



The Hidden Presidio

THE PRESIDIO TRUST 2005 YEAR-END REPORT



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A Year-End Report

The Presidio Trust's mission is to preserve and enhance the natural, cultural, scenic, and recreational resources of the Presidio for public use. These efforts encompass the natural areas, wildlife, and native habitats of the park, as well as the historic structures and designed landscapes that make the park a National Historic Landmark District. The Presidio Trust is dedicated to ensuring that visitors to this spectacular place will have the opportunity to gain a broader understanding of the Presidio, its place in American history, and the plants and wildlife which once thrived throughout the region.



THE TRUST is embarking on a multi-year effort to revitalize the Main Post, the heart of the Presidio and its historic center. We envision the Main Post as the gateway to the Presidio and the entire Golden Gate National Recreation Area. The Main Post's focal point will be a dynamic public commons where today you find a seven-acre parking lot, once the Presidio's Main Parade Ground.

The Main Parade Ground slopes dramatically to the north, and was initially envisioned by the U.S. Army as the first phase of a plan to connect the Main Post to the bay, creating a continuous open space from the center of the Main Post to the water's edge. Ultimately, the Army did not level the parade ground, but worked with the given topography. One has to guess that the visionaries who laid out the 1893 parade ground were sensitive to the power of its sweeping views to summon ideas of grandeur and dominion.

Construction of Doyle Drive in 1936 superseded the Army's plans, and the Main Parade Ground was subsequently paved. Plans have been taking shape over the past few years to replace Doyle Drive. The new Doyle Drive parkway will enter a tunnel as it passes the Main Post, clearing the vista, reopening the connection to the bay, and making possible, finally, the grand vision of the Presidio.

The Main Parade Ground is the largest of three historic parade grounds, including the Spanish *El Presidio* and the Civil War Parade Ground. Together, these parade grounds and the groups of buildings that define them tell us the most comprehensive story about the post's development, from a colonial outpost to a great military power. Much of this history remains hidden – buried deep within walls, under paved parking areas, or in buildings that still stand empty. Bringing that history to light and making it understandable and compelling is one of our principal goals as we transform the Main Parade Ground and restore the Main Post as a dynamic, human place.

I have witnessed real transformation throughout the park since I joined the board of the Golden Gate National Parks Conservancy in 1990. As chair of the Parks Conservancy's project committee, we celebrated the opening of Crissy Field in 2001. Nearly 100,000 people came to enjoy the new bay front park, flying kites from the restored historic airfield and strolling along the shoreline promenade near the reclaimed tidal marsh. Crissy Field has become a model park landscape, and a destination for millions of park visitors each year thanks to the vision and energy of the community that raised the funds for its spectacular transformation, that planted and tended thousands of dune plants, and that continues to care for this park.

Message from the Chairman

I joined the Presidio Trust board in 2004 as the Letterman Digital Arts Center was nearing completion and its “great meadow” was being planted with 85 different kinds of trees and shrubs, transforming it into an inviting, lush oasis. Five years ago, developing this new campus at the park’s eastern edge was controversial. Today, however, it illustrates what private and public partnerships can achieve when there is a shared vision.

The Presidio’s entire history is one of transformations – grassy hillsides became forested ridge tops, marshes were buried under earthquake debris to create a World’s Fair and an airfield, and formal lawns calmed shifting sand dunes. Its landscapes have been remade time and again to satisfy the needs and express the visions of the people who have lived here.

Crissy Field, the Letterman Digital Arts Center, and soon the new Main Parade Ground are transformations that express our vision of the Presidio as a place for people to inhabit, to enjoy, and from which to learn. We can be proud of this legacy.

Achieving our vision requires the passion, trust, and commitment of many partners. We will look to the philanthropic community, to our management partners – the Parks Conservancy and the National Park Service – and to our tenants who are rehabilitating our historic buildings and bringing life to the Presidio. We will also look to the larger public, whose support and love of the park will be the measure of our success.



The Main Parade was the site of all major military activities, from the ceremonial to the commonplace.



David H. Grubb

David H. Grubb
Chairman, Board of Directors

THE TRUST has established the beginnings of a strong financial foundation for the Presidio. We continue to invest in projects that will strengthen the Presidio's revenue base in anticipation of the time, seven years from now, that annual federal funding will cease. As federal appropriations decline, the Trust is covering a larger share of its costs with earned revenue.

Financial self-sufficiency is far more than covering operating costs, however. We need to earn sufficient funds to rehabilitate our historic structures, replant the aging forest, protect fragile natural areas, and develop greater opportunities for the public to enjoy the Presidio. In other words, we define financial self-sufficiency in terms of the character of this place and the quality of the experience that the public can have here. With each project we ask ourselves, "How will this help us achieve our vision of the Presidio as a great park?"

Over the past five years we have reported on the progress of the Letterman Digital Arts Center – from the demolition of the obsolete hospital through the design and construction of the new campus. This past spring the buildings and gardens were completed, the site was dedicated this summer, and now the district is coming back to life as people come everyday to work in its facilities or enjoy its open areas. What once felt like a lengthy process now seems a short chapter in the Presidio's

extended history of transformation. Indeed, many comment that the buildings seem always to have been here.

If we consider the Letterman Digital Arts project in view of the Presidio's future as a unique park, however, it marks a pivotal moment. The Letterman Digital Arts Center will provide more funding for the park than any other project. This is exactly the balance between public and private use at the Presidio for which the Trust was created. The Letterman project is a major milestone in the Presidio's transformation into a financially self-sustaining national park.

Developing the Letterman site was a singular opportunity, however. While the history of the Letterman Hospital is woven together with many of our nation's great stories, the buildings left on the site were not themselves historic. No other location in the park permits this extent of rebuilding and allows for such a substantial return. There are 469 historic buildings in the Presidio. Preserving them is central to our mission; leasing them is how we fund ongoing park operations. But the considerable cost of rehabilitating historic buildings limits the revenue we can expect.

At the southwestern entrance to the Presidio stands another complex of hospital buildings, the Public Health Service Hospital. The main hospital building is the largest historic building in the Presidio. Its history is one of

Message from the Executive Director

compassion and tolerance, but today its halls bear the marks of vandals. One priority for the coming year is to re-imagine and reuse these buildings.

Whereas the Letterman site presented an opportunity, the Public Health Service Hospital poses a number of challenges: finding an economically feasible way to rehabilitate the historic buildings that have been vacant for so long, and ensuring that its development is in keeping with the character of the residential community just beyond its gates.

All of the historic rehabilitation projects immediately before us present a mix of challenges and opportunities – economic, political, and programmatic. In the next year we will continue to focus on bringing new activities to the Main Post as we move forward with our plans to transform the historic district into a signature destination for regional, national, and international visitors. We are also developing plans to rehabilitate the historic hospital services buildings hidden along Thornburgh Road just west of the Letterman Digital Arts Center, where the dramatic views of the Golden Gate Bridge belie the sheltered feeling of the streetscape.

We will overcome the economic challenges and take advantage of the opportunities that each project brings. One thing is certain, the success of the Letterman project will have an affect on what we do at these sites. The Letterman project allows us to make decisions with a greater degree of confidence in the park's economic future.



Once a stretch of desolate pavement and derelict buildings, the new Letterman Digital Arts Center has brought beautiful landscapes and restored vitality to the park's eastern edge.



Craig Middleton

Craig Middleton
Executive Director

Historical Timeline

c. 700 The Ohlone people gathered shellfish along what is now Crissy Field.

1776 The Spanish establish *El Presidio de San Francisco de Asis*, a frontier garrison, and build the first structure on the site of the Officers' Club.

1770s Soldiers from Sonora in Northern Mexico form families and run cattle at the Presidio.

1792 British and Yankee ships begin trading for cattle hides.

1812 An earthquake seriously damages the Presidio.

1815 The Presidio is rebuilt and doubled in size.

1822 A year after Mexican independence, the Presidio changes flags but not personnel, and becomes a Mexican frontier outpost.

1847 The U.S. Army occupies and adapts the existing adobes at the Presidio.

1934 The army "restores" the Officers' Club in the Mission style.

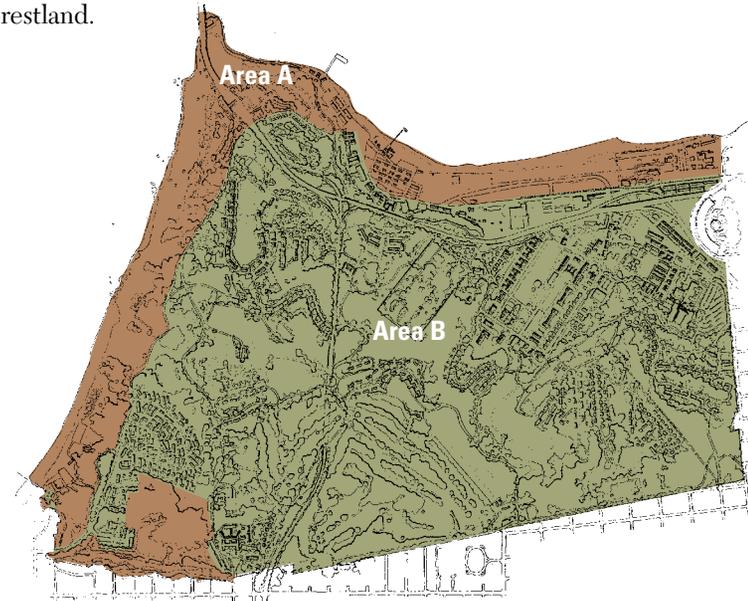
A Park for the 21st Century

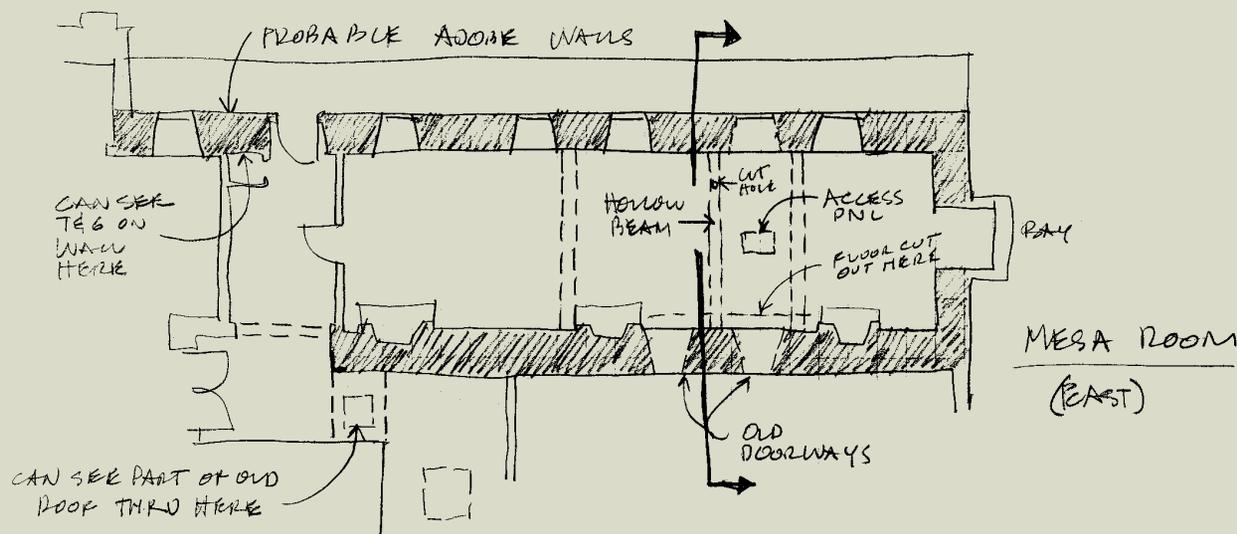
The magnificent lands at the Golden Gate first supported Ohlone Indians, and later explorers, immigrants, and pioneers. The Presidio's strategic location overlooking bay and ocean attracted the armies of three nations: Spain in 1776, followed by Mexico in 1812, and finally the United States beginning in 1846. From the Civil War through the Gulf War, the Presidio was used as a training site and a point of debarkation to foreign theaters of combat.

The Presidio's natural areas include remnants of rare natural habitats that once covered the bay area, from dune scrub to riparian corridors and lush forestland.

Former Army landfills are being remediated and restored with native plants. Historic buildings are being renovated and inhabited.

The Presidio is coming back to life as an active park unlike any other. It was designated a National Historic Landmark District in 1962. When the U.S. Army departed in 1994, the Presidio became part of the Golden Gate National Recreation Area. Today it is one of the largest historic preservation projects in the nation.





2005 The Letterman Digital Arts Center opens on the site of the former Letterman Army Medical Center.

Several historic buildings at the Main Post are renovated, including the Bay School of San Francisco.

The adobe walls of the Mesa Room in the Officers' Club are opened to reveal layers of history back to c. 1815.



Top: Since the last renovation in the 1970s, the Officers' Club has retained the same basic appearance.

