

## *Memorandum*

Agenda Item 3

TO: Bay Area Headquarters Authority

DATE: February 19, 2014

FR: Executive Director

W. I. 9130

RE: 375 Beale Street Status Report – February 2014

### 1. Architectural and Engineering Services Update

The State Fire Marshall issued construction permits for the core, shell and interiors work. Further review of the mechanical/electrical/plumbing code compliance reviews will be completed in February by URS, one of BAHA's on-call design consultants. Once permits are issued, the Perkins + Will design team's primary scope of work will be construction administration, where they will respond to Requests for Information and review submittals.

### 2. Construction Update

The atrium demolition was completed in January and an open house was held February 6 for the residential neighbors to see the outcome of three months of evening demolition. Excavation was also completed in January and foundation strengthening is underway. The perimeter walls have been strengthened on Levels 4 through 6, and the application of concrete continues on other floors (where not impacted by the existing tenant). A copy of recent construction photos is included as Attachment A.

### 4. Western Laboratory Update

BAHA continues to work with the General Services Administration (GSA) on the pending relocation of Western Laboratory from 375 Beale Street. The latest schedule provided by GSA showed a one month slip in the relocation date, from November to December 2014. In January, executive staff from the BAHA, GSA, the Drug Enforcement Administration (DEA) and House Democratic Leader Nancy Pelosi's office met to discuss options for accelerating the Lab's relocation to its new space in Pleasanton.

### 5. 201 Folsom Construction

Developer Tishman Speyer has installed its concrete mat foundation and has four tower cranes in place as it continues its subgrade construction. Staff met with Tishman Speyer and San Francisco Planning Department staff in November to review the design of Rincon Place, a 51-foot strip of land running between Main and Beale Streets, situated between BAHA's and Tishman Speyer's buildings. All parties are interested in developing the mid-block passage with a unified design. BAHA and Tishman Speyer are exploring ideas of how to share the design, construction, and maintenance cost.

6. Inter-agency Collaboration

The vision for 375 Beale Street includes sharing business operations and technology functions among MTC, BAAQMD and ABAG at move-in. Preliminary recommendations for shared services were developed by teams of administrative and technology staff. The agencies' Deputy Directors are currently working with Accenture LLP to develop a service delivery model and governance framework for shared services by Spring 2014. Recommendations from these engagements will be presented to the Executive Directors for approval at one of their monthly meetings. Based on the service delivery model, the IT managers will work with Accenture LLP to develop technical design and specifications to procure, configure and install technology for shared email, telephone, visitor management, scheduling and audio/video and webcasting systems.

The Executive Directors for MTC, Air District and ABAG agreed on terms for a Memorandum of Understanding (MOU) to establish a "375 Beale Committee" as the vehicle for the directors to make binding decisions in advance of creating the 375 Beale Street Condominium Corporation. Minutes will be taken at each meeting and will be approved at the next succeeding meeting, thereby establishing a written record of policies and procedures. At the first formal meeting of the Corporation (to be formed shortly after the CCRs are recorded sometime close to move-in), the board of the Corporation will ratify the decisions as reflected in the approved Committee minutes.

7. Furniture Procurement

On January 17, 2014 BAHA issued a Request for Proposals (RFP) inviting dealers to submit proposals to provide and install furniture, including office/workstations, public spaces and other ancillary furniture needs for 375 Beale Street. Evaluation of the proposals is underway and staff expects to recommend the Dealer/Manufacturer team for approval at the April BAHA meeting. Once approved and an agreement is executed, staff will partner with the interior design team of Tom Eliot Fisch to complete the \$5 million furniture procurement for the new building.

8. Leasing Opportunities

Cushman Wakefield is actively marketing the non-agency space on Levels 2 through 5 and the retail spaces on Level 1 for lease. There is strong interest in the building, particularly options for full floor leases. As tenant deals are finalized, we will be presenting them to BAHA for approval in the coming months.

9. Look Ahead Schedule

- April 2014 Furniture Dealer/Manufacturer Team Contract Award  
FY 2013-14 (Revised) Operating Budget Approval  
FY 2014-15 Proposed Operating Budget Approval



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Steve Heminger

Attachment

Agenda Item 3 - Attachment A

Construction photos

February 19, 2014

After several months of evening demolition, McCarthy and BAHA held an Open House on February 6 at 375 Beale for the neighbors to see the completed atrium.

