

*Memorandum*

TO: Bay Area Headquarters Authority (BAHA)

DATE: February 13, 2013

FR: Executive Director

RE: Resolution No. 3, Revised, BAHA Operating and Capital Budgets

Staff recommends approval of Resolution 3, Revised amending the BAHA capital budget.

In October 2011, pursuant to BATA Resolution No. 102, the Bay Area Toll Authority (BATA) approved a contribution and transfer of \$167 million to BAHA to plan, acquire and develop office space and facilities and undertake related activities to acquire a regional headquarters office facility.

On February 13, 2013, the BATA Oversight Committee authorized referring BATA Resolution No. 102, Revised to the BATA Authority for approval. BATA Resolution No. 102, Revised would increase the BATA contribution to BAHA for the regional headquarters office facility project by \$48 million for a total contribution of \$215 million. Also, on February 13, 2013, the BATA Oversight Committee authorized referring BATA Resolution No. 104, Revised, to the BATA Authority for approval, BATA Resolution No. 104, Revised would, among other budget changes, amend the BATA Operating Budget to reflect the \$48 million increase of BATA's contribution to BAHA, for a total contribution of \$215 million.

The budget increase is due to several factors: inclusion of office furniture, fixtures, and equipment for \$15 million, an increase in the seismic renovation estimate to \$10 million, and an increase overall of \$23 million for other building renovation and improvements.

**Recommendation:**

Staff recommends that this Authority approve BAHA Resolution 3, Revised, BAHA's capital budget, subject to the BATA's approval of BATA Resolution Nos. 102, Revised and No. 104 Revised.

  
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Steve Heminger

SH : bm

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Date: December 21, 2011  
Revised: February 27, 2013

ABSTRACT

BAHA Resolution No. 3, Revised

This resolution approves the Operating and Capital Budgets for FY 2011-12 for the Bay Area Headquarters Authority (BAHA).

The Operating Budget for FY 2012-13 was approved pursuant to BAHA Resolution No. 6 on June 27, 2012.

Attachment B to this resolution was revised on February 27, 2013 to authorize an increase to the BAHA Capital Budget for FY 2012-13 for renovation and capital improvements to the 390 Main Street building from \$48,423,485 to \$215,450,000.

Discussions of these actions are contained in the Executive Director's memoranda dated December 7, 2011, June 20, 2012 and February 13, 2013.

Date: December 21, 2011  
Revised: February 27, 2013

Re: Bay Area Headquarters Authority's Capital and Operating Budgets for FY 2011-12

BAY AREA HEADQUARTERS AUTHORITY  
RESOLUTION No. 3

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

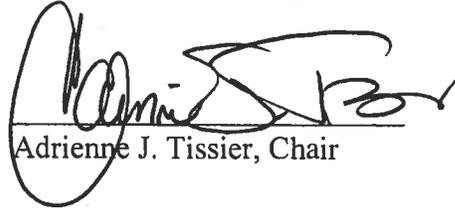
WHEREAS, the BAHA staff has prepared a budget setting forth the anticipated revenues and expenditures and capital expenditures of BAHA for FY2011-12 according to generally accepted accounting principles; now, therefore, be it

RESOLVED, that the BAHA staff may approve adjustments among line items in the BAHA Budgets for FY2011-12 providing that there shall be no increase in the overall budget without prior approval of the BAHA Committee; and, be it further

RESOLVED, that the Executive Director or designee shall submit written requests to BAHA for approval of funds to contract for applicable consultant and professional services; and, be it further

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

BAY AREA HEADQUARTERS AUTHORITY

A handwritten signature in black ink, appearing to read "Adrienne J. Tissier". The signature is written in a cursive style with a large initial "A".

Adrienne J. Tissier, Chair

The above resolution was entered into by the  
Bay Area Headquarters Authority at a special meeting  
of the Authority held in Oakland, California,  
on December 21, 2011.

Date: December 21, 2011  
Revised: February 27, 2013  
Attachments  
BAHA Resolution No. 3

FY 2011-12 BAHA  
Operating and Capital Budgets

Attachment A: FY 2011-12 BAHA Operating Budget

Attachment B: BAHA Capital Budget

**BAHA OPERATING BUDGET**

**Attachment A**

	<b>Adopted Budget FY 2011-12</b>
<b>Revenue:</b>	
Rental Income	\$1,120,437
<b>Total Operating Revenue</b>	<b>1,120,437</b>
<b>Expenses:</b>	
<b>Operating Expenses</b>	
Cleaning Services	37,773
Repairs and Maintenance	203,877
Utilities	238,859
Security	144,846
<b>Total Operating Expenses</b>	<b>625,355</b>
<b>General &amp; Administration Expenses</b>	
Property Management Fees	180,414
Business Insurance	250,000
Other G & A Expenses	12,110
<b>Total General &amp; Administration Expenses</b>	<b>442,524</b>
<b>Total Operating Expenses</b>	<b>1,067,879</b>
<b>Net Revenue</b>	<b>\$52,558</b>

**BAHA CAPITAL BUDGET**

**Attachment B**

	<b>Budget FY 2011-12</b>	<b>Revised Budget FY 2012-13</b>	<b>LTD Budget Thru FY2012-13</b>
<b>Revenue:</b>			
Transfer in from MTC	\$ -	\$ 551,160	\$ 551,160
Transfer in from SAFE	-	62,910	62,910
Transfer in from BATA	-	357,486	357,486
Capital contribution from BATA	167,026,515	48,423,485	215,450,000
<b>Total Revenue</b>	<b>\$ 167,026,515</b>	<b>\$ 49,395,041</b>	<b>\$ 216,421,556</b>
<b>Expenses:</b>			
Purchase Building	93,000,000	-	93,000,000
Building Development	58,821,515	30,378,485	89,200,000
Development Contingency	15,000,000	3,250,000	18,250,000
Furniture, Fixtures, Equipment	-	15,000,000	15,000,000
Staff Costs	-	766,556	766,556
Transfer to Operating	205,000	-	205,000
<b>Total Expenses</b>	<b>\$ 167,026,515</b>	<b>\$ 49,395,041</b>	<b>\$ 216,421,556</b>