

**TRANSBAY JOINT POWERS AUTHORITY  
BOARD OF DIRECTORS**

**MINUTES**

Thursday, September 20, 2007  
1 Carlton B. Goodlett Place, Room 416  
San Francisco, CA

REGULAR MEETING  
9:00 a.m.

**BOARD OF DIRECTORS**

Jerry Hill, Chair  
Nathaniel Ford, Vice Chair  
Michael Cohen  
Chris Daly  
Elsa Ortiz  
Bijan Sartipi

Executive Director  
Maria Ayerdi

Secretary  
Nila Gonzales

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9:00 – REGULAR MEETING

ORDER OF BUSINESS

1. Call to Order

Chairman Hill called the meeting to order at 9:10 am

2. Roll Call

Present: Michael Cohen  
Chris Daly  
Nathaniel Ford  
Elsa Ortiz  
Tony Anziano (alternate for Bijan Sartipi)  
Jerry Hill

3. Communications

None.

4. Board of Director's New and Old Business

None.

5. Executive Director's Report

- Funding Update
- Caltrain Downtown Extension (DTX) Update
- Quarterly Investment Report

Executive Director (ED) Ayerdi provided an update on work since the July 20, 2007 meeting. She stated the Community Meeting with Chairman Hill in the Peninsula went well, the next Community Meeting would be held in the East Bay with Director Ortiz and Supervisorial district meetings would follow.

Nancy Whelan, Nancy Whelan/Transbay Financial Consulting, presented the Funding Update and the Quarterly Investment Report.

Derek Penrice, URS/Program Management Design Manager, presented the DTX update. Chairman Hill commended Staff on the communication with Caltrain staff.

6. Public Comment

Ruben Santiago expressed his support for the Skidmore, Owings & Merrill (SOM) design.

Karen Knowles-Pearce, TJPA Citizen's Advisory Committee (CAC) Vice Chair, requested an agenda item be added to each TJPA Board monthly agenda for the CAC to provide an update on their meetings. Chairman Hill concurred and stated that would be granted in the future.

#### CONSENT CALENDAR

7. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Transbay Joint Powers Authority, and will be acted upon by a single vote. There will be no separate discussion of these items unless a member of the Board or the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item.

- (7.1) Approving the Minutes of the July 19, 2007 meeting.
- (7.2) Approving the Minutes of the August 6, 2007 meeting.
- (7.3) Authorizing the Executive Director to execute the Professional Services Agreement for financial support services with Fred Clarke Consulting for a term of two years and a maximum amount of \$170,650 and approving an amendment to the FY 2007-08 budget to increase the grant and financial management amount by \$170,650, from \$600,000 to \$770,650 and to decrease another budget line item by the same amount.

#### RESOLUTION 07-028

- (7.4) Authorizing the Executive Director to execute Amendment #4 to Request for Services #1 to Shute, Mihaly & Weinberger LLP to increase the maximum approved amount under Request for Services #1 from \$1,425,000 to \$1,705,000.

#### RESOLUTION 07-029

- (7.5) Authorizing the Executive Director to execute the Professional Services Agreement for Federal advocacy services with Holland + Knight for a term of three years and an amount not to exceed \$505,500; and the Professional Services Agreement for Federal advocacy services with Chambers, Conlon & Hartwell for a term of three years and an amount not to exceed \$256,500; and approving an amendment to the FY 2007-08 budget to increase the legislative services amount by \$45,000, from \$225,000 to \$270,000 and to decrease another budget line item by the same amount.

#### RESOLUTION 07-030

- (7.6) Authorizing the Executive Director to execute the Professional Services Agreement for State advocacy services with Suter, Wallauch, Corbett and Associates for a term of three years and for compensation not to exceed \$362,250.

#### RESOLUTION 07-031

- (7.7) Authorizing the Executive Director to execute the Professional Services Agreement for Real Estate Economics Advisory services with Keyser Marston Associates for a term of two years and an amount not to exceed \$130,125.

RESOLUTION 07-032

- (7.8) Authorizing the Executive Director to execute Amendment No. 2 to the IT Agreement with Bluecrane, Inc., to modify the Agreement to approve Coastline Technology Consulting, Inc. as the subcontractor without changing the term, scope, price, deliverables or maximum compensation under the IT Agreement.

RESOLUTION 07-033

No public comment.