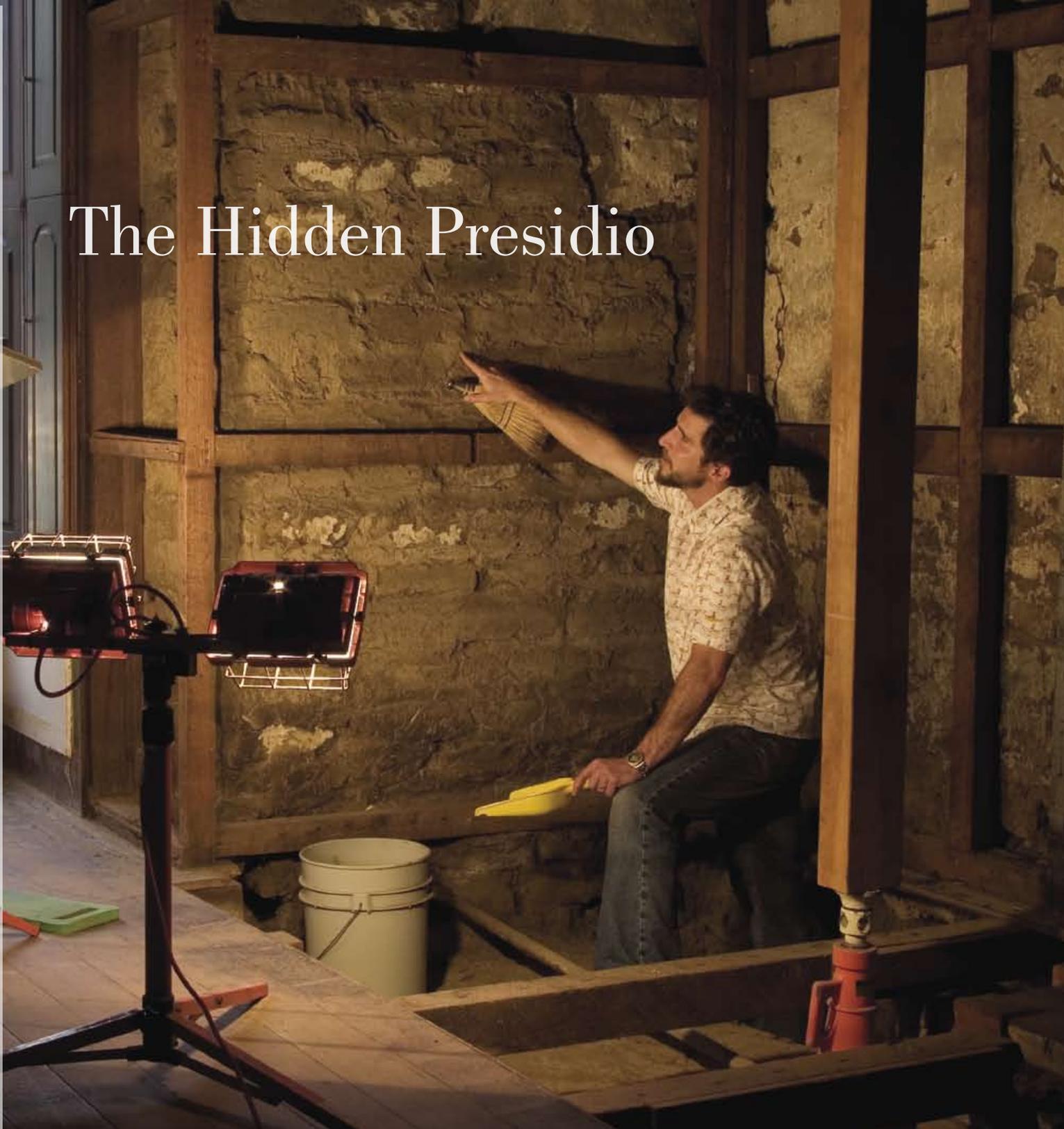
Center: Archaeologists have done extensive planning and study to clarify the building's past configurations.

Bottom: In the early 1880s, the adobe Officers' Club was covered with wood.



The Presidio Trust was created by Congress in 1996. Six Presidential appointees, and the Secretary of the Interior or the Secretary's designee, serve on the Presidio Trust Board of Directors. The agency's executive director reports to the board, and oversees a professional staff with expertise including environmental science, historic preservation and restoration, operations and maintenance, landscape design, planning, resource management, real estate development, public affairs and programs, law, and finance.

The Hidden Presidio



The Officers' Club Reveals Layers of Hidden History

The Officers' Club is the Presidio's most important building, and one of the most beloved buildings in the area. Long the center of military social life, it continues as the Presidio's social and cultural hub, bringing thousands to the park every year.

Deep within its walls, the Officers' Club holds keys to the history of the Presidio, and Trust archaeologists and craftsmen are working together to understand how the building evolved, and what that tells us about the Presidio's past. The Trust's archaeology staff, including director Sannie Osborn, archaeologist Eric Blind, and collections specialist Liz Clevenger, and their associates have begun a project to uncover the historical core of the Officers' Club.

The original building on the site of the Officers' Club was constructed by Spanish colonists, with labor from Native Americans. It's not certain how these early structures were built, but it is believed that this original structure was destroyed in 1779 by a devastating storm. It was rebuilt only to be seriously damaged in 1808, when 18 earthquakes struck over the summer months, and again in the great quake of 1812.

The entire Presidio was reconstructed by 1815. Despite shifting sovereignty from Spain to Mexico and finally to the United States, the building remained relatively unchanged from 1815 through the early 1880s, when the adobe building was mostly covered with wood. It was changed and expanded several times in later years, including major "restorations" in 1934 and the 1970s.

As the center of *El Presidio*, or "walled fortification," what is today the Officers' Club served for many years as the quarters and offices of the fort commander. By the time the U.S. Army occupied the Presidio in 1846, the building was being used as officers' quarters. However, as the officers found it "dark, badly ventilated, damp and muddy in the winter, dusty in summer, and in disagreeable proximity to the barracks of the enlisted men," it was again used as a base headquarters.

In more modern times, the Officers' Club has come to hold a place in the heart of thousands of U.S. Army servicemen and officers who passed through the post. Captain Donovan P. Yeuell (30th Infantry 28 August 1934) reminisces, "Memories of the Presidio Officers' Club go back deep to the roots of army history, for within its walls nearly every general officer of the army from Civil War days, and unsung thousands who never reached star rank have enjoyed the comradeship of their fellows. Nor have the ladies been forgotten, for its dance-floor has been trodden for ninety years on hop nights by the feet of the army's fairest."

The Officers' Club is like a "layer cake," according to archaeologist Eric Blind, with original adobe, stone, and clay at its core, and layer upon layer of newer materials added over the centuries. The Trust has begun a multi-year project that will reveal the original layers of *El Presidio's* walls, and ultimately create a permanent display that brings the Presidio's history to the surface.

An excavation was begun in the Mesa Room, one of the smaller of the main rooms of the building. Blind and Clevenger, working with carpenters Tim Boatwright and Ernesto Meraz, began carefully removing layers of outer

Trust archaeologists examine adobe bricks that lay hidden for hundreds of years until they were exposed through careful excavation.

materials, exposing original adobe and painted stencils under modern drywall. “Many of the Presidio’s archaeological sites are hidden under the soil, sometimes for centuries, until they are discovered and studied,” said Sannie Osborn. “In the case of the Officers’ Club, we have a structure hiding pieces of the colonial past within its walls.”

Another key portion of this archaeological site is the original Presidio Chapel, built adjacent to and actually connected to the Officers’ Club. The structure, completed in 1784, was destroyed in the 1812 earthquake. Trust archaeologists plan to build up the remaining portions of the original foundation, connect this portion of the expansive archaeological site with the still-standing adobe Officers’ Club, and install displays that show the structure’s dimensions and importance.

During excavation and study of the Officers’ Club, archaeologists working with adobe architect Tony Crosby and structural engineer Roy Tolles, found that the original adobe blocks along the east wall closest to the ground had been damaged by groundwater, and needed immediate stabilization. The Trust’s Manuel Meraz, who once built adobe structures alongside his father in Mexico, “patched” the holes and deteriorating areas in these damaged blocks using pieces of the original adobe mixed with modern adobe materials. The repair work was done along the short eastern wall in the Mesa Room, on both interior and exterior sides of the wall.

“The next step for this room will be a new foundation,” said Meraz.

When work on the Mesa Room wall is completed, portions will be left exposed in order to reveal the layers of history, including adobe from the 18th century, woodwork from the 19th century, and mission revival additions from the 20th century. Visitors will get a first-hand view of centuries of change within this unique structure.

A Map to the Past

The Presidio Archaeology Lab initiated a project to digitally map and model the site of *El Presidio*. This is part of a larger process underway to develop a strategy that will more clearly delineate the site in the landscape of the area, and make it more relevant and interesting to the public. This strategy is called *Levantar*, a Spanish word meaning to awaken or excite.

The mapping project took all the information that has been gathered through excavation and historical research about *El Presidio*, and brought it into one digital map. This map depicts how the underground portions of *El Presidio* extend out from the remaining walls of the Officers’ Club, and even provides detail on exactly where and from what depth specific artifacts were excavated. The product is an interactive tool to inform researchers, as well as a means for the public to virtually experience the vast and rich archaeological site which is still hidden just below the surface.

Volunteer visitors to the Presidio Archaeology Lab had a chance to work with artifacts found at an excavation site near El Polin Spring. The event, called “After the Dig,” clarified the countless hours spent with artifacts once they have been found.



El Presidio and Beyond

The site of *El Presidio* represents colonial San Francisco and the beginning of the historical record for the region. Post-colonial transformations including the emergence of the Mexican Republic and the arrival of the U.S. Army would leave their own imprints on the landscape. History was built layer upon layer across the area. For example, along Funston Avenue, Civil War-era cottages were built directly above the remains of the Spanish Colonial fortification.

This juxtaposition of cultures creates a fascinating archaeological study ground. In 1999 and 2000, the Trust initiated a subsurface investigation of the yard areas along Funston. A team of archaeologists from U.C. Berkeley began an excavation project that allowed them to compare military life in Spanish Colonial times with that of the Civil War period. Most of this research focused on the women and children of those diverse communities. Today, the Trust is working on a way of expressing these two important components of the Presidio's history that occur in the same landscape.

Additional archaeological sites are revealing more about those families that moved their homes outside the fortified walls of the Presidio. Several of these families, namely the Briones and Miramontes, moved into a sheltered valley to the east near a spring called *El Polin*. This spring water was noted in native Ohlone folklore to have properties that improved fertility, and in fact these settlers did have many, many children including multiple sets of twins.

One of these settlers, Juana Briones, was a noted *curandera* or healer as well as a midwife and business women for itinerant sailors and merchants. Curiosity about these



native, colonial interactions, as well as the foreign influence of visiting sailors, sparked the interest of Stanford professor Barbara Voss. Dr. Voss initiated a long-term research and

excavation program in this valley, and has been bringing students to this still-secluded area since 2003.

The Presidio holds other treasures from more recent times as well. Scattered throughout the Presidio National Landmark District are the remains of past cultures extending to U.S. Army families who lived here in the World War II era and beyond.

On the Main Post, for example, prior to the construction of the stately Montgomery Street barracks in 1895 and along the same alignment were a series of adobe and wood frame buildings that at one time housed the Post laundresses.

In the summer of 2005, archaeologists excavated a wide variety of artifacts that related to this forgotten chapter of military history. Amongst the remains were medicine bottles, glassware, European and Asian ceramics, bones, grape seeds, cherry pits, coffee beans, leather shoes and belts, porcelain buttons and dolls.

One of the more significant and ancient finds was made during a Quail habitat enhancement program. While planting native plants in sand dunes, Presidio Park Stewards and Audubon Society volunteers found an intact obsidian arrow point. The discovery was a reminder that Ohlone Indians hunted in this formerly wild landscape.

Trust craftsmen need a light touch and a keen eye as they separate original adobe from materials added more recently to strengthen or remodel the building.

Right: obsidian arrowhead discovered during a natural restoration project.

Revealing the Presidio's Nature

The Historic Forest

The Presidio's forest was planted in the 1890s, transforming the windswept dunes into a romantic landscape, and distinguishing the Presidio from the surrounding city. The 300-acre forest is one of the most distinctive features of the region. Now more than one hundred years old, the forest's even-aged groves are declining and need care and replanting.

In caring for the forest, the Presidio Trust must preserve the qualities that define its character, such as orderly military alignment of trees, and take into account the forest's importance as wildlife habitat. The Trust must also consider the stands of the forest that have the greatest historic significance and are also in greatest need of reforestation. Among these are the Arguello Historic Stand, located near the Presidio Golf Course; the Kobbe Key Historic Stand near the World War II memorial;



and Rob Hill Campground, the city's only site for overnight camping.

Since 2002, when the Presidio Reforestation Project began, the Trust has reforested approximately 14 acres, planting more than 1,500 Monterey pines and cypresses. Staggered planting, stronger species, and contemporary forestry practices will create a healthier and more sustainable forest for the future.

The Role of Volunteers

The Presidio's natural habitats range from dune scrub to riparian corridors, from native grasslands to forested slopes. Volunteers from schools, community groups, and park neighborhoods have given thousands of hours to restoring the Presidio's diverse natural areas.

This past year completes the viewshed restoration project at Inspiration Point, where volunteers spent more than 4,000 hours removing weeds, seeding native grassland species, and replanting more than 50,000 plants representing 10 species of grasses and 40 species of wildflowers. The final removal of trees to enhance habitat for the endangered Presidio clarkia was completed. Efforts to protect the rare plant, which thrives in serpentine grasslands, were acknowledged with a grant to apply restoration techniques to improve grassland management. The Presidio project was ranked highest in the nation among projects proposed to help save endangered species.



Volunteers remove weeds and invasive non-native plants in order to encourage the survival of native species at Inspiration Point.

Left: Monterey cypress trees are planted to replace trees that are diseased or dead.

Below: the Presidio Clarkia is now expanding its numbers thanks to ongoing maintenance at the site.



Re-vegetation and restoration in progress at a former remediation site above Baker Beach. Covered by an Army landfill for decades, the sand dune valley and freshwater seep at its base create diverse habitat that is native to the Presidio's coastal bluffs.



Riparian corridor and stream under restoration at the former Army Landfill known as Fill Site 6A near Lincoln and Halleck.