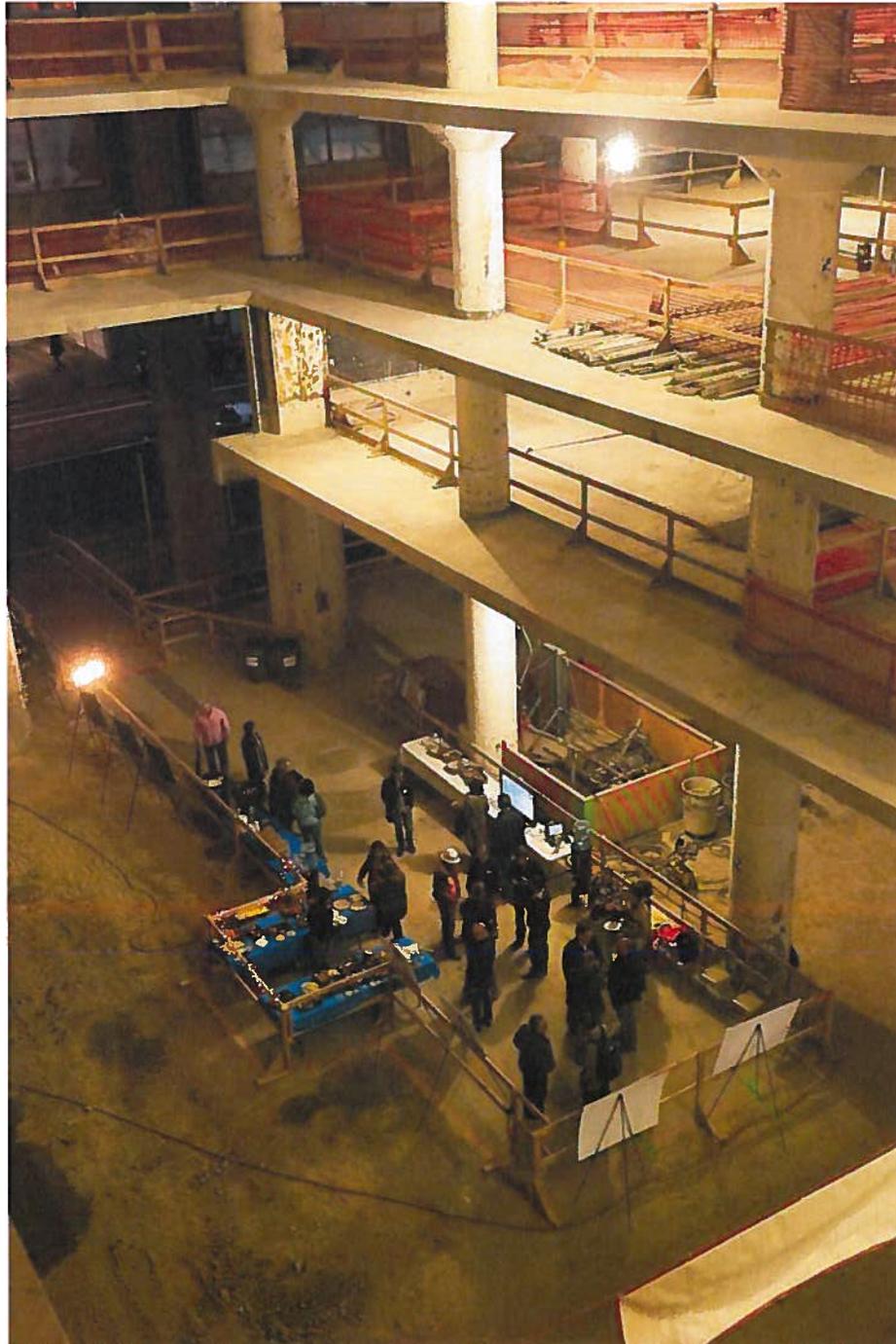


Figure 1: View from above



Figure 2: View from the future entry at 375 Beale.