On motion to approve the Consent Calendar:

ADOPTED: AYES – Cohen, Daly, Ford, Ortiz and Hill

REGULAR CALENDAR

8. Approving the Team of Pelli Clarke Pelli Architects and Hines and authorizing the Executive Director to enter into exclusive negotiations for: (1) a Term Sheet with the Team of Pelli/Hines and then, if successful and subject to TJPA Board approval of the Term Sheet, a Disposition and Development Option Agreement for the Tower Property, also subject to Board approval; and (2) a Design Agreement for the Transit Center with Pelli, subject to Board approval.

ED Ayerdi presented the background that led to the recommendation of this item. She expressed her appreciation to the public and explained we are only viewing concepts and there is more engineering and design work to be done. She stated that while the financial offer and architectural design are important to the TJPA, most important is that the station works functionally, is useable, it works for the public, for the bus operators, for the rail operators, it's safe, secure, and can stand the test of time as a landmark transportation center.

Dean Macris, Director of the SF City Planning Department, explained the Planning Department's efforts on the process of the Tower. They expect to have refined proposals for public discussion early next year, which is when they will brief the TJPA Board on their recommendations. The City approval process will follow. For the next few months the Planning Department will complete their analysis, gain public comment, brief the Planning Commission and Board of Supervisors on their recommendations, work with the TJPA Staff, and make adjustments as necessary to their initial recommendation as the Environmental Impact Report (EIR) is published, hopefully by the end of next year. They are working to keep the EIR work parallel with their

analysis of zoning to minimize the lag between when recommendations are made and the EIR is published; that is the key to keeping on schedule. They will report periodically on progress.

Don Stastny, Design & Development Competition Manager, presented the overview of the Design and Development (D/D) Competition, specifically, the evaluation criteria, materials and information provided to the D/D Teams, Jury evaluations and Jury's ranking and recommendation.

#### Public Comment

Chris Reynolds requested the TJPA Board delay their decision to talk to each developer individually although he saw no problem with the Jury's report. He preferred SOM and concurred with points raised by Ruben Santiago. He felt more consideration than the Jury report was necessary.

Tom McCormick, Rockefeller Group Development Corporation Senior Vice President, expressed great appreciation on behalf of Rockefeller and SOM for having the opportunity to participate in the Competition and having been selected as a finalist.

Jim Lazarus and Karen Knowles-Pearce, TJPA CAC Chair and Vice Chair, commended TJPA Staff on the transparent process. They provided a briefing on the CAC's views of the Jury's report. They had some concerns that height was driving the monetary needs of the project vs. good urban planning. The CAC agreed that a high density office building is appropriate and housing is not necessary on this site because of housing in the overall redevelopment plan. They felt a hotel would be a viable use but the park had some issues that still needed work. Overall, the CAC endorsed the Jury's recommendation.

Larry Burnett, SPUR, congratulated the TJPA on a world renowned competition and ample opportunity for public comment. SPUR supports a very tall tower at this location and supports the concentration of uses, especially jobs, at transit rich locations such as this as the best way to prevent sprawl and the global warming impacts that are caused by sprawl. This project is the beginning of a downtown San Francisco for the 21<sup>st</sup> century. Projects like this take a lot of time in San Francisco and SPUR offers its assistance to the TJPA and Planning. SPUR also urges the TJPA Board to find the funding necessary to complete the DTX portion of the project along with the Terminal portion.

Jeanine Lockren expressed her support for the SOM design and her dislike of the Pelli design. She stated the park will be wasted space with San Francisco's unpredictable weather and with every parcel zoned for high rise; the shadows would mar the park. She was concerned that Pelli's design has no hotel or residential plans. She felt San Francisco needed to make a statement that they care about all people by providing affordable housing in the tower.

Director Ortiz expressed her appreciation to the Jury, Mayor Newsom and the Teams. She thought all three proposals were great but supports Pelli/Hines for all of its contributions.

Director Cohen stated he was adamant about the economics remaining as presented and if it decreased he would recommend that the process start over.

Paul Paradis, Hines, confirmed they would hold their offer price, in any case.

Vice Chairman Ford commended ED Ayerdi, Don Stastny and the Jury for an exceptional process over the past year. He supports the Jury's recommendation but suggests while going through negotiations with Pelli/Hines, the possibility of affordable housing or a hotel component is looked at. He expressed concern over the funding and maintenance necessary for the park.