Environmental Remediation

Sunset Scrub, formerly an Army landfill, has been restored as a rare natural dune scrub habitat thanks in large part to the efforts of volunteers. The site is beginning to mature as plants become established. During the past year, several thousand plants from the Presidio Native Plant Nursery were planted. Since excavation of the landfill in 2003, almost 30 native plant species that were not planted or seeded have reappeared.

Work continued on the environmental clean-up of a former Army landfill known as Baker Beach Disturbed Area 3, located on the coastal bluffs above Baker Beach. Approximately 57,000 tons of waste soil and building debris were removed by the completion of construction activities in December 2004, exposing clean native dune sand. The site is now being re-planted with native vegetation, and a freshwater spring has re-emerged in the valley that was formed when the landfill was removed. This former landfill is becoming a diverse and special habitat area perched above the Pacific Ocean.

A key accomplishment in environmental remediation during 2005 was the removal of Fill Site 6A, a large Army landfill located near Lincoln Boulevard and Halleck Street. Excavation allowed a creek to be daylighted, and the site is being restored as a riparian plant corridor.

More than 35,000 native plants will be planted in the coming months. The site will include a trail passing near a stand of mature redwood trees.



Meso-Carnivore Study

A study of medium-sized carnivores was completed in 2005 by the Trust and the U.S. Geologic Survey's (USGS) Biological Resources Division. Dr. Erin Boydston used several types of trapping and surveying techniques to learn about predators, especially the elusive grey fox, and to clarify the context of this community of wildlife. It is not often that you see gray fox anywhere in San Francisco. Over the last 200 years,



as urban habitat has replaced native habitat, the city has seen most of its larger mammals disappear one by one, and even now species like the gray fox face the possibility of local extinction. The primary threat to the gray fox is the automobile.

Gray fox are the only fox species in the world that can climb trees. They prefer woody, brushy habitats, and eat a variety of foods. Their keen sense of smell and acute hearing help them locate small mammals, such as gophers and mice. Gray fox also eat fruit, plant materials, insects, and birds. Not only are they scarce in the Presidio, they are rarely seen due to their shy nature and nocturnal lifestyles.

Once widespread, gray fox are now confined to only a few natural areas within the city such as Glen Canyon Park, McLaren Park, San Bruno Mountains, Bayview Hill, and the Presidio, although sightings here are very rare.

Presidio Bee Diversity Study

Over the course of a seven-month study in the Presidio, researchers led by Dr. John Hafernik of San Francisco State University observed 57 species of bees representing 23 genera. Within the umbrella order *Hymenoptera*, rare species were observed from bee families including *Anthrophoridae* (cuckoo and carpenter bees), *Megachilidae* (leaf-cutting bees), *Colletidae* (plasterer bees), and *Halictidae* (sweet bees).

Though bee abundance and diversity varied widely at each study site, the researchers were impressed by the overall diversity of bees in the park. Corresponding with peak blooming periods, bees were most abundant in the park during the spring. The highest number of rare species was observed in the remnant native habitats of the park, suggesting that insect diversity can be a benchmark of the long-term success of natural restoration projects.



Left: Trust naturalists study the movements and habits of animals such as the gray fox that make their home in the Presidio.

The Presidio Bee Diversity Study revealed 57 species of bees living or gathering pollen in the Presidio.



Enjoying the Park

The Coastal Trail

The Presidio's rugged coastal bluffs offer some of the most spectacular and internationally recognizable views in the world. The Trust, the National Park Service, and Golden Gate National Parks Conservancy together have



Right: the Coastal Trail offers stunning vistas of the ocean, bay, and Golden Gate Bridge.

Opposite top: the Presidio Promenade will extend to the Golden Gate Bridge by 2006. The walkway is lined with several blocks of memorial tiles taken and preserved from the former hospital entryway, and remind all who pass by of the men and women who worked in, or received care at, Letterman.

developed a concept design that builds on the “Presidio Trails and Bikeways Plan” to enhance visitor exploration and enjoyment of this stunning area.

Today, a series of unplanned “social” trails crisscross the steep slopes of the bluffs. Many of these trails haphazardly trample through wetlands, are subject to heavy erosion, and have no signs to identify them for visitors. The concept design developed this year provides an understandable, well planned, and maintainable network of trails linking important visitor destinations. This network will maximize opportunities for visitors to enjoy breathtaking views, while minimizing erosion and protecting the fragile ecosystems of this wild landscape. The Presidio's Coastal Trail is part of much larger trail system which when complete, will connect 1,800 miles of the country's western coast from the Canadian to the Mexican border.

The Presidio Promenade

Since its construction in 1896, the historic Lombard Gate has served as the Presidio's “front door.” As the Presidio was expanded and improved by the Army, Lombard Street was lined with crisply-clipped trees, Canary Island date palms, and formal plantings, giving the Presidio's entry corridor a dignified and refined feeling.



When the large Letterman hospital building was constructed in the 1960s, Lombard Street was moved to the south, and Letterman Drive was built to provide better access to the hospital. Many of the landmark plantings that had set the Lombard area apart as an entryway were lost.

The Trust has just completed landscape improvements to the Lombard entry corridor that recall its appearance during the late 1940s. Drought-tolerant flowering shrubs, flowering trees, and Canary Island date palms take visitors back to a grand period in the Presidio's history.

Work also began on the Presidio Promenade, a multi-use trail that will eventually extend from the Lombard Gate to the Golden Gate Bridge. The first phase of this trail, which reaches from the Lombard Gate past the Letter-

man Digital Arts Center to the Thoreau Center, is now complete. The trail includes new benches offering dramatic views of the Palace of Fine Arts. The remaining portion of the Presidio Promenade will be completed during spring 2006.

Immigrant Point Overlook

The new Immigrant Point Overlook, located in the western part of the Presidio on Washington Boulevard, was completed in May. The site commemorates those who came to this country from abroad to start new lives. The beautiful overlook, funded with a grant made by George and Sejong Sarlo through the Sarlo Foundation of the Jewish Community Endowment Fund, overlooks the ocean and Golden Gate Bridge. The overlook was dedicated with a series of public events celebrating the role of immigrants in the development of the American West, and with a public ceremony finalizing the citizenship of 19 new Americans. The project includes improvements to the nearby Bay Area Ridge Trail, which began in fall 2005.



The public enjoys the newly dedicated Immigrant Point Overlook, with grand vistas to the ocean and bay.



Democratic leader Nancy Pelosi speaks at the "Post to Park" commemoration.



This year's Film in the Fog event included a robot costume competition. The event grows in size and support each year.

Celebrations and Events at the Presidio

Film in the Fog, now in its fourth year, was held in October. The event draws film fans from across the city for an evening of companionship, food, fresh air, live music, and the free screening of a classic science fiction thriller. **Film in the Fog** is co-sponsored by the San Francisco Film Society.

The **Post to Park Commemorative Ceremony**, held in October, celebrated the historic transition of the Presidio from military post to national park and highlighted ten years of accomplishments as well as plans for the future. The raising of an historic flag complemented presentations by guest dignitaries.

In October, hundreds of Bay Area teachers attended **Presidio Teachers' Night**, an evening of information and resource sharing held at the Presidio Officers' Club. Dozens of local organizations participated to show teachers new teaching resources.

At **Holiday Lights**, the Presidio Community rings in the holiday season. Hundreds of families from the Presidio and neighborhoods around the park gather to share the traditional tree lighting, singing, and treats.

The **Lead Exhibition** at the Presidio Officers' Club Exhibition Hall was *From Above – a Retrospective of Robert Cameron's Aerial Photography*. The exhibit featured prints of the world's most beautiful and famous places taken from a camera specially mounted on a helicopter. Many of the 58 photographs were six feet by 12 feet in size, but processed digitally for remarkable clarity and



Trust historian Randy Delehanty, Ph.D., who curated the exhibit, and Jeff Weik, who oversees the Presidio's Public Programs, greet photographer Robert Cameron.

color. The free show was attended by more than 20,000 art lovers. A film titled *Above San Francisco*, shot by Cameron and unseen for decades, was screened in conjunction with the exhibition.

Buffalo Soldiers were honored in an annual program held in the Officers' Club in February. The event, which featured speakers and a luncheon, was co-sponsored by the African-American Employee Association.

Pacific Union presented a series of four **Free Concerts at the Presidio** between April and November. The concerts,

held at the Golden Gate Club, included musical genres from opera to classical duet performances.

The Presidio's annual **Memorial Day Commemoration** is the city's largest such event and is attended by thousands. The procession proceeds from the main parade ground to the National Cemetery, where dignitaries honor our fallen veterans.

The annual **Presidio Pasados** celebration, held in June, commemorated the Presidio's past by exploring the lore of the Ohlone, Spanish, and Mexican cultures that have been woven through the centuries of Presidio history. The event featured music and dance, and childrens' activities.

The Presidio Trust, NPS, and GGNPC welcomed visitors from around the world to the Presidio, one of the sites for **UN World Environment Day**. It marked the first time this event has been held in the United States.

The Aloha Festival, an annual event co-sponsored by the Pacific Islanders' Cultural Association in cooperation with the Presidio Trust, celebrates island culture with traditional dance performances, foods, and crafts from the Pacific Islands. The weekend-long event is held in August.

Stanford archaeologists returned to the Presidio in June, after three years of excavating artifacts around *El Polin* Spring, in order to "show and tell" about the artifacts that they have uncovered. "**After the Dig**" was a week-long event where visitors could meet and talk with archaeologists, and learn about how they examine, catalog, and study artifacts to discover the history of a certain area.

Free Shakespeare in the Park returned to the Presidio for its second year. The troupe performed *Much Ado about Nothing* on the Civil War Parade Ground before enthusiastic audiences who sat under the stars to enjoy the open-air performance.

This year's **Presidio House Tours** brought visitors to the historic Pilots' Row. Docents were on hand to provide historical perspective, and Trust craftsmen were available to discuss how the buildings were rehabilitated. Attendees also enjoyed a tour of the historic hangars and grass air field at Crissy Field.

Races and Public Gatherings

Many special public events, including races and festivals, are held in the Presidio each year. In 2005, more than 30 races, bike rides, and walks either began or ended in the Presidio. In addition, 10 festivals including the Aloha Festival, Animal Planet, and the Immigrant Point Overlook Celebration were held in the park.



The Memorial Day Commemoration at the Presidio.

Left: Visitors at the Presidio House Tours learn about the historic Pilots' Row houses from Trust historian, Randolph Delehanty, Ph.D., at center of group. Below: Pilots' Row homes.



Living and Working in the Presidio



The homes along Kobbe Avenue have now been fully renovated, and the yards restored to their formal beauty.

Renovating Historic Structures and Homes

Housing is an essential feature of the Presidio landscape, and many of the Presidio's homes contribute to its National Historic Landmark District status. Housing is also the park's most stable source of revenue, providing the best example of how the Trust's preservation and financial mandates complement each other. The Trust is continuing its program of rehabilitating its historic neighborhoods, and has rehabilitated homes along Kobbe Avenue and the 13 homes on Pilots' Row that once housed the pilots who flew out of Crissy Airfield. Approximately \$27.5 million in gross residential revenue from leasing of residences is expected in 2005.

New Tenants in the Park

The Richard and Rhoda Goldman Fund has rehabilitated and moved into Presidio Building 211, at the foot of the Main Parade. The Goldman Fund sponsors the annual Goldman Environmental Prize, as well as other cultural and environmental causes. "I am a native San Franciscan, and have many happy memories of playing on the Presidio as a child," said Mr. Goldman. "I have been involved



for years in preserving the park. When I heard that this building was available, I started the process to move my group here. It has been a wonderful decision for us.”

Buildings 86 and 87, adjacent wood pier-supported buildings that flank the Presidio’s two parade grounds, are being rehabilitated and prepared for new tenants. The two-story buildings, among the oldest on the Presidio, have approximately 8,000 and 9,000 square feet of space each. Constructed as barracks for Civil War troops in the 1860s, they are the last of a row of such barracks that once extended along the western edge of the parade ground up to what is today Sheridan Boulevard.

During restoration, as much of the original fabric of the historic buildings as possible will be retained. A glass elevator tower will connect the two buildings, provide a central entrance, and help assure accessibility. Leasing of the space for small offices will begin early in the new year.

The Bay School of San Francisco, an independent high school now in its second year at the Presidio, moved in August 2005 from temporary quarters in the park into its newly restored and permanent campus in Building 35, the largest historic building in the Main Post.

Building 35 was built in 1912 as a cavalry barracks, and converted into administrative offices in 1921. In 1941, it became the base of the Western Defense Command, where the Army coordinated defense of the West Coast during World War II.

“It took great vision to get us from our starting point founding a new school with no facilities, to a state-of-the-art campus based in a beautiful historic building located in a national park,” said Malcolm Manson, head of school. “We enjoyed being close enough to watch our building take shape as renovations proceeded. Now, we’re happily settled into a location which will be home to our school community for years to come.”

The Bay School of San Francisco moved into Building 35, its permanent home, in 2005. The new campus is located in the Main Post.



Left: Buildings 86 and 87 feature classic Civil War-era architecture, but will be attached by a glass elevator tower to add light and improve access.

