

# Bay Area Headquarters Authority

## BAHA

March 26, 2025

Agenda Item 3b - 25-0268

### Fiscal Year (FY) 2024-25 Bay Area Headquarters Authority (BAHA) Statement of Revenues and Expenses for the Period Ended December 31, 2024 (Unaudited)

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#### **Subject:**

Statement of Revenues and Expenses for the Period Ended December 31, 2024 (unaudited).

#### **Background:**

In October 2011, BAHA acquired the office facility at 375 Beale Street, San Francisco, now named Bay Area Metro Center (BAMC). BAHA is responsible for the management, operation, and maintenance of BAMC, including sales (of condominium interest in BAMC) and leasing activity. Cushman & Wakefield of California, Inc. (C&W) was contracted by BAHA to provide the day-to-day property management services. Three agencies, MTC, Bay Area Air Quality Management District (BAAQMD), and Association of Bay Area Governments (ABAG) formed a condominium corporation and occupy levels six to eight of BAMC. Office space on levels one to five have been leased out to commercial tenants.

#### **Operating Revenues:**

BAHA's total operating revenues reached \$9.1 million as of December 31, 2024, a decrease of \$511 thousand compared to the prior year-to-date actual. The common area and shared services assessment fees paid by the condominium owners increased by \$493 thousand, while the rental income decreased by \$969 thousand due to the expiration of a commercial lease contract.

#### **Operating Expenses:**

As of December 31, 2024, total operating expenses were \$6.3 million, which was \$380 thousand less than the prior year-to-date actual. The decrease in FY 2025 operating expenses was mainly due to the timing difference from the overhead and indirect cost recording.

#### **Non-operating Revenues and Expenses:**

BAHA's total non-operating revenues were \$827 thousand, an increase of \$122 thousand from prior year-to-date actual. This increase was due to an increased balance in interest yielding accounts.

**Budget Updates:**

For the 6-month period ended December 31, 2024, operating and non-operating revenue were largely in line with budget. Rental income is at 60.7% of budget as rental income is budgeted to be lower in the 2<sup>nd</sup> half of the year due to a vacating tenant. Interest income of \$990 thousand is 63.3% due to higher than anticipated interest yields. No revenue has yet to be posted for other non-operating revenue as it typically isn't posted until the 2<sup>nd</sup> half of the fiscal year.

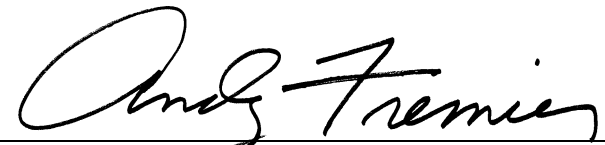
Operating expenses of \$6.3 million were 33.5% of the budget, which is in line with expectations due to delays in invoice processing. Overhead was only 0.3% of budget due to indirect costs being booked in Q3 vs. Q2. Expenses are expected to be more aligned with the budget towards the end of the fiscal year.

**Recommendations:**

None. Information only.

**Attachments:**

Attachment A: BAHA Statement of Revenues and Expenses for the Period Ended December 31, 2024 (unaudited)

  
Andrew B. Frenier