

375 Beale Condominium Corporation



Date: June 09, 2025

FY 2025-26 Operating Budget and Assessments

375 BEALE
CONDOMINIUM CORPORATION

375 Beale Condominium Corporation Overview

- The Bay Area Headquarters Authority (BAHA) purchased 375 Beale Street (Bay Area Metro Center, “BAMC”) in 2011
- In 2017, BAHA, BAAQMD, and ABAG established 375 Beale Condominium Corporation (375 Beale Condo) to manage the condominium interest at BAMC
- The condo owners established a Declaration of Covenants, Conditions and Restrictions (CC&R’s) which provides policy and operating guidance of 375 Beale Condo
- 375 Beale Condo is authorized to assess fees to the condo owners for common area and shared service expenses

375 Beale FY 2025-26 Assessment Distribution

**Total Assessments -
\$8.9 million -8% (-\$819k)**

Assessments are decreased
proportionally with
expenses

Distribution of Condo Area Fees

Common Area	Adopted FY 2024-25	Proposed FY 2025-26	Change \$	Change %
BAAQMD	\$ 2,234,762	\$ 1,953,004	\$ (281,758)	-13%
ABAG	207,295	202,494	(4,801)	-2%
BAHA	2,482,497	2,148,170	(334,327)	-13%
Total	<u>\$ 4,924,554</u>	<u>\$ 4,303,668</u>	<u>\$ (620,886)</u>	<u>-13%</u>
Shared Services				
BAAQMD	\$ 2,185,903	\$ 2,095,981	\$ (89,922)	-4%
ABAG	202,762	217,318	14,555	7%
BAHA	2,428,222	2,305,435	(122,786)	-5%
Total	<u>\$ 4,816,887</u>	<u>\$ 4,618,734</u>	<u>\$ (198,153)</u>	<u>-4%</u>
Grand Total	<u>\$ 9,741,441</u>	<u>\$ 8,922,401</u>	<u>\$ (819,039)</u>	<u>-8%</u>

375 Beale FY 2025-26 Expenses

Adopted FY 2024-25	Draft FY 2025-26	Change \$ Increase/(Decrease)	Change % Increase/(Decrease)
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Expense:

Salaries and Benefits	\$1,589,907	\$1,772,339	\$182,432	11.5%
Overhead	721,249	732,238	10,989	1.5%
Postage Meter and Direct TV	18,000	18,000	-	0.0%
Supplies	145,000	195,000	50,000	34.5%
Contractual Services	4,924,554	4,303,668	(620,886)	-12.6%
Information Technology (IT) Licenses/Maintenance	1,903,468	1,582,381	(321,087)	-16.9%
Other/Miscellaneous	439,262	318,775	(120,487)	-27.4%
Total Expense	\$9,741,441	\$8,922,402	(\$819,039)	-8.4%

Budget Challenges

- 375 Beale requires ongoing capital maintenance to maintain a safe and functional building, and to make the building desirable to future tenants
- Capital projects are not currently funded by assessments
- Existing tenants have not renewed leases and a competitive office rental market is directly affecting rental income
- Staff is working with owners to evaluate an additional assessment for capital improvements