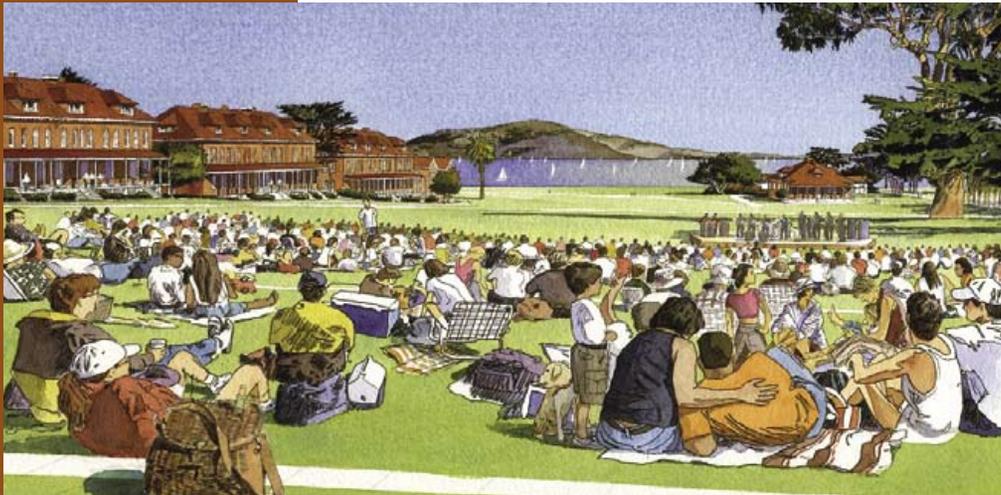


Revitalizing the Main Post

Planning for the Future of the Main Post

During the Presidio's more than 200 years as a military base, the Main Post served as its center of activity and ceremony. It was a place where enlisted men and officers lived, worked and socialized, and where the administrative functions of the post were carried out. At its heart was the Main Parade Ground, the open space core of the Presidio, where the artillery, cavalry, and military bands conducted drills, enlisted men played ball, and troops mustered for deployment. For many decades, the Main Parade has been used primarily for parking.

The Main Parade will be a green and open venue for public gathering and private enjoyment of the Main Post's history and beautiful views.



Today, the Trust is working on plans to landscape the Main Parade in a way that uncovers and honors its rich military history while creating an exciting civic space that befits its new role as one of the nation's great urban national park sites.

This past year, the Trust worked with the Olin Partnership of Philadelphia to complete a concept design that will bring new life to the Main Post and create a new focus for public activities at the Presidio.

The Main Parade will be a green, open space for the public to congregate – informally for picnics, walks, reading, reflection or simply enjoying the spectacular architecture and bay views framing the site – or formally for programmed special events such as performing arts, commemorative activities, or historical re-enactments. The eastern edge of the parade ground will be transformed into a pedestrian promenade, the Anza Esplanade, which will serve as the primary visitor corridor – a thoroughfare connecting a series of gardens, terraces, and active uses. The Esplanade will incorporate historic artifacts and interpretive elements that weave the story of the Presidio's evolution into the landscape – allowing visitors on the Esplanade to “walk through time.” Public uses located in the buildings framing the Main Parade will provide visitors with new ways to enjoy the Presidio, and activate this grand new open space. Designs for the Main Parade will be completed in the next year.





Performance and Accountability Report

Years Ending September 30, 2005 and 2004,
with Report of Independent Certified Public Accountants



Performance and Accountability Report

Years ended September 30, 2005 and 2004

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Management's Discussion and Analysis

MESSAGE FROM THE EXECUTIVE DIRECTOR

The Presidio Trust is achieving its mission of resource preservation and financial self-sufficiency. The fiscal year 2005 Annual Report illustrates our progress and demonstrates our commitment to both our financial mandate and our broad mission of building the Presidio into a great national park.

The Trust's financial systems conform to government-wide standards, and the financial and performance data provided in this report are reliable and complete. No material internal control weaknesses have been identified.

OVERVIEW

The Presidio Trust is the federal corporation created by Congress to preserve, protect, and enhance the Presidio of San Francisco, one of the nation's most beautiful and historically significant military posts, and to transform it into a national park that is economically self sustaining.¹

The Trust Act mandates that the Trust become independent of annual federal appropriations by the end of fiscal year 2012. The Trust finances park operations through a direct appropriation, rental revenue from both residential and non-residential property, reimbursable agreements with other governmental agencies, and fees for services. Federal appropriations are invested in projects that generate revenue with the

objective that over time earned revenue grows sufficiently to entirely replace federal appropriations.

The Trust began managing the Presidio in 1998, and after eight years has made significant progress rehabilitating the historic landscapes and buildings that distinguish the Presidio as a National Historic Landmark District, in preserving and enhancing the Presidio's natural beauty and native habitats, and in establishing a strong economic foundation.

In fiscal years 2004 and 2005, midway through the 15-year schedule of federal appropriations, the Trust earned sufficient revenue to cover its operating costs, allowing federal appropriations to be invested in revenue-generating projects and critical resource preservation. The Trust's success to date is a good indicator that the agency is making wise use of appropriations and effectively investing federal dollars in establishing a sound source of revenues to support the park in perpetuity.

The Presidio Trust Act directs the Trust to adhere to the general objectives of the 1994 *General Management Plan Amendment for the Presidio* (GMPA) developed by the National Park Service (NPS), and to abide by the Government Corporation Control Act. As an independent executive branch agency, the Trust is also accountable to the Office of Management and Budget (OMB) and the Government Accountability Office (GAO). The Trust is required to submit annual reports to Congress, as well as quarterly and annual financial reports to OMB and the Department of the Treasury.

¹ The Presidio Trust oversees the interior 1,100 acres of the Presidio, and the National Park Service manages the 300 coastal acres.

MISSION, GOALS, AND ORGANIZATIONAL STRUCTURE

Mission and Goals

The Presidio Trust's mission is to preserve and enhance the natural, cultural, scenic, and recreational resources of the Presidio for public use in perpetuity, while achieving long-term financial sustainability. Given the integration of financial and preservation goals, consideration of long-term environmental, community, and economic effects is essential to the Trust's decisions and undertakings. The Trust is creating a model of economic sustainability, an approach to park management that is appropriate and fitting for the Presidio. No other national park site is managed in quite this way.

In 2002 the Trust issued *The Presidio Trust Management Plan: Land Use Policies for Area B of the Presidio of San Francisco* (PTMP) which sets the framework for the Trust's operations. PTMP presents a vision for the Presidio as a park that is sustained by a diverse community whose everyday activity – living in the post's homes and working in its office buildings – is not only critical for its economic feasibility, but is also essential for preserving the Presidio's character.

In fiscal year 2005, the Trust developed a five-year strategic plan and identified four goals that are essential to achieving its mission.

1. Preserve and enhance the Presidio's rich historical, cultural, and natural resources

The Presidio is a National Historic Landmark District with 469 historic buildings, important archaeological resources, and diverse designed landscapes including a forest planted at the end of the 19th century. The Presidio landscape also features natural resources that are rare in an urban environment. Taken together, these resources and attributes are the reason that the Presidio is being preserved as a national park. During fiscal year 2005, the Trust undertook activities to safeguard and enhance these resources, bringing forth the Presidio's character as a park.

2. Generate revenue and develop philanthropy to support the preservation, enhancement, and operation of the Presidio as a national park

Congress intends that the Trust will generate sufficient revenue by rehabilitating and leasing the Presidio's buildings to support the ongoing operations of the park. In fiscal year 2005, the Trust invested approximately 85 percent of its capital to support revenue-generating projects. The Trust has made prudent investments in building rehabilitation, and negotiated agreements that realize the full economic benefit of each leasing opportunity, establishing a strong financial foundation for the park's future. The Trust has demonstrated that it will have the financial capacity to operate and maintain the Presidio in perpetuity for public use after federal appropriations cease.

3. Operate, maintain, and upgrade the Presidio's facilities and infrastructure in an efficient and sustainable manner to support the Presidio as a national park

The Presidio is a diverse landscape with nearly six million square feet of building space, 1,047 residential units, 40 miles of water distribution pipes, 20 miles of sewer pipes, and 30 miles of roads that interconnect with the surrounding city. It is akin to a small town and is a complex park to manage. The park's infrastructure and facilities must accommodate the needs of a growing community as well as visitors. Efficient operations and sustainable practices are critical to the Trust's ability to achieve its mission. In fiscal year 2005 the Trust undertook maintenance and infrastructure projects that support both revenue and park enhancement goals.

4. Encourage public use, understanding, and enjoyment of the Presidio

The Presidio was the oldest continuously operating military post in the nation. Its varied and beautiful landscape embodies an uninterrupted span of military history, reflecting the course of nationhood as it was played out in the everyday lives of the people who lived here. The Trust is creating opportunities for the public to explore the Presidio's history and its national significance, and to enjoy its many resources. In fiscal year 2005 the Trust offered programs, information, stewardship opportunities, and special events that engaged the broad public in the park's activities, history, and future.

Organizational Structure

The Presidio Trust was established as a wholly-owned corporation of the federal government. Authority is vested in a seven-member board of directors, six of whom are appointed by the President of the United States, and the seventh of whom is the Secretary of the Interior or the Secretary's designee. An executive director heads the Trust's management team, which includes the chief operating officer, chief financial officer, the general counsel, and the directors of human resources, planning, real estate, operations and maintenance, design and construction, cultural and natural resources, environmental remediation, and public affairs and programs.

Congress requires the Trust to be accountable for the "bottom line" and the Trust Act (Public Law 104-333) gives the Trust the flexibility to operate in the marketplace, make real-time decisions, and retain revenues to reinvest in the park.

FISCAL YEAR 2005 PERFORMANCE

In the course of fiscal year 2005, the Trust completed projects that advance its goals, and the Trust is proud of the wide range of its accomplishments. The *Fiscal Year 2005 Performance and Accountability Report* presents strategic goals and key fiscal year 2005 objectives and performance; where we have not achieved our objectives, an explanation is provided.

*Goal 1
Preserve and enhance the Presidio’s rich historical, cultural, and natural resources*

Historic Buildings

In fiscal year 2005, the Trust rehabilitated approximately 99,000 square feet of historic building space, and anticipates that it will meet its goal of rehabilitating nearly one million square feet of historic building space by fiscal year 2009.

Revitalizing the Main Post is a priority for the Trust as it undertakes redesign of the Main Parade and develops the Main Post. The largest historic building in the Main Post, building 35, was completed in fiscal year 2005. The former 1912 cavalry barracks building is now San Francisco’s newest independent high school. The Trust is continuing negotiations for leasing and rehabilitating three of the Montgomery Street Barracks, in addition to other historic buildings in the Main Post.

In early winter 2005, the Trust will complete rehabilitation of two Civil War-era barracks buildings that sit prominently on the Main

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
<p>Preserve the Presidio’s historic buildings through re-use; secure unoccupied historic buildings</p> <p>By FY 2009: Rehabilitate approximately 930,000 square feet of historic buildings for reuse</p>	<p>Rehabilitate bldg 35, two Civil War-era homes, and two Civil War-era barracks</p> <p>Rehabilitate four Montgomery Street Barracks</p>	<p>Bldg 35, bldgs 4 and 6 completed; bldgs 86/87 completed fall 2005</p> <p>Negotiations for three Montgomery Street Barracks are underway</p>	<p>The Trust is revitalizing the Main Post, and assessing building uses in tandem with design of the Main Parade; leasing the remaining Montgomery Street Barracks will be part of this larger effort</p>

Historic Buildings (continued)

Parade. The Trust is also continuing its program of rehabilitating its historic homes, completing 19 historic residential buildings in fiscal year 2005.

In addition to work in the Main Post, the Trust is rehabilitating and leasing buildings along West Crissy and at Public Health Service Hospital. The request for proposals for the ten buildings along West Crissy and the Cavalry Stables will remain open until uses that meet the Trust’s objectives are proposed and prove to be feasible. The Trust has been working with a master developer to rehabilitate the Public Health Service Hospital, the Presidio’s largest historic building. An economically feasible strategy for its re-use has not yet been defined. Due diligence and negotiations continue, with the objective of identifying a project in early spring 2006.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
	Rehabilitate two historic neighborhoods Continue negotiations for, the Presidio Theater, buildings along West Crissy, and the Public Health Service Hospital complex Preservation maintenance	Completed Kobbe; Pilots completed in fall 2005 Ongoing Stabilized nine historic buildings	The progress of these projects is contingent on the complexity of the building rehabilitation, the availability of outside capital, and the Trust’s need for long-term security

Historic Forest

In fiscal year 2005, the Trust reforested 3.4 acres of the historic forest in key historic stands. The Trust is actively managing approximately 14 acres of newly planted forest, and is on target to meet its goal of replanting approximately 15 acres of new trees by fiscal year 2009. Ongoing maintenance activities include hazard mitigation, such as pruning and removing hazardous and diseased trees.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Convert the even-aged historic forest to a healthier, more sustainable uneven-aged forest By FY 2009: Reforest 10-15 acres, approximately 10 percent of the acreage that is declining	Continue four reforestation projects and two pilot projects to develop disease-resistant pines, and to replace cypress with coast live oak	Ongoing; 3.4 acres have been reforested	

Designed Landscapes

In fiscal year 2005, the Trust re-landscaped approximately 14 acres of designed landscape.

The Trust has developed design drawings to revitalize the historic Main Parade as a grand civic open space.

The landscaping of the Main Parade will transform the Main Post, bringing both public activity and diverse private pursuits to the Main Post's historic buildings. The project is the cornerstone of the Trust's effort to develop philanthropy.

As part of the *Trails and Bikeways* plan, the Trust completed the first segment of a new promenade from the Lombard Gate, the Presidio's main entrance, to the Golden Gate Bridge, and will complete the remainder of the promenade in fiscal year 2006. As part of the plan to return the formal historic character to the entry corridor, the Trust also undertook plans to re-landscape two additional areas, one along Lombard Hill and the other along the Presidio Terrace neighborhood, both of which will be completed in fiscal year 2006.

