

Bay Area Headquarters Authority

BAHA

March 27, 2024

Agenda Item 2b - 24-0197

Fiscal Year (FY) 2023-24 Bay Area Headquarters Authority (BAHA) Statement of Revenues and Expenses for the Period Ended December 31, 2023 (Unaudited)

Subject:

Statement of Revenues and Expenses for the Period Ended December 31, 2023 (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 \$9.6 million as of December 31, 2023, an increase 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 \$742 thousand, while the rental income decreased by \$229 thousand due to the expiration of a commercial lease contract..

Operating Expenses:

As of December 31, 2023, total operating expenses were \$6.7 million, which was \$449 thousand more than prior year-to-date actual. The increase was mainly due to increases in staff costs, computer services, and office supplies to bring updated information technology to the facility and for the preparation of employees' return to the office.

Non-operating Revenues and Expenses:

BAHA's total non-operating revenues were \$705 thousand, an increase of \$640 thousand from prior year-to-date actual. The increase was primarily due to the increase in interest income driven

by a higher interest rate environment in the current fiscal year.

Budget Updates:

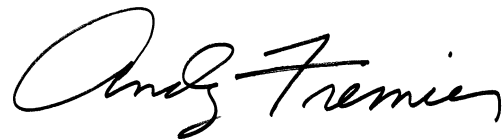
FY 2023-24 total operating expenses are currently projected to be within budget. A more detailed budget to actual analysis will be provided at a later date.

Recommendations:

None. Information only.

Attachments:

Attachment A: BAHA Statement of Revenues and Expenses for the Period Ended December 31, 2023 (unaudited)



Andrew B. Fremier