Board meeting.

### ***Continued Response to COVID-19 Pandemic:***

- On June 11, 2021 the San Francisco Department of Public Health (SFDPH) Health Order issued the Safer Return Together Health Order (“Order”).

- The Order removed some restrictions and changed others, but as a practical matter, it changes very little for BAMC. As guidance has been fluid and it takes time to review and then operationalize new requirements most employees that work within BAMC continue to primarily work remotely.
- One change that BAMC has implemented under the current Order is the allowance of visitors. As of August 1, 2021, visitors for agencies and tenants were allowed to come into BAMC under guidelines included in Attachment A: Reopening Safely at 375 Beale are followed.
- Based on the ongoing Orders, CW has implemented a variety of cost saving measures. From July 2020 through June 2021 CW saved approximately \$353,721 for building operations and \$115,458 for agency expenses. Since July 2021, CW has continued reducing costs where possible and has saved approximately \$123,587 for building operations and \$67,048 for agency related expenses.
- BAHA and CW staff continue to closely monitor updates to the Order to determine how changes affect the ability to reoccupy BAMC.
- Staff will continue to implement measures to respond as required, communicate changes to tenants and agency staff, and revise the BAMC Building Resumption Plan to comply with updated requirements.

#### Shared Services

Since the last Board meeting BAMC served as the venue for seven American Red Cross blood drives and as a polling place for the September 19, 2021 recall election. All conference room spaces used allowed for socially distanced public access.

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

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

#### Security Update

There has been one reported incident that occurred in the building on October 5, 2021. On that date there was a forced entry into the main lobby through the Beale Street entrance with use of a

rebar. Security responded quickly to redirect the intruder out of BAMC, contact 9-1-1, and de-escalate the issue safely. There was no notable damage made to the lobby door. The San Francisco Police Department (SFPD) responded after the intruder vacated the building and documented the incident, building staff is actively looking into additional security measures that could be implemented to mitigate future risks of this type. Additional measures will be added to the follow up security recommendations presentation that was put on hold as efforts were focused on the COVID-19 pandemic

### Projects

#### ***1st Floor Reconfigurations***

BAHA is progressing with design related to optimizing the usable space in the 1<sup>st</sup> Floor Yerba Buena and Ohlone conference rooms and the adjacent warming kitchen. The architect is nearly complete with Architectural, Mechanical, Electrical, and Plumbing (MEP) permit drawings for the conference room and warming kitchen expansion. Staff has also restarted design related to integrating existing AV systems in the multipurpose rooms, Board Room, and Temazcal conference room; a draft Basis of Design (BOD) for this scope of work is under review.

#### ***LED Lighting Upgrade for 1<sup>st</sup> Floor Meeting Rooms***

The Board, Yerba Buena, and Ohlone Rooms are currently lit by a combination of linear florescent fixtures and LED down lights. The florescent light fixtures consist of electrical ballasts and florescent tubes, which have begun to fail in large numbers. Replacement parts have become increasingly expensive and difficult to procure. Staff reviewed multiple repair and replacement options, including: 1. continuing with individual replacement parts; 2. retrofitting all existing linear fixtures with LED components; and 3. replacing the existing linear fixture with its LED counterpart. Staff determined that the fixed audience seating and wood ceilings in the Boardroom make Options 1 and 2 too labor-intensive. Additionally, the work would cause extensive downtime during the heavily used 1<sup>st</sup> floor meeting rooms. Staff determined that Option 3 is the best long-term solution and has issued a Task Order for CW to upgrade lighting in the Board, Yerba Buena, and Ohlone Rooms.

***Agency Floor Space Planning***

BAHA has entered into a contract with TEF Architecture & Interior Design, Inc. (TEF) for design and other related project management design services to assist BAHA in determining how the agency space within BAMC may evolve with the changing needs related to a hybrid work environment. TEF will provide in depth research to determine what types of space changes would benefit the occupants and the experience in the building and assistance with reopening goal and process documentation including a review and comparison of values generated from BAMC's initial design. Staff will provide updates on this work at future Board meetings.

***375 Beale Street Community/Event Space(s), and Café***

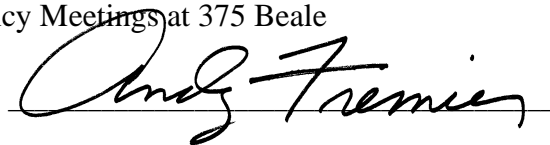
BAAQMD and MTC staff will develop and finalize the operating rules and procedures for the Temazcal space and present them to this Condominium Board in 2022.

***Parking Feasibility Study***

A parking feasibility study has been initiated to review its current financial standing in comparison to current market rates in the downtown San Francisco area. This will include a review of parking behavior, leasing and CC&R commitments and parking stall availability. BAHA will present recommendations for operational restructure at a future Board Meeting.

**Attachments:**

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



Andrew B. Fremier