The Presidio's historic neighborhoods are essential to the overall aesthetics and character of the park, and restoring the landscapes of historic residential neighborhoods is a key component of rehabilitating the Presidio's historic homes. Landscapes for the Storey and Kobbe Avenue areas were completed in fiscal year 2005 and Pilots' Row will be completed late fall 2005.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Restore historic character of designed landscapes By FY 2009: Rehabilitate 25-30 acres of the Presidio's designed landscapes; implement zone management plan for landscape maintenance	Undertake design for Main Parade as a grand civic open space	Design drawings are complete; construction drawings will be completed in FY 2006	Planning and design for the Main Parade project also comprehends uses for the buildings and other circulation and building use considerations throughout the Main Post
	Begin designs for Rob Hill Campground	Designs will be completed in fall 2005	
	Break ground on one scenic overlook	Immigrant Point completed	
	Restore historic character of Lombard/Lincoln entry and complete first phase of the Presidio Promenade	Phase one completed with further landscaping to continue in FY 2006	
	Improve landscape in three residential neighborhoods	Kobbe and Storey completed; Pilots' Row completed in fall 2005	
	Implement landscape zone management plan	The Trust has adopted a zone maintenance program	

Archaeological Resources

The Trust completed its archaeology management plan and a design study for a future archaeology center as it continued investigations of the original adobe structure of the Officers’ Club. The adobe walls date the building to the 1790s, identifying it as San Francisco’s oldest building. Investigations of the Officers’ Club are critical to establishing and dating the boundaries of El Presidio, the original Spanish encampment.

Archaeologists also monitored 126 dig sites, and processed 25,000 artifacts, cataloguing 2,000 of them. The Presidio Archaeology Lab provided 17 educational programs and engaged 1,100 hours of volunteer participation.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Further the understanding and preservation of the significant archaeological resources of the Presidio By FY 2009: Implement the archaeological management strategy for the El Presidio quadrangle	Monitor excavations	126 sites monitored	
	Inventory all artifacts	25,000 artifacts processed	
	Interpret significance of El Presidio	Ongoing	

Environmental Remediation

Landfill removal at Baker Beach sites 3 and 4 and Fill Site 6 was completed and restoration activities at these sites have begun. RAP 3, however, has been delayed as a result of comments from Cal-EPA that arrived nine months late. Draft corrective action plans were completed for three petroleum sites, and lead-in-soil abatement continued as part of the exterior cyclic maintenance program for residential buildings.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Remediate former Army landfills and petroleum sites By FY 2009: Complete 75 percent of the construction and obtain regulatory closure for 70 percent of the environmental remediation sites	Complete construction at Baker Beach 3 and 4, and at Fill Site 6; restoration has begun	Completed	All schedules are pending regulatory oversight
	Finalize RAP3	Delayed due to late comments from Cal-EPA	
	Completed draft corrective action plans (CAP) for three petroleum sites	CAPs for 1965, 1349, and 207/231 Area Sites are completed	

Natural Resources

The Natural Resources program continued restoration activities on more than 11 acres of diverse habitat and landscape, providing stewardship opportunities and engaging 21,000 hours of volunteer participation. The Presidio Native Plant Nursery grew 60,000 plants for restoration activities. The Natural Resources program also completed four wildlife studies including studies of meso-carnivores and bee diversity.

Planning continues for Tennessee Hollow, but the environmental assessment was not concluded in fiscal year 2005. Through the public process, it has become clear that the scope of the project needs to be refined and policies about recreational facilities in the watershed need to be developed before a preferred alternative can be identified.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Restore the natural processes of the Presidio; protect, rehabilitate, and enhance natural water sources By FY 2009: Revegetate 10 acres of native habitat; provide 75 percent of the native plants needed for restoration projects from the Presidio Nursery; contain the incursion of exotic species to 30 percent cover in rare and sensitive habitats; complete wildlife inventory; restore 3.2 acres of natural wetland and riparian habitat, and continue wetland protection and enhancement activities	Continue natural restoration of environmental remediation sites	Ongoing	
	Begin restoration of riparian/ wetland habitat; complete planning for Tennessee Hollow restoration	Fill Site 6, Dragonfly Creek; Tennessee Hollow planning not completed	The public process slowed the completion of planning for Tennessee Hollow
	Support Presidio Nursery; use Presidio-grown native plants in restoration projects	60,000 plants grown and used in restoration projects	
	Inventory and monitor Presidio wildlife	Four studies completed	

Goal 2

Generate revenue and develop philanthropy to support the preservation, enhancement, and operation of the Presidio as a national park

Leasing

The Trust's first major development project, the 850,000 square foot Letterman Digital Arts complex, was completed in spring 2005. The Trust also executed 16 non-residential leases, and leased 15 newly rehabilitated historic homes. In fiscal year 2005, the Trust exceeded its revenue goals for leasing, earning \$42.6 million.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Rehabilitate and lease the Presidio's residential and non-residential properties By FY 2009: Complete residential rehabilitation program, and increase residential revenues to \$29.3 million; complete LDA, PSHH, Main Post, and West Crissy, and increase non-residential revenue to \$25.6 million	Increase revenues to \$41 million	Exceeded goal, earning \$42.6 million in leasing revenue	

Special Events

The Trust manages a number of special event venues throughout the park and facilitates formal use of the park for active recreation and celebration. Fiscal year 2005 revenues from these activities were \$1.8 million.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Generate revenue through special uses of park venues By FY 2009: Increase annual special events revenues to \$2 million	Generate \$1.3 million	Exceeded goal, earning \$1.8 million	

Philanthropy

The Trust has entered into a partnership with the Golden Gate National Parks Conservancy to build philanthropic support for the Presidio. In May 2005, the Trust dedicated the Immigrant Point scenic overlook, which was funded philanthropically. Designs are underway for numerous park enhancements that will be funded by private donors, including trails and overlooks, the Main Parade, Rob Hill Campground, and Tennessee Hollow.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Develop Philanthropy for park enhancements By FY 2009: Raise \$25-30 million for park enhancements	Undertake organizational development; complete project designs	Entered into partnership with the Golden Gate Parks Conservancy; designs for projects are in process	The Golden Gate Parks Conservancy and the Trust are engaged in feasibility studies and in building internal capacity to launch a philanthropic campaign

Goal 3

Operate, maintain, and upgrade the Presidio's facilities and infrastructure in an efficient and sustainable manner to support the Presidio as a national park

Safety

Although the Trust reduced the number of lost-time incidents in fiscal year 2005 by 18 percent, worker's compensation payments increased by 5.5 percent from fiscal year 2004. One-time payments accounted for approximately 45 percent of the total worker's compensation for fiscal year 2005, and the Trust's expects to see a significant drop in payments in fiscal year 2006. The Trust has established a safety committee to review the nature of safety incidents, to investigate claims, and to create safety incentives.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Maintain a safe workplace and increase productivity By FY 2009: Exceed OSHA injury/illness reduction goal of three percent per year, and reduce lost-work days by 50 percent each year to achieve a rate that is less than the average for comparable federal agencies	Reduce lost-work days by 50 percent	Reduced lost-work days by 18 percent	Light duty policy was not implemented until mid-year; reductions in lost-work days were seen subsequently

Transportation

The Trust implemented plans to regulate and charge for parking in four residential areas. The Trust did not complete construction of a transit center, but redesigned the facility to reduce costs and improve its use. The Trust completed site improvements for a transit center in the center of the Presidio's Main Post. Bus traffic has been rerouted to the new site and construction of the associated building was contracted in fiscal year 2005 with construction beginning in November 2005.

The Trust also successfully re-routed its internal shuttle to provide downtown service for Presidio residents and commercial tenants. The number of riders has exceeded expectations and the Trust will look for ways to expand service.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Minimize vehicular traffic in the park and encourage alternative means of transportation	Expand residential permit parking program to five additional neighborhoods	Four residential areas permitted	Insufficient budget for five areas
By FY 2009: Implement transportation management program to reduce automobile use in the park so that at least 35 percent of work-based trips are by means other than single-occupancy vehicles	Begin non-residential parking management program	Not implemented	Deferred until there is a need
	Construct a transit hub in the Main Post	Contracted in FY 2005, construction will be completed in FY 2006	Construction costs were higher than expected; the Trust redesigned the facility
	Expand the PresidiGo shuttle service to downtown	Implemented	
		Transit surveys indicate that the Trust is on target to meet its five-year goal	

Infrastructure, and Roads and Grounds

Due to significant increases in construction costs, the Trust has decided to complete the recycled water treatment plant in phases over the next several years. The first phase is to install underground piping, which will be completed in fiscal year 2006. The treatment plant will be the Trust's largest infrastructure project.

Utilities were upgraded and undergrounded in three residential neighborhoods, both improving the aesthetic quality of these areas of the park and reducing future maintenance costs. A new utilities backbone was constructed behind the Montgomery Street barracks buildings in anticipation of leasing activity in these important historic buildings.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Improve operational efficiency; upgrade the Presidio's infrastructure to meet needs of building occupancy and public use of the park	Upgrade utilities in residential areas; upgrade utilities in Main Post and at Crissy Field	Ongoing	Utility upgrades are carried out in anticipation of leasing and building upgrades; common area improvements are assessed annually and priorities are established according to availability of funding
	Begin billing tenants for utilities	Implemented where feasible	
	Upgrade intersections, and implement traffic calming	Ongoing	
	Meet ADA regulations	Ongoing	The Trust has begun a program of ADA improvements and has surveyed its public buildings, implementing upgrades in FY 2006, and each subsequent year

Buildings and Facilities Maintenance

In 2005, the Trust began its cyclic maintenance program for residential buildings, addressing exterior paint, roofs, and deferred maintenance on approximately 10 percent of the park’s residential building exteriors.

The Trust succeeded in holding its residential turnover rate to below 30 percent. Not only did this reduce the costs normally associated with vacancies, it contributed significantly to higher-than-anticipated residential revenue. Furthermore, the Trust reduced the time required to get a unit back on the market by 30 percent.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
<p>Effectively manage corrective and cyclic maintenance of occupied buildings; maintain residential properties in support of Trust leasing</p> <p>By FY 2009: Implement cyclic maintenance program and re-roof, paint, and address deferred maintenance as practical for 60 percent of the Presidio’s occupied residential units; complete standard “turns” of vacated residential units in an average of 15 days</p>	<p>Perform cyclic maintenance on roof and exterior paint in 15 percent of occupied residential units</p> <p>Achieve incremental time improvements for “turning” vacated residential units</p>	<p>Completed cyclic maintenance on one neighborhood and began a second, reflecting approximately 10 percent of the residential areas</p> <p>Reduced time by 30 percent</p>	<p>Insufficient budget for 15 percent, but will still meet target of 60 percent by FY 2009 because the scope in each area is variable</p>

Goal 4

Encourage public use, understanding, and enjoyment of the Presidio

Public Enjoyment, Participation, and Orientation

The Trust sponsored or co-sponsored 47 special events, including a major photography exhibition that drew more than 25,000 people. The Trust estimates that 180,000 visitors participated in events at the Presidio in fiscal year 2005.

Volunteers contributed more than 27,500 hours to activities as diverse as habitat restoration and cultural program support.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
<p>Provide opportunities to enjoy and understand the Presidio's history and resources; provide opportunities for park stewardship and program participation</p> <p>By FY 2009: Increase participation in educational and cultural programs, special events, festivals, and tours by 50 percent, from 150,000 per year to 225, 000; increase volunteer participation in park programs by 25 percent</p>	<p>Produce 40 special events</p> <p>Increase volunteer participation; approximately 20,000 hours in FY 2004</p> <p>Undertake comprehensive wayside program</p>	<p>Produced 47 events; 180,000 visitors, a 20 percent increase over FY 2004</p> <p>Volunteers contributed more than 27,500 hours, an increase of approximately 30 percent</p> <p>Deferred until FY 2006 to coincide with Main Parade design</p>	<p>Wayside program will be designed and implemented in tandem with the Main Parade design and completion of the Presidio Promenade</p>

Public Information

The Trust conducted 20 public meetings that ranged in topics from environmental remediation to design concepts for open space projects; upgraded and maintained its website; and published five issues of its newsletter. In fiscal year 2006, the Trust newsletter will become a quarterly.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
<p>Provide current information and opportunities for public discussion and comment</p> <p>By FY 2009: Publish a minimum of six newsletters annually; operate and maintain library and website, making public information widely available in a timely manner; conduct a minimum of two public board meetings and four public meetings annually</p>	<p>Publish six to eight newsletters; provide project updates; operate and maintain library; keep website current; conduct a minimum of four public meetings and two public board meetings a year</p>	<p>Five newsletters were published</p> <p>20 public meetings</p> <p>Activities are ongoing</p>	<p>Not sufficient need for an additional issue. The Trust also made more use of the local media to promote events and to distribute information. The Trust is moving to a quarterly newsletter format and is holding quarterly public workshops</p>

Recreation

The Trust is developing designs for trails and overlooks, a system of trail signage, and trail maps and interpretive guides. In fiscal year 2005 the Trust completed construction of a scenic overlook, completed the first segment of the Presidio Promenade, published a new trail guide, and will complete designs for Rob Hill Campground in fall 2005. The Trust also operates and maintains picnic grounds, ball fields, and facilitates special uses of the park for recreation and leisure.

STRATEGIC OBJECTIVE	FY 2005 OBJECTIVE	FY 2005 PERFORMANCE	EXPLANATION
Improve and increase recreational opportunities; survey use and visitor satisfaction	Begin implementation of <i>Presidio Trails and Bikeways Plan</i>	Phase I of the Presidio Promenade is completed; trail designs continue	
By FY 2009: Complete construction of 24 miles of new or rehabilitated trails and four scenic overlooks; complete rehabilitation of Rob Hill Campground	Publish <i>Presidio Trails</i> guide	Completed	
	Construct the Presidio's second scenic overlook	Immigrant Point completed with philanthropic funds	
	Design Rob Hill Campground improvements	Design to be completed in fall 2005	

FINANCIAL RESOURCES AND RESULTS OF OPERATIONS

The accompanying financial statements summarize the Trust's financial position, show the net cost of operations and changes in net position, provide information on budgetary resources and financing, and present the sources of revenues and expenditures during fiscal years 2005 and 2004. Highlights of the financial information presented in the financial statements are shown below.

