

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Thursday, September 12, 2019

1 Dr. Carlton B. Goodlett Place, Room 416
San Francisco, CA

REGULAR MEETING
9:30 a.m.

BOARD OF DIRECTORS

Mohammed Nuru, Chair
Jeff Gee, Vice Chair
Cheryl Brinkman
Matt Haney
Michael Hursh
Boris Lipkin
Nadia Sesay
Tony Tavares

Executive Director
Mark Zabaneh

Secretary
Nila Gonzales

201 Mission St. #2100
San Francisco, California 94105
415-597-4620
415-597-4615 fax

9:30 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chair Nuru called the meeting to order at 9:35 a.m.

2. Roll Call

Secretary Gonzales announced that Director Brinkman was joining as the San Francisco Municipal Transportation Agency (SFMTA) alternate, Director Haney was in route and Vice Chair Gee was absent due to a scheduling conflict.

Present: Cheryl Brinkman
Michael Hursh
Boris Lipkin
Nadia Sesay
Mohammed Nuru

Absent: Matt Haney
Jeff Gee
Tony Tavares

3. Communications

None.

4. Board of Directors New and Old Business

None.

5. Executive Director's Report

- Quarterly Financial Reports

Executive Director Zabaneh recapped that the transit center reopened to the public on July 1, 2019 and resumed full bus operations on August 12, 2019. He reported that close coordination and partnership with the transit operators has resulted in a positive experience for transit riders. Furthermore, peak commute hours are being managed well and transit riders are becoming reacquainted with the transit center, navigating the bus plaza and the expansive bus deck with success. TJPA continues to work with its partners to improve the experience for transit riders including plans for enhanced wayfinding signage. Furthermore, security personnel and ambassadors have reported only minor security issues at the facility and security and ambassador staff continue to be a welcoming and reassuring presence for transit riders and the general public. Executive Director Zabaneh also reported that Greyhound will resume operations on the bus deck this month, creating another milestone for transit operations. Additionally, TJPA has seen a steady and growing use of pop-up retail, especially the food trucks on Natoma Street and the bar

on the rooftop park, creating a sense of vibrancy and increased attendance during the lunch hour on weekdays. As anticipated, there was a slight dip in attendance on the rooftop park when the school year began and on unseasonably cold days; however, a wide variety of programming continues to attract a diverse crowd to the park with tailored activities and events for everyone from toddlers to senior citizens. The TJPA has also greatly increased the number of free tours throughout the transit center which is attracting people from all over the Bay Area and the TJPA is coordinating with the travel industry in San Francisco to continue efforts to brand the transit center as a tourist destination. In regard to retail leasing at the transit center, the TJPA continues to see an interest in the remaining 15 spaces with one or more interested parties and four leases encompassing five spaces currently in serious negotiations. Executive Director Zabaneh expressed his excitement to present the rooftop park restaurant lease for approval, which is a significant milestone for the transit center's retail program and will result in 69 percent of the transit center being leased. Executive Director Zabaneh further reported that this past month he visited the State delegation to provide an update on the reopening of the transit center as well as the Downtown Rail Extension (DTX)/Phase 2 project and TJPA's plans to be shovel ready in the next three years. During his visit, he briefed the offices of Senator Scott Wiener, Assemblyman David Chiu, Assemblyman Phil Ting, the California State Transportation Agency and others. The update included the TJPA's efforts to complete the 30% design, cost estimating strategy, risk assessment, value engineering, delivery method, budgeting, funding plan, and right-of-way issues. He stated the State delegation was supportive and he will keep them updated on TJPA's efforts to secure funding. He also noted the DTX/Phase 2 update was discussed along with the Faster Bay Area initiative. He further reported that the San Francisco County Transportation Authority (SFCTA) will be presenting their peer review panel's final report to the SFCTA Board in October 2019 and he has requested the SFCTA to also present their final report to the TJPA Board in the next few months. Additionally, he announced that the TJPA office will be relocated into the transit center on September 23, 2019.

