

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

MINUTES

Tuesday, October 21, 2008
1 Dr. Carlton B. Goodlett Place, Room 400
San Francisco, CA

SPECIAL MEETING
8:00 a.m.

BOARD OF DIRECTORS

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

Executive Director
Maria Ayerdi-Kaplan

Secretary
Nila Gonzales

201 Mission St. #1960
San Francisco, California 94105
415-597-4620
415-597-4615 fax

8:00 – SPECIAL MEETING

ORDER OF BUSINESS

1. Call to Order

Chairman Ford called the meeting to order at 8:10 am

2. Roll Call

Present: Michael Cohen
Chris Daly
Jerry Hill
Elsa Ortiz
Bijan Sartipi
Nathaniel Ford

3. Public Comment

None.

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

SPECIAL CALENDAR

4. Authorizing the Executive Director to execute an Exclusive Negotiations Agreement with Hines Transbay Tower LLC for the disposition of the North half of Caltrans Transfer Parcel T for the Transit Tower.

Executive Director Ayerdi-Kaplan reported that an agreement had been reached on the Exclusive Negotiations Agreement (ENA) between the TJPA and Hines which is a precursor to the Purchase and Sale Agreement for the Transit Tower property.

Charles Sullivan, City Attorney's office, reviewed the basic and economic terms of the ENA. It requires both parties to negotiate in good faith through the EIR certification and regulatory approvals. The total purchase price is \$235 million dollars which is payable as \$160 million dollars on closing, \$15 million dollars spread out over 5 years after closing, \$50 million dollars, which is a park payment, payable when TJPA incurs park costs as it is built on top of the Transit Center, and \$10 million dollars which is a percentage of net operating income, payable over 66 years once the building becomes occupied. The ENA is designed to constrain both parties so that neither can seek better terms during the ENA term. There is the ability for Hines to decide not to continue further upon payment of a \$2 million dollar termination fee.

The goal is to negotiate a Purchase and Sale Agreement not an Option Agreement; the Purchase and Sale Agreement is expected to be done in 90 days although they have the whole ENA term to do it.

No public comment.

RESOLUTION 08-044

On motion to approve:

ADOPTED: AYES – Cohen, Hill, Ortiz and Ford

NAYES - Daly

ADJOURN – Chairman Ford adjourned the meeting at 8:17 am

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.