Financial Position

This statement is designed to show the Trust's position as of September 30, 2005 and in comparison to its position a year earlier.

The Trust's total assets were \$256.55 million and \$233.67 million at the end of fiscal years 2005 and 2004, respectively. This growth of \$22.88 million in assets is primarily the result of the Trust's investment in property, plant and equipment, which grew in net value by \$22.25 million during the year. Of the fiscal year 2005 total assets, \$108.36 million consisted of investments in U.S. Treasury securities through the Bureau of the Public Debt.

There was \$119.67 million and \$129.44 million in liabilities at the end of fiscal years 2005 and 2004 respectively. Fiscal year 2005 liabilities include \$49.98 million in debt to the U.S. Treasury. Payments on this debt are for interest only until 2015, and the debt is to be repaid in full by 2029. Fiscal year 2005 liabilities also include advances of \$51.57 million from the Army for environmental remediation. This liability declined by \$9.72 million during the year as remediation work was completed at the Presidio.

The Trust's net position was \$136.89 million at the end of fiscal year 2005, and \$104.23 million at the end of fiscal year 2004, an improvement in net position during the year of \$32.66 million.

Net Cost of Operations

This statement is intended to report net costs of the Trust as a component unit of the federal government and the net cost to the public. It demonstrates that the Trust generated net resources of \$11.89 million during fiscal year 2005 for future investment in the Presidio.

The gross operating costs of \$59.47 million and \$64.22 million, for fiscal years 2005 and 2004, are shown on the Statements of Net Cost. These gross operating costs consist of intragovernmental costs of \$12.62 million and \$16.14 million, and costs incurred with the public of \$37.14 million and \$39.25 million for the Presidio Trust General Program during fiscal years 2005 and 2004. For the Environmental Remediation program the intragovernmental costs were \$0.36 million and \$0.34 million, and the gross costs with the public were \$9.35 million and \$8.49 million during fiscal years 2005 and 2004. These costs were reduced by \$71.36 million and \$63.96 million of earned revenues to arrive at net cost of operations of \$(11.89) million in fiscal year 2005 and \$0.26 million in fiscal year 2004. For the Presidio Trust General Program the intragovernmental earned revenues were \$3.51 million and \$3.80 million, and the revenues earned from the public were \$56.26 million and \$50.45 million for fiscal years 2005 and 2004. For the Environmental Remediation Program all revenues are considered intragovernmental. For fiscal years 2005 and 2004, those revenues were \$11.60 million and \$9.71 million.

Financing Sources Other Than Earned Revenues

Financing sources other than earned revenues funded the Trust's net cost of operations. The Trust reported \$20.76 million and \$21.52 million of other financing sources on the Statement of Changes in Net Position for fiscal years 2005 and 2004. This consisted primarily of appropriations used.

Budgetary Resources

The Trust follows federal accounting standards. This statement reports on the Trust's budgetary resources, the extent to which obligations exist as claims on those resources, and the relationship of those obligations to outlays.

The Trust's budgetary resources were \$169.21 million in fiscal year 2005 and \$171.23 million in 2004. For fiscal years 2005 and 2004, this consisted of \$20.00 million, less a rescission of \$0.28 million, and \$20.70 million, less a rescission of \$0.13 in appropriated funds, \$89.54 million and \$99.82 million in unobligated funds, and \$68.70 million and \$57.71 million in collections. Obligations incurred against these resources were \$87.19 million for fiscal year 2005 and \$81.69 million for 2004. Unobligated balances at the end of fiscal years 2005 and 2004 were \$82.02 million and \$89.54 million. This unobligated balance is due primarily to the advance of funds from the Army for environmental remediation, and funds reserved for major projects that cross the fiscal year.

LIMITATIONS OF THE FINANCIAL STATEMENTS

The Trust has prepared its financial statements to report its financial position and results of operation. These financial statements have been prepared from the Trust's general ledger and subsidiary reports in accordance with the formats prescribed by the Office of Management and Budget. These statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records. These statements should be read in view of the fact that the Trust is a component of the U.S. government, and therefore, liabilities cannot be liquidated without authorizing legislation.

The accuracy of the information contained in the principal financial statements and the quality of internal controls rests with management. Management is confident that sufficient segregation of duties and other internal controls exist so that the financial statements are reliable and complete.

The financial statements of the Trust have been reviewed by Grant Thornton, an independent public accounting firm. Their report, which accompanies our financial statements, is found herein.

Report of Independent Certified Public Accountants

Grant Thornton 

Accountants and Business Advisors

Report of Independent Certified Public Accountants

To the Board of Directors of
The Presidio Trust

We have audited the accompanying balance sheets of the Presidio Trust (the Trust) as of September 30, 2005 and 2004, the related statements of net cost, changes in net position, budgetary resources and financing for the years then ended. These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraphs, we conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements*. These standards and requirements require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

On July 1, 1998, the Trust assumed jurisdiction over approximately 1,100 acres of federal land and over 800 buildings from the National Park Service. The United States Army previously administered the property. Many of the structures are greater than 40 years old and pursuant to Trust depreciation policies were fully depreciated at the date of transfer. Statement of Federal Financial Accounting Standards (SFFAS) No. 6 – *Accounting for Property, Plant and Equipment (PPE)* – requires PPE to be recognized when title passes to the entity. Additionally, SFFAS No. 6 requires that the cost of

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general PPE transferred from other federal entities be the cost recorded by the transferring entity, net of accumulated depreciation; if such amounts cannot be reasonably ascertained, the cost of the PPE is to be its fair value at the time transferred.

As discussed in Note 7 to the Financial Statements, because of the lack of available information from the National Park Service and the United States Army, the Trust valued buildings less than 40 years old by using appropriate construction industry indices, less an accumulated depreciation adjustment to ascertain net asset value at the date of the Trust's formation. However, improvements made to buildings over 40 years old and land improvements have been valued at zero net book value but may still have a net cost value. Under SFFAS No. 6, the Trust should have recorded these improvements at fair value. Estimating the values of these improvements would have been a process that the Trust considers to be lengthy, cost prohibitive, and which would have resulted in information that is meaningless to the users of the Trust's financial statements. We were unable to satisfy ourselves as to the estimate of the carrying amount for these assets.

In our opinion, except for the effects of adjustments to the financial statements, if any, that might have been determined to be necessary had we been able to examine evidence supporting the recorded balances of certain improvements within the property, plant and equipment accounts, the financial statements referred to above present fairly, in all material respects, the financial position of the Trust as of September 30, 2005 and 2004, and its net costs, its changes in net position, budgetary resources, and financing for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of expressing an opinion on the financial statements referred to in the first paragraph. The information presented in the Management's Discussion and Analysis and the information presented in the Required Supplementary Information is not a required part of the Trust's financial statements, but is considered supplementary information, as applicable. Such information has not been subjected to the auditing procedures applied in the audits of the financial statements, and accordingly, we express no opinion on it.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 10, 2005, on our consideration of the Trust's internal control over financial reporting and on our tests of its compliance with applicable laws, regulations, contracts, and grant agreements and other matters. The purpose of those reports are to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audits.



November 10, 2005
San Francisco, California

Financial Statements

BALANCE SHEETS

	SEPTEMBER 30,	
	2005	2004
ASSETS		
Entity Assets		
Intragovernmental Assets		
Fund Balance with Treasury [NOTE 2]	\$ 5,075,179	\$ 5,063,178
Investments [NOTE 4]	108,361,219	110,859,708
Accounts Receivable, Net [NOTE 5]	2,283,377	225,253
	<u>115,719,775</u>	<u>116,148,139</u>
Cash and Other Monetary Assets [NOTE 3]	500	503
Accounts Receivable, Net [NOTE 5]	1,369,767	1,995,462
General Property, Plant, and Equipment, Net [NOTE 7]	125,795,072	103,540,099
Other Assets		
Government Improvement Accounts [NOTE 8]	432,384	423,194
Prepayments [NOTE 8]	750,384	664,656
Deferred Rent Receivable [NOTE 8]	12,485,319	10,896,105
	<u>140,833,426</u>	<u>117,520,020</u>
TOTAL ASSETS	\$ 256,553,201	\$ 233,668,159
LIABILITIES		
Intragovernmental Liabilities		
Accounts Payable	\$ 61,356	\$ 2,650,178
Debt [NOTE 9]	49,978,000	49,978,000
Other Liabilities		
Employer Contributions Payable [NOTE 11]	153,892	128,982
Other Post Employment Benefits Payable [NOTE 11]	1,566,172	1,454,242
Unearned Revenue [NOTE 11]	1,791,000	0
Prepaid Rents [NOTE 11]	10,250	0
FECA Actuarial Liability [NOTE 11]	35,135	0
	<u>53,595,805</u>	<u>54,211,402</u>
Accounts Payable	6,293,951	5,378,681
Other Liabilities		
Environmental Remediation Advance [NOTE 10]	51,572,380	61,294,807
Capital Lease Liability [NOTE 13]	25,217	54,305
Security Deposits [NOTE 11]	3,123,658	3,107,083
Unearned Revenue [NOTE 11]	1,257,765	1,307,886
Payroll Payable [NOTE 11]	949,266	859,048
Annual Leave Liability [NOTE 12]	1,764,429	1,678,344
Unfunded Accounts Payable [NOTE 12]	99,583	63,954
Prepaid Rents [NOTE 11]	984,515	1,479,622
	<u>66,070,764</u>	<u>75,223,731</u>
TOTAL LIABILITIES	119,666,569	129,435,133
NET POSITION		
Balances		
Unexpended Appropriation	0	0
Cumulative Results of Operations	136,886,632	104,233,026
TOTAL NET POSITION	136,886,632	104,233,026
TOTAL LIABILITIES & NET POSITION	\$ 256,553,201	\$ 233,668,159

The accompanying notes are an integral part of these statements.

STATEMENTS OF NET COST

	FOR THE YEARS ENDED SEPTEMBER 30,	
	2005	2004
PROGRAM COSTS		
Presidio Trust – General Program		
Intragovernmental Gross Costs [NOTE 19]	\$ 12,618,438	\$ 16,137,176
Less: Intragovernmental Earned Revenues [NOTE 19]	3,508,150	3,797,427
Intragovernmental Net Costs	9,110,288	12,339,748
Gross Cost with the Public	37,138,579	39,253,861
Less: Earned Revenues	56,256,934	50,450,137
Net Costs with the Public	(19,118,355)	(11,196,276)
OTHER PROGRAMS		
Environmental Remediation		
Intragovernmental Gross Costs [NOTE 19]	\$358,385	\$337,339
Less: Intragovernmental Earned Revenues [NOTE 19]	11,597,259	9,710,661
Intragovernmental Net Costs	(11,238,874)	(9,373,321)
Gross Cost with the Public	9,353,987	8,492,132
Less: Earned Revenues	0	0
Net Costs with the Public	9,353,987	8,492,132
NET COST OF OPERATIONS	\$ (11,892,954)	\$ 262,283

The accompanying notes are an integral part of these statements.

STATEMENTS OF CHANGES
IN NET POSITION

	FOR THE YEARS ENDED SEPTEMBER 30,			
	2005		2004	
	Cumulative Results of Operations	Unexpended Appropriations	Cumulative Results of Operations	Unexpended Appropriations
Beginning Balances	\$ 104,233,026	\$ 0	\$ 82,973,885	\$ 0
Budgetary Financing Sources				
Appropriations Received		20,000,00		20,700,000
Other Adjustments (rescissions, etc.) (+/-)		(278,000)		(133,722)
Appropriations Used	19,722,000	(19,722,000)	20,566,278	(20,566,278)
Other Financing Sources				
Imputed Financing from Costs Absorbed by Others	1,038,652		955,146	
Total Financing Sources	20,760,652	0	21,521,424	0
Net Cost of Operations	(11,892,954)		262,283	
ENDING BALANCES	\$ 136,886,632	\$ 0	\$ 104,233,026	\$ 0

The accompanying notes are an integral part of these statements.

**STATEMENTS OF
BUDGETARY RESOURCES**

	FOR THE YEARS ENDED SEPTEMBER 30,	
	2005	2004
BUDGETARY RESOURCES		
Budget Authority – Appropriations Received	\$ 20,000,000	\$ 20,700,000
Unobligated Balance – Beginning of Period	89,536,124	99,816,304
Spending Authority from Offsetting Collections		
Collected	68,702,025	57,713,538
Receivable from Federal Sources	1,464,487	417,655
Change in Unfilled Customer Orders		
Advance Received	(10,212,176)	(7,284,814)
	59,954,336	50,846,379
Permanently Not Available	278,000	133,722
TOTAL BUDGETARY RESOURCES	\$ 169,212,460	\$ 171,228,961
STATUS OF BUDGETARY RESOURCES		
Obligations Incurred		
Reimbursable	\$ 87,192,134	\$ 81,692,837
Unobligated Balances – Available		
Apportioned	82,020,326	89,536,124
TOTAL STATUS OF BUDGETARY RESOURCES	\$ 169,212,460	\$ 171,228,961
RELATIONSHIP OF OBLIGATIONS TO OUTLAYS		
Obligated Balance, Net, Beginning of Period	\$ 26,383,055	\$ 27,526,237
Obligated Balance, Net, End of Period		
Accounts Receivable	3,602,279	2,137,793
Undelivered Orders [NOTE 16]	25,986,494	18,049,716
Accounts Payable	9,024,637	10,471,131
OUTLAYS		
Disbursements	80,701,850	82,418,364
Collections	58,489,851	50,428,724
	22,211,999	31,989,640
Less: Offsetting Receipts	(3,216,318)	2,696,378
NET OUTLAYS	\$ 25,428,317	\$ 29,293,262

The accompanying notes are an integral part of these statements.

