Bay Area Headquarters Authority
BAHA

May 27, 2026 **Agenda Item 3b - 26-0631**

Fiscal Year (FY) 2025-26 Bay Area Headquarters Authority (BAHA) Statement of Revenues and Expenses for the Period Ended March 31, 2026 (Unaudited)

Subject:

Statement of Revenues and Expenses for the Period Ended March 31, 2026 (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 two and five to eight of BAMC. Office space on levels two to five has been leased out to commercial tenants.

Operating Revenues:

BAHA's total operating revenues reached $10.5 million as of March 31, 2026, a decrease of $2.2 million compared to the prior year-to-date actual. The common area and shared services assessment fees paid by the condominium owners decreased by $0.6 million, and the rental income decreased by $1.6 million due to the expiration of a commercial lease contract.

Operating Expenses:

As of March 31, 2026, total operating expenses were $9.9 million, which was $0.2 million higher than the prior year-to-date actual.

Non-operating Revenues and Expenses:

BAHA's total non-operating revenues and expenses resulted in a net revenue of $0.2 million, a decrease of $0.8 million from prior year-to-date actual. This decrease in net revenue was due to a

$0.5 million decrease in interest and other nonoperating revenues and a $0.3 million increase in non-operating expenses.

Budget Updates:

For the 9-month period ended March 31, 2026, operating and non-operating revenue were largely in line with budget at 77.2% and 75.8%, respectively. Rental income is 74.7% of budget, which is as expected. Interest income of $0.8 million is 86.6% of budget due to higher than anticipated interest yields.

Operating expenses of $9.9 million were 57.4% of the budget, which is in line with expectations due to delays in invoice processing. Expenses are expected to be more aligned with the budget towards the end of the fiscal year.

Recommendations:

None. Information only.

Attachments:

- Attachment A: BAHA Statement of Revenues and Expenses for the Period Ended March 31, 2026 (unaudited)

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