Paul Paradis, Hines, volunteered to organize an association of stakeholders that would enjoy the park and provide funding. The Tower, which Hines will own, would be a significant participant; they see themselves contributing to the operations and management of the park. Hines would like to program the park to keep it very active. Hines volunteered to organize this association to fund and maintain the park.

Director Daly expressed his gratitude and congratulations to the Jury and Staff. He supports the Jury's decision as he said he always would. He agreed the offer price shouldn't decrease but suggested there's some flexibility with negotiations in exchange for a surety. He stated there are large numbers involved which would be beneficial to the tunnel and the Board has continuously reiterated its commitment to the tunnel. He also stated his interest in finding a way for the TJPA to retain some interest in the Tower.

Director Anziano praised the public process that was well designed and executed. The transparency was remarkable. He extended the highest compliments to the Executive Director and Staff.

Chairman Hill stated this is a new age in transit for the West Coast, California and the United States. This is a marvelous beginning of an exciting project for transit and San Francisco's Downtown. He expressed his congratulations to all three teams. He confirmed he would honor the Jury's recommendation but agrees with his colleagues in that the money must not decrease.

ED Ayerdi confirmed that she will work to protect the interests of the TJPA and public.

RESOLUTION 07-034

On motion to approve:

**ADOPTED: AYES – Cohen, Daly, Ford, Ortiz and Hill**

Chairman Hill recessed the meeting for 10 minutes. At Director Cohen's request, the meeting reconvened without him. He returned during the presentation of Item 11.

9. Approving the Final Relocation Impact Study.

Joyce Oishi, URS/Program Management, introduced Karen Edelman, Associated Right of Way Services, who presented the item.

No public comment.

RESOLUTION 07-035

On motion to approve:

ADOPTED: AYES – Daly, Ford, Ortiz and Hill

10. Approving the FY 2007-08 Disadvantaged Business Enterprise (DBE) Program.

Nancy Whelan, Nancy Whelan/Transbay Financial Consulting, presented the item. Director Ortiz commended ED Ayerdi for the outreach efforts to DBEs.

No public comment.

RESOLUTION 07-036

On motion to approve:

ADOPTED: AYES – Daly, Ford, Ortiz and Hill

11. Authorizing the Executive Director to execute an agreement for professional design and engineering services of utilities for the New Transit Center building with Metcalf & Eddy/AECOM for a maximum compensation of \$5,198,015 through the end of utility construction and warranty period.

Guy Hollins, URS/Program Management, presented the item.

No public comment.

RESOLUTION 07-037

On motion to approve:

ADOPTED: AYES – Cohen, Daly, Ford, Ortiz and Hill

12. Authorizing the Executive Director to execute right-to-enter agreements for real property, either to be acquired by the TJPA for the Program or adjacent to the right-of-way for the Program that may be affected by Program construction, that would require the TJPA to repair damage to the property at the TJPA's own cost and defend and indemnify the property owners from claims by third parties resulting from the TJPA's activities on the property; and to execute the Right of Entry Agreement with Union Pacific.

Harry Quinn, URS/Program Management Real Estate Coordinator, presented the item.

No public comment.

RESOLUTION 07-038

On motion to approve:

ADOPTED: AYES – Cohen, Daly, Ford, Ortiz and Hill

13. Authorizing the Executive Director to execute the agreement between the TJPA and the San Francisco Planning Department to perform planning and implementation services for the Transbay District Plan and TJPA Properties Study for a maximum compensation of \$730,000 and limited to a period of three years.

No public comment.

RESOLUTION 07-039

On motion to approve:

ADOPTED: AYES – Cohen, Daly, Ford, Ortiz and Hill

Director Daly advised that Child Care advocates expressed an interest of being in the Transit Center; they felt it an ideal place for working parents for the convenience. He suggested Staff consider programming Child Care space in the Transit Center.

Chairman Hill commended the Board, ED and Staff for all the work that's been accomplished and noted these were monumental steps that everyone should be proud of.

ADJOURN – Chairman Hill adjourned the meeting at 11:30am

A tape 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 and entities that influence or attempt to influence local legislative or administrative action may be required by the San Francisco Lobbyist Ordinance [SF Admin. Code Sections 16.520 - 16.534] to register and report lobbying activity. For more information about the Lobbyist Ordinance, please contact the Ethics Commission at 1390 Market Street, Suite 801, San Francisco, CA 94102, telephone (415) 554-9510, fax (415) 554-8757 and web site: [sfgov.org/ethics](http://sfgov.org/ethics).