

For Immediate Release

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Transbay Joint Powers Authority Denies Responsibility for Tilting and Excessive Settlement of the Millennium Tower at 301 Mission Street, San Francisco

San Francisco (August 1, 2016) – In June, the TJPA received claims for damages from certain residents of the Millennium Tower located at 301 Mission Street. The claims seek to hold the TJPA responsible for the tilting and excessive settlement of that building. The residents' claims against the TJPA are misplaced; as demonstrated by data collected over more than seven years, full responsibility for the tilting and excessive settlement of the building lies with Millennium Partners, the developer of the Tower.

The 60-story Millennium Tower is made of concrete rather than steel, resulting in a very heavy building. This heavy structure rests on layers of soft, compressible soil. The foundation of the Tower, however, consists only of a concrete slab supported by short piles that fail to reach the bedrock below. That foundation is inadequate to prevent settlement of a building with the weight of the Tower. In contrast, the Salesforce Tower and 181 Fremont Tower, also adjacent to the Transit Center, are supported on piles drilled down to bedrock. Millennium Partners' poor design decision is the cause of the tilt and excessive vertical settlement of the Millennium Tower.

The Transbay project environmental document was approved in 2004. When Millennium Partners started construction of the Tower in 2006, they knew that the TJPA intended to excavate adjacent to their building. Nonetheless, Millennium elected short piles that did not reach bedrock. The engineers who designed the foundation for the Millennium Tower predicted that the Tower would settle vertically a maximum of six inches over the life of the building. By the time the TJPA started work on its project in 2010, the Millennium Tower had already settled ten inches – four more inches than Millennium's engineers predicted over the life of the building. The building has continued to settle vertically, now 16 inches, even after the TJPA completed the excavation for the Transit Center. A foundation of piles down to bedrock would have prevented this vertical settlement. As for tilt, by August 2010, before the TJPA started any work on its project, the Tower was already tilting to the north, away from the former Transbay Terminal. Although the Tower straightened slightly during the TJPA's excavation for the underground levels of the Transit Center, the Tower never tilted past vertical toward the Transit Center. The Millennium Tower is currently tilting toward the west and northwest, away from the Transit Center, and that west/northwest tilt is increasing. Again, had Millennium Partners invested in piles extending to bedrock, the Tower would not be tilting today.

Aware that the Millennium Tower foundation failed to reach bedrock and was therefore inadequate to support the Tower, the TJPA took the extraordinary step of spending more than \$58 million to install an underground buttress between the Millennium Tower and the Transit Center site before the TJPA began its excavation for the new Transit Center. The buttress consists of 181 overlapping reinforced concrete piles, each seven feet in diameter and drilled to bedrock. The buttress protects the soil under 301 Mission from movement in response to work on the Transit Center. Geotechnical monitoring data has been collected by the TJPA and consistently provided to Millennium Partners since April 2009. This monitoring data demonstrates that the buttress was entirely effective in preventing excessive movement of the Tower due to the excavation for the Transit Center. Again, the TJPA completed the buttress and excavation of the Transit Center several years ago, yet the Millennium Tower has continued to settle at a steady rate due to the Tower's own improper foundation. The TJPA's monitoring of other nearby tower developments confirms that no other neighboring towers are experiencing excessive settlement like the Millennium Tower.

Because the TJPA has shared with Millennium Partners its data monitoring the Tower's settlement and the causes of the settlement, Millennium Partners has been fully aware of the extent of, and reasons for, the Tower's unusual settlement. The TJPA has no knowledge as to whether Millennium Partners communicated that information to the building's residents, either before or after they purchased their condominiums from Millennium.

About the Transbay Transit Center

The Transbay Transit Center, known as the "Grand Central Station of the West," is a revolutionary transportation facility that will transform the South of Market neighborhood into the new heart of downtown. The Transit Center will connect eight Bay Area counties and 11 transit systems, including future High Speed Rail. The Transbay Transit Center Phase 1 is scheduled to open at the end of 2017. To learn more about the project, please visit our website at www.TransbayCenter.org.

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