STATEMENTS OF FINANCING

	FOR THE YEARS ENDED SEPTEMBER 30,	
	2005	2004
RESOURCES USED TO FINANCE ACTIVITIES		
Budgetary Resources Obligated		
Obligations Incurred	\$ 87,192,134	\$ 81,692,837
Less: Spending Authority from Offsetting Collections and Recoveries	59,954,336	50,846,379
Obligations Net of Offsetting Collections and Recoveries	27,237,798	30,846,458
Less: Offsetting Receipts	(3,216,318)	2,696,378
Net Obligations	30,454,116	28,150,080
Other Resources		
Transfers in/out Without Reimbursement	0	0
Imputed Financing from Costs Absorbed by Others	1,038,652	955,146
Net Other Resources Used to Finance Activities	1,038,652	955,146
Total Resources Used to Finance Activities	31,492,768	29,105,226
RESOURCES USED TO FINANCE ITEMS NOT PART OF THE NET COST OF OPERATIONS		
Change in Budgetary Resources Obligated for Goods, Services, and Benefits Not Yet Provided	(18,148,954)	(7,123,265)
Resources that Fund Expenses Recognized in Prior Periods	(29,089)	(2,546,540)
Other	(4,405,536)	(3,130,653)
Resources that Finance the Acquisition of Assets	(27,129,363)	(22,553,279)
Other Resources or Adjustments to Net Obligated Resources that Do Not Affect the Net Cost of Operations	(1,589,214)	(4,648,853)
Total Resources Used to Fund Items Not Part of the Net Cost of Operations	(51,302,156)	(40,002,590)
Total Resources Used to Finance the Net Cost of Operations	(19,809,388)	(10,897,364)
COMPONENTS OF THE NET COST OF OPERATIONS THAT WILL NOT REQUIRE OR GENERATE RESOURCES IN THE CURRENT PERIOD		
Components Requiring or Generating Resources in Future Periods		
Increase in Annual Leave Liability	86,085	221,836
Increase in Exchange Revenue Receivable from the Public	40,938	11,654
Other	1,624,710	4,648,853
Total Components of Net Cost of Operations that will Require or Generate Resources in Future Periods [NOTE 17]	1,751,733	4,882,343
Components Not Requiring or Generating Resources		
Depreciation and Amortization	4,906,168	4,447,263
Other	1,258,533	1,830,041
Total Components Not Requiring or Generating Resources	6,164,701	6,277,304
NET COST OF OPERATIONS	\$ (11,892,954)	\$ 262,283

The accompanying notes are an integral part of these statements.

Notes to the Financial Statements

September 30, 2005 and 2004

1. THE PRESIDIO TRUST AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Presidio Trust

The Presidio Trust (the Trust), an executive agency, is a wholly-owned government corporation established by Congress in 1996 through enactment of the Presidio Trust Act (P.L. 104-333). The Trust's mission is to:

- preserve and enhance the Presidio as part of the national park system
- achieve financial self-sufficiency by Fiscal Year 2013.

The Trust is guided by the Presidio Trust Act to operate in accordance with general objectives of the 1994 General Management Plan Amendment for the Presidio and the Government Corporation Control Act. The Trust is overseen by a seven member board of directors including a designee from the Department of Interior (DOI) and six individuals from the private sector.

It currently finances operations through appropriations, which will decrease over the next seven years, borrowings from the U.S. Treasury for the renovation of properties, reimbursable agreements with other government agencies, and rental leases for both residential and non-residential property. If the Trust fails to achieve self-sufficiency by Fiscal Year 2013, the net assets will be transferred to the General Services Administration for disposition.

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

The Accounting Standards

The financial statements have been prepared to report the financial position and results of operations of the Trust. The financial statements were prepared from the Trust's accounting records in accordance with accounting principles generally accepted in the United States of America (GAAP), and the form and content specified by the Office of Management and Budget (OMB) in OMB Circular A-136.

GAAP for federal entities is the standard prescribed by the Federal Accounting Standards Advisory Board (FASAB), designated by the American Institute of Certified Public Accountants (AICPA) as the official accounting standards setting body of the federal government. These financial statements are two year comparatives.

Basis of Accounting

The Trust accounts for its assets, liabilities, net position, revenues, expenses, and other financing sources in accordance with the requirements of the U.S. Government Standard General Ledger (SGL). Use of sub-accounts allows transactions to be recorded at a more detailed level and provide relevant management information.

While the financial statements are on an accrual basis, underlying transactions are recorded using both the accrual basis of accounting and a budgetary basis of accounting. Under the accrual method, expenses are recognized when resources are consumed, without regard to the payment of cash. Under the budgetary method, expenditures are recognized when the purchase order is issued. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds.

Balance Sheets

The balance sheets present amounts of future economic benefits owned or managed by the Trust (assets), amounts owed (liabilities), and amounts that comprise the difference (net position). The major components are described below.

ASSETS include assets that the Trust holds and has the authority to use in its operations.

LIABILITIES represent amounts owed by the Trust as the result of transactions that have occurred.

INTRAGOVERNMENTAL LIABILITIES are claims against the Trust by other federal entities.

NET POSITION contains the following components:

Unexpended Appropriations include the portion of the Trust's appropriations represented by undelivered orders and unobligated balances.

Cumulative Results of Operations represent the net results of operations since the inception of the Trust.

Statements of Net Cost

The Statements of Net Cost show the components of the net cost of the Trust's operations for the periods presented.

Program Costs represent the gross costs or expenses incurred by the Trust for each program activity.

Earned Revenues or exchange revenues arise when a Government entity provides goods and services to the public or to another Government entity for a fee.

Net Cost is the difference between the program's gross costs and its related exchange revenues.

Statements of Changes in Net Position

The Statement of Changes in Net Position reports the change in net position and is affected by changes in Cumulative Results of Operations and Unexpended appropriations. Major components are described below.

Budgetary Financing Sources are non-exchange revenues that include appropriations, transfers of assets from other Government entities, donations, and imputed financing.

Other Financing Sources do not represent budgetary resources and include imputed financing from costs absorbed by others, including financing of certain costs by one federal entity on behalf of another federal entity.

Statements of Budgetary Resources

The Statements of Budgetary Resources provide information about the availability of budgetary resources as well as their status at the end of the year. Major components are described below.

Budgetary Resources represents the total resources available through appropriations, direct spending authority, obligation limitations, and unobligated balances at the beginning of the period or transferred in during the period, spending authority from offsetting collections, and any adjustments to budgetary authority.

Status of Budgetary Resources represents resources as obligated and unobligated. Obligated amounts are no longer available and unobligated balances remain available to the Trust.

Statements of Financing

The Statements of Financing are a reconciliation of the preceding statements. Accrual basis accounting standards used in the Statements of Net Cost, Statements of Changes in Net Position, and Balance Sheets differ from the budgetary basis used in the Statement of

Budgetary Resources, especially in the treatment of liabilities. A liability not covered by budgetary resources may not be recorded as a funded liability in the budgetary accounts of the Trust's general ledger, which supports the Statement of Budgetary Resources. Liabilities are considered "funded" for purposes of the Balance Sheets, Statements of Net Cost and Statements of Changes in Net Position. Offsetting receipts represent collections in relationship to actual budgetary authority. In Fiscal Year 2005 there was an excess of cash collections that matched authority created in a previous period.

Use of Estimates in Preparing Financial Statements

Preparation of financial statements in accordance with generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Revenue Recognition

Rental revenue is recognized using the straight-line method over the term of the lease. Any amounts deferred that are not payable by the lessee until future years are included in deferred rent receivable. Deferred rent receivable is included in other assets [NOTE 8].

Intragovernmental Relationships and Transactions

In the course of its operations, the Trust has relationships and financial transactions with numerous federal agencies.

Department of Interior (DOI)

An interagency agreement exists between the Trust and the DOI for the DOI to provide payroll services. Additional interagency agreements between the Trust and the National Park Service and U.S. Park Police cover fire and police services provided by DOI to the Trust as well as rent and utility services provided by the Trust to DOI.

Department of the Treasury (Treasury)

All banking activities are conducted in accordance with the directives issued by the Department of the Treasury – Financial Management Service (FMS). Trust investments in non-marketable U.S. Treasury securities are traded through and held in book entry form at the Department of the Treasury – Bureau of the Public Debt.

2. FUND BALANCE WITH TREASURY

Fund Balance with Treasury by fund type as of September 30, 2005 and September 30, 2004 consists of the following:

<i>Fund Balance with Treasury by Fund Type</i>		
	<i>FY 2005</i>	<i>FY 2004</i>
Revolving Funds	\$ 5,075,179	\$ 5,063,178

Status of Fund Balance with Treasury on September 30, 2005 and September 30, 2004 consists of the following:

<i>Status of Fund Balance with Treasury</i>		
	<i>FY 2005</i>	<i>FY 2004</i>
Unobligated – Available	\$ 5,075,179	\$ 5,063,178
Unobligated – Unavailable	0	0

3. CASH AND OTHER MONETARY ASSETS

The Trust does not maintain a petty cash fund or any bank accounts. The residential property management company under contract with the Trust maintains a petty cash account. The balance in this account as of September 30, 2005 and 2004 was \$500 and \$503, respectively.

4. INVESTMENTS

The Trust is required by Public Law 104-333 to invest excess cash only in non-marketable Treasury securities issued by the Bureau of Public Debt (BPD). For non-marketable/market based securities the market value approximates the net value at both September 30, 2005 and 2004.

Investments as of September 30, 2005:

INTRAGOVERNMENTAL SECURITIES

	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Cost/Par Value</i>	<i>Unamortized Discount</i>	<i>Net Value</i>
Non-marketable/Market Based	10/03/05	3.46%	\$ 75,110,000	\$ 0	\$ 75,110,000
Non-marketable/Market Based	09/30/29	5.52%	2,978,000	0	2,978,000
Non-marketable/Market Based	09/30/29	6.12%	30,266,000	0	30,266,000
			108,354,000	0	108,354,000
Interest Receivable			7,219	0	7,219
TOTAL INVESTMENTS			\$ 108,361,219	\$ 0	\$ 108,361,219

Both the investments with a September 30, 2029 maturity date are investments of the proceeds from Trust borrowings from the Treasury [SEE NOTE 9]. The BPD invests these proceeds until the Trust needs access to the cash. The Trust was owed \$7,219 of interest on the investments as of September 30, 2005. This amount was paid in full to the Trust by the BPD on October 3, 2005.

Investments as of September 30, 2004:

INTRAGOVERNMENTAL SECURITIES

	<i>Maturity Date</i>	<i>Interest Rate</i>	<i>Cost/Par Value</i>	<i>Unamortized Discount</i>	<i>Net Value</i>
Non-marketable/Market Based	10/01/04	0.95%	\$ 77,612,000	\$ 0	\$ 77,612,000
Non-marketable/Market Based	09/30/29	5.52%	2,978,000	0	2,978,000
Non-marketable/Market Based	09/30/29	6.12%	30,266,000	0	30,266,000
			110,856,000	0	110,856,000
Interest Receivable			3,708	0	3,708
TOTAL INVESTMENTS			\$ 110,859,708	\$ 0	\$ 110,859,708

The Trust was owed \$3,708 of interest on the investments as of September 30, 2004. This amount was paid in full to the Trust by the BPD on October 1, 2004.

5. ACCOUNTS RECEIVABLE, NET

Accounts receivable as of September 30, 2005, is comprised of the following:

	<i>Government</i>	<i>Non-Government</i>	<i>Total</i>
Gross Accounts Receivable	\$ 2,283,377	\$ 1,565,883	\$ 3,849,260
Less Allowance for Uncollectible Accounts	0	(196,116)	(196,116)
NET ACCOUNTS RECEIVABLE AT SEPTEMBER 30, 2005	\$ 2,283,377	\$ 1,369,767	\$ 3,653,144

Receivables consist of amounts due from rental properties, utilities, venue rentals, reimbursable contracts, and servicedistrict charges. The Trust's methodology for calculating an allowance for uncollectible accounts is as follows:

As a federal agency, the Trust has the full force of the United States government to facilitate collecting past due amounts. In addition, the Trust reviews accounts over 90 days past due; the Trust identifies collectable accounts and does not record any bad debt expense for these accounts. For the remaining receivables over 90 days old, the Trust reserves 75% of the balance as allowance for uncollectible accounts.

Accounts receivable at September 30, 2004 is comprised of the following:

	<i>Government</i>	<i>Non-Government</i>	<i>Total</i>
Gross Accounts Receivable	\$ 225,253	\$ 2,122,094	\$ 2,347,347
Less Allowance for Uncollectible Accounts	0	(126,632)	(126,632)
NET ACCOUNTS RECEIVABLE AT SEPTEMBER 30, 2004	\$ 225,253	\$ 1,995,462	\$ 2,220,715

6. DIRECT LOANS AND LOAN GUARANTEE, NON-FEDERAL BORROWERS

The Trust has authority to operate the following direct loan and/or loan guarantee programs:

- The Trust is empowered to provide direct loans to non-federal borrowers. As of September 30, 2005, the Trust had not exercised this authority.
- The Trust is empowered to guarantee loans to non-federal borrowers for construction and renovation. As of September 30, 2005, the Trust had not exercised this authority.