Erin Roseman, TJPA Chief Financial Officer (CFO), provided the Quarterly Financial Reports.

6. Construction Closeout Update

Ron Alameida of SF Public Works, Director of Design and Construction for the Transit Center, presented the item.

Chair Nuru asked if the work on the fissures were wrapped into the construction close out items. Mr. Alameida confirmed that all construction close out items included work on the fissures and some of the change orders have been unilateral credits to account for what was expended around the work associated with the beams.

7. Facility Operations Update

Martha Velez, TJPA Facility Manager, presented the item and Sidonie Sansom, TJPA Chief Security Officer, contributed to the item.

Director Hursh appreciated the report on vehicle incursions; however, he emphasized the need for additional signage due to the potential for transit delays associated with this issue. Dennis

Turchon, TJPA Senior Construction Manager, stated that he has received confirmation from Caltrans for additional signage at the Fremont off ramp.

8. Citizens Advisory Committee (CAC) Update

Derrick Holt, CAC Chair, reported that the CAC was pleased to see that the transit center is operationally efficient, professional and secure. Additionally, with increased clear and quality signage and knowledgeable transit center staff and security personnel, transit riders and the public are receiving a quality experience at the transit center. The CAC was satisfied with the significant progress with retail leasing and the lease for the restaurant on the rooftop park. In regard to the temporary closure, the CAC reiterated that the appropriate parties should be held accountable for the closure. The CAC reported that a spirited discussion occurred at the CAC meeting regarding the SFCTA peer review and the continued delay of the voter approved DTX/Phase 2 project. The CAC believes implementation of the DTX/Phase 2 project is critical to San Francisco. Furthermore, the DTX/Phase 2 project could contribute to the goals of Vision Zero, a traffic safety initiative that seeks to eliminate collisions, pedestrian injuries and fatalities. The CAC encouraged the TJPA Board to help identify a champion for the DTX/Phase 2 project, through local and regional representatives.

9. Public Comment

Members of the public may address the Authority on matters that are within the Authority's jurisdiction and are not on today's calendar.

Jim Patrick stated that the peer review study currently being conducted by SFCTA is a boondoggle; however, he agrees that the DTX needs a leader as written in the peer review report and challenged the Board to find a leader through regional contacts, such as Governor Newsom or various Mayors throughout the region to restart the DTX.

THE FOLLOWING MATTERS BEFORE THE TRANSBAY JOINT POWERS AUTHORITY ARE RECOMMENDED FOR ACTION AS STATED BY THE EXECUTIVE DIRECTOR OR THE CHAIR.

REGULAR CALENDAR

10. Approving Fiscal Year 2018-19 Capital Budget Amendment No. 4 to transfer \$4,107,832 between various lines.

Erin Roseman, TJPA CFO, presented the item.

No public comment.

RESOLUTION 19-025

On motion to approve:

ADOPTED: AYES – Brinkman, Hursh, Lipkin, Sesay, and Nuru

11. Authorizing the Executive Director to execute a lease agreement with JSSK ONE, LLC for about 4,468 square feet of interior commercial/retail space on the park level of the transit center (space number P1) for a 15-year term.

Martha Velez, TJPA Facility Manager, presented the item.

Director Sesay asked if part of the ancillary space was part of the leased space and Ms. Velez stated that the space on the terrace was not calculated as leased space in the agreement and was not included in the financial calculations. Chair Nuru asked if the net gain was over the course of 15 years and Ms. Velez responded affirmatively. Executive Director Zabaneh stated that the entire deal is healthy and above pro forma as the TJPA is not contributing to any of the tenant buildout.

Director Lipkin stated that he hopes the restaurant can begin operations as soon as possible as it is a marquee for the transit center. He asked about the possibility of putting funds left over from the capital budget into operations and Executive Director Zabaneh replied that funds left in the capital budget can be applied to the exhaust system since there have been adjustments to the layout of the retail space.

No public comment.

RESOLUTION 19-026

On motion to approve:

ADOPTED: AYES – Brinkman, Hursh, Lipkin, Sesay, and Nuru

12. Approving the Minutes of the August 8, 2019 meeting.

No public comment.

On motion to approve:

ADOPTED: AYES – Brinkman, Hursh, Lipkin, Sesay, and Nuru

RECESS REGULAR MEETING AND CONVENE CLOSED SESSION

Public Comment:

Jim Patrick stated he wished to provide comments regarding the items scheduled for discussion in Closed Session. He stated that the cost of attorney fees are substantially high and feels the negotiations for Item 15 should be public. He also stated that the TJPA has done a good job with constructing and building the transit center and, therefore, has a strong case that he believes should go to trial.

CLOSED SESSION

13. Call to Order

Chair Nuru called the Closed Session to order at 10:20 a.m.

14. Roll Call

Present: Cheryl Brinkman

Matt Haney (*arrived during Item 15 and departed prior to Item 16*)

Michael Hursh

Boris Lipkin

Nadia Sesay

Mohammed Nuru

Absent: Jeff Gee

Tony Tavares

15. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code Section 54956.8)

Property: Parcel F development site (APN 3721-016, 3721-135, 3721-136, 3721-138) and Salesforce Transit Center site (APN 3719-003, 3720-010, 3720-011, 3721-006, 3721-124, 3721-134, 3721-137)

TJPA negotiators: Mark Zabaneh, Executive Director, and Andrew Schwartz, Shute, Mihaly & Weinberger LLP, outside counsel

Negotiating parties: F4 Transbay Partners LLC

Under negotiation: Price and terms of payment for easement

16. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

(Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

Name of case: Lehman, et al. v. Transbay Joint Powers Authority, et al., San Francisco County Superior Court, Case No. CGC-16-553758

and

Name of case: Buttery, et al. v. Jeffries, et al., San Francisco County Superior Court, Case No. CGC-17-556292

and

Name of case: Chang, et al. v. Mission Street Development LLC, et al., San Francisco County Superior Court, Case No. CGC-17-556617

and

Name of case: Millennium Tower Association v. Mission Street Development LLC, et al., San Francisco County Superior Court, Case No. CGC-17-557830

and

Name of case: Montana, et al. v. Mission Street Development, LLC, et al., San Francisco County Superior Court, Case No. CGC-17-558649

and

Name of case: Ying, et al. v. Transbay Joint Powers Authority, et al., San Francisco County Superior Court, Case No. CGC-17-559210

and

Name of case: Maui Peaks Corp. v. Mission Street Development LLC, et al., San Francisco County Superior Court, Case No. CGC-17-560322

and

Name of case: Turgeon, et al. v. Transbay Joint Powers Authority, et al., San Francisco County Superior Court, Case No. CGC-18-564417

and

Name of case: Shadduck, et al. v. Snyder, et al., San Francisco County Superior Court, Case No. CGC-17-562423

17. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION
(Paragraph (1) of subdivision (d) of Gov. Code Section 54956.9)

Name of case: Howard Historic Properties, LLC, et al. v. Transbay Joint Powers Authority, et al. San Francisco County Superior Court, Case No. CGC-19-576934

18. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:
(1 potential case)

ADJOURN CLOSED SESSION AND RECONVENE REGULAR MEETING – The Closed Session was adjourned at 11:23 a.m.

19. Announcement of Closed Session.

Secretary Gonzales announced that there was nothing to report.

ADJOURN – Chair Nuru adjourned the meeting at 11:25 a.m.

A recording of the meeting is on file in the office of the Secretary to the Transbay Joint Powers Authority Board of Directors.

Nila Gonzales
Board Secretary

The Ethics Commission of the City and County of San Francisco has asked us to remind individuals that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [Campaign and Gov't Conduct Code, Article II, Chapter 1, § 2.100, et seq.] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 25 Van Ness Avenue, Suite 220, San Francisco, CA 94102, telephone (415) 252-3100, fax (415) 252-3112 and website: www.sfethics.org.