7. GENERAL PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment (PPE) includes fixed assets owned by the Trust as the result of purchases by the Trust and/or transfers from other governmental entities, primarily the NPS. In general, the Trust capitalizes fixed assets valued in excess of \$25,000 and with a useful life of two or more years.

<i>Classification</i>	<i>Est. Useful Life</i>	<i>Cost</i>	<i>Accumulated Depreciation</i>	<i>Net Balance at 9/30/05</i>	<i>Net Balance at 9/30/04</i>
Land and Land Rights	N/A	\$ 0	\$ 0	\$ 0	\$ 0
Improvements to Land	N/A	0	0	0	0
Construction-in-Progress	N/A	25,061,842	N/A	25,061,842	11,881,096
Buildings, Improvements and Related Renovations and Rehabilitations	40 years ¹	107,582,691	23,585,491	83,997,200	77,623,581
Assets Under Capital Lease	²	116,980	116,980	0	17,939
Other Property, Plant and Equipment (including furnishings, equipment, and software)	²	27,142,998	10,406,968	16,736,030	14,017,483
		\$ 159,904,511	\$ 34,109,439	\$ 125,795,072	\$ 103,540,099

Specific Trust capitalization and depreciation guidelines are as follows:

¹ Buildings, Improvements and Related Renovations and Rehabilitations useful life of 40 years or less for improvements and renovations depending on remaining building life.

² Assets under Capital Lease are amortized on a straight line method over the life of the lease. Other Property, Plant and Equipment are depreciated using a straight line method over their estimated useful lives ranging from three to twenty years.

Additionally, the Trust capitalizes expenditures for improvements to infrastructure and buildings based upon the following criteria:

- costs exceed \$25,000;
- are not considered to be repairs and maintenance;
- extend the useful life of the building for at least 20 years.

Furnishings and equipment purchased for an individual unit cost in excess of \$25,000 are also capitalized. Assets may include not only direct costs, but also an assigned indirect cost component.

Land is considered to be general PPE and, in accordance with Statement of Federal Financial Accounting Standards (SFFAS) No. 6, is to be recorded at cost. The land comprising the Presidio was acquired as an outcome of the resolution of hostilities between the United States and the government of Mexico in the mid-19th century. As such, no cost can be affixed to the land and land rights.

At September 30, 1999, most of the Trust's PPE was transferred from the NPS. SFFAS No. 6 requires that the cost of general PPE transferred from other federal entities be the cost recorded by the transferring entity, net of accumulated depreciation; if such amounts can be reasonably ascertained, the cost of the PPE is to be its fair value at the time transferred. After extensive investigation, the Trust determined that historical cost information for buildings, building improvements and land and infrastructure improvements was not available from the NPS and/or the Army. Therefore:

- any transferred building over 40 years old, including the cost of related renovations or rehabilitations prior to the Trust's formation, was considered fully depreciated and was recorded at a book value of \$0.
- any transferred structure less than 40 years old (built in 1959 or later) was recorded at estimated replacement cost reduced

for the effects of inflation by using appropriate construction industry indices, less an accumulated depreciation adjustment, to ascertain net asset value at the date of the Trust's formation.

- other PPE transferred to the Trust from the NPS was capitalized at historical cost less depreciation that would have been recorded over its useful life, based on the Trust's depreciation guidelines.
- transferred land and infrastructure improvements are reflected at a net book value of \$0. Under SFFAS No. 6, the Trust should have recorded these improvements at fair value. Estimating the values of these improvements would have been a process that the Trust considers to be lengthy, cost prohibitive, and which would have resulted in information that is meaningless to the users of the Trust's financial statements.

Capital assets are depreciated using the straight line method over their useful lives in accordance with Trust guidelines. For financial statement purposes, a pro-rated share of depreciation expense for the asset is recorded in the year of acquisition or project completion depending on the month the asset is placed into service.

8. OTHER ASSETS

	2005	2004
Intragovernmental	\$ 0	\$ 0
Government Improvement Account	432,384	423,194
Prepayments	750,384	664,656
Deferred Rent Receivable	12,485,319	10,896,105
TOTAL OTHER ASSETS	\$ 13,668,087	\$ 11,983,955

The Government Improvement Account (GIA) is a bank account that has contributions made by a tenant in lieu of rent for the sole purpose of improving the government facilities. Neither the Trust nor the tenant is able to withdraw monies from the account unilaterally [SEE NOTE 13].

Prepayments represent premiums paid on insurance policies and the remaining balance of employee commuter checks that have not been disbursed. Insurance premiums are amortized over the life of the policy.

Deferred rent receivable is the revenue recognized on a straight-line basis for long-term property leaseholds. There is no allowance for uncollectible accounts for the deferred receivables as they are all deemed collectible at this time.

9. DEBT

	<i>Maturity Date</i>	<i>2005</i>	<i>2004</i>
DEBT TO THE TREASURY			
Note C (dated 9/29/00)	9/30/2029	\$ 20,000,000	\$ 20,000,000
Note C (dated 9/28/00)	9/30/2029	20,000,000	20,000,000
Note C (dated 9/29/01)	9/30/2029	9,978,000	9,978,000
TOTAL PRINCIPAL		\$ 49,978,000	\$ 49,978,000

The Presidio Trust Act granted the Trust the authority to borrow from the U.S. Treasury. The aggregate amount of outstanding obligations at any one time is limited to \$50 million. These borrowings financed building and infrastructure rehabilitation by the Trust. Borrowing was contingent on the Secretary of the Treasury determining that the projects to be funded from the proceeds were creditworthy. In 1999, the Trust and the Secretary of the Treasury established a written borrowing agreement to advance funds for capital improvement

projects. The Trust executed a promissory note for the requested amount to evidence the obligation of the Trust to repay the Treasury the sum borrowed, together with any late charges that might be incurred.

In Fiscal Year 2005, no additional debt obligations were issued. The Trust has issued the following promissory notes to the BPD:

- 1) **Note C** (dated 9/29/00)
Principal amount is \$20 million. The amount was used for the capital improvement projects activities in, on, or in support of the particular Trust assets, specifically the Baker Beach Apartments, Building 220 and Building 36. The note includes a pledge by the Trust to the Treasury of all rents, revenues, income, and proceeds arising out the Trust's administration, operation, and leasing of the specific assets (Baker Beach Apartments, Building 220 and Building 36) that have been improved. The note carries an interest rate of 6.122% and matures on September 30, 2029.
- 2) **Note C** (dated 9/28/00)
Principal amount is \$20 million. The amount of the request was used for the capital improvement projects activities in, on, or in support of any Trust assets. The note includes a pledge by the Trust to the Treasury of all rents, revenues, income, and proceeds arising out the Trust's administration, operation, and leasing of the Baker Beach Apartments, Building 220 and Building 36. The note carries an interest rate of 6.122% and matures on September 30, 2029.

The BPD invested the unused portion of the account in government securities through their investment department. The interest earned is recorded in a governmental interest receipt account and used to pay the interest owed to the Treasury.

- 3) **Note C** (dated 9/29/01)
Principal amount is \$9,978,000. The amount of the request was used for the capital improvement projects activities in, on, or in support of any Trust assets. The note includes a pledge by the Trust to the Treasury of all rents, revenues, income, and proceeds arising out the Trust's administration, operation, and leasing of the Baker Beach Apartments, Building 220 and Building 36. The note carries an interest rate of 5.515% and matures on September 30, 2029.

The BPD invested the unused portion of the account in government securities through their investment department. The interest earned is recorded in a governmental interest receipt account and used to pay the interest owed to the Treasury.

The Trust incurred \$2,999,087 and \$2,999,087 in interest cost in 2005 and 2004, respectively, all of which was included in program costs.

10. OTHER LIABILITIES – ENVIRONMENTAL REMEDIATION

Advances for Environmental Cleanup Costs

The Army closed its base at the Presidio in September 1994 and transferred administrative jurisdiction of the Presidio to the NPS through the DOI for incorporation into the Golden Gate National Recreation Area.

Executive Order 12580 delegated the responsibility to conduct the environmental cleanup of the Presidio to the Army. Under an interagency agreement with the DOI, the Army retained this responsibility as one of the terms of the jurisdictional transfer and initiated certain actions to address environmental conditions at the Presidio.

When Congress created the Trust in 1996, it separated the administrative jurisdiction of the Presidio into two areas: Area A, over which DOI retained authority, and Area B, which was transferred to the Trust in July 1998.

Under a Memorandum of Agreement (the Presidio MOA) among the Trust, DOI, and the Army, the Trust assumed the Army's responsibilities as lead agent for the environmental cleanup in both Area A and Area B. The Army provided \$100 million to the Trust in exchange for the Trust's assumption of such responsibilities. The Trust agreed to accept the amount of \$100 million, paid over a four year period, based upon a feasibility study and estimated cost of environmental liability prepared by an environmental consultant. (The Army actually paid the Trust \$99 million over three years, receiving a \$1 million discount for completing payment ahead of schedule.) The funds that have not been spent to-date are reported as an Environmental Remediation Advance on the Trust's financial statements.

Under a separate memorandum of agreement between the Trust and DOI (the Area A MOA), the Trust confirmed its agreement to take over lead agent responsibility for the cleanup of Area A of the Presidio. The Area A MOA also set out specific time periods, priorities and processes for remedy selection for environmental cleanup of Area A. In particular, the Trust agreed to set aside a total of \$25 million for the environmental remediation of Area A.

Cleanup includes enumerated sites where a potential environmental threat (Substance and Condition) is presently known or may exist based on past Army studies or records. Cleanup also includes unknown contamination which is any environmental threat at or from the Presidio other than an enumerated site that existed at the Presidio before October 1, 1994 (Presidio base closure) or was the result of an Army act or omission on or after October 1, 1994.

The Trust performs all cleanup work at enumerated sites using the Army's funds and is the point of contact for all regulatory agencies and the public. The Army retained responsibility to fund and/or to perform all environmental cleanup work of unknown contamination as well as sole responsibility for the clean up of radioactive materials, chemical and biological warfare agents, and unexploded ordnance if discovered at the Presidio.

The Trust must use the funds transferred from the Army to address environmental cleanup of enumerated sites. If any funds are left after cleanup of the enumerated sites, the Trust can use the excess to address other environmental conditions at or emanating from the Presidio.

If cleanup costs for the enumerated sites exceed the \$100 million threshold plus insurance proceeds (see discussion of the Trust's environmental insurance policies below) by \$10 million, the Army must seek additional appropriated funds for the enumerated sites. The Army is excused from this requirement if the Trust's mismanagement or inefficient use of funds causes the cost overrun.

The Trust obtained two environmental insurance policies: a Remediation Stop Loss (RSL) policy and a Real Estate Environmental Liability (REEL) policy:

The RSL policy provides the Trust with insurance against cost overruns in implementing environmental remedies that have been approved by the appropriate regulatory agencies for known contamination at enumerated sites. The RSL policy pays for remediation costs in excess of a threshold \$100 million

(self-insured retention) spent by the Trust for "necessary and reasonable" costs. The RSL policy has a liability limit of \$100 million. The RSL policy is set up so that the Trust pays the first \$100 million of remediation costs and the RSL policy would pay for the second \$100 million. The Army and DOI are each named as an additional insured on the RSL policy.

The REEL policy provides coverage for unknown contamination. The REEL policy has a limit of \$10 million (with a \$25,000 deductible per claim) and a \$50 million total for all claims. DOI is a named insured under the REEL policy. At present, the Trust has claims pending against the REEL coverage but the amount of recovery cannot be determined at this time.

Liability for Environmental Cleanup Costs

In connection with its responsibility for environmental cleanup in both Area A and Area B of the Presidio, the Trust has initiated steps to contract with an environmental consulting firm to determine whether or not a revised estimate of the loss that is probable from environmental cleanup is warranted. If the planned environmental cleanup study determines that a potential environmental cleanup liability exists in excess of the Advance received from the Army and any applicable insurance coverage, the Trust will record a provision for the excess. However, until the planned study is completed, the Trust is unable to determine the likelihood of any potential environmental cleanup liability in excess of the Advance and any applicable insurance coverage and has not included any such liability in the 2005 financial statements.

11. OTHER LIABILITIES

	2005		2004	
	<i>Non-Current</i>	<i>Current</i>	<i>Non-Current</i>	<i>Current</i>
INTRAGOVERNMENTAL				
Employer Contributions Payable	\$ 0	\$ 153,892	\$ 0	\$ 128,982
Other Post Employment Benefits	944,451	621,721	595,289	858,953
FECA Actuarial	0	35,135	0	0
Unearned Revenue	0	1,791,000	0	0
Prepaid Rents	0	10,250	0	0
TOTAL INTRAGOVERNMENTAL	944,451	2,611,998	595,289	987,935
Annual Leave Liability [NOTE 12]	0	1,764,429	0	1,678,344
Security Deposits	3,121,573	2,085	2,985,735	121,348
Unearned Revenue	0	1,257,765	0	1,307,886
Prepaid Rents	522,003	462,512	615,235	864,387
Payroll Payable	0	949,266	0	859,048
Capital Lease Liability [NOTE 13]	0	25,217	25,288	29,017
Unfunded Accounts Payable [NOTE 12]	0	99,583	0	63,954
Advance for Environmental Cleanup [NOTE 10]	27,828,686	23,743,694	39,718,926	21,575,881
TOTAL OTHER LIABILITIES	\$ 31,472,262	\$ 28,304,551	\$ 43,940,473	\$ 27,487,800

Other Post Employment Benefits

Other post employment benefits include worker's compensation (FECA) & unemployment payable to the Department of Labor.

FECA Actuarial Liability

OMB requires that federal agencies report an actuarial liability related to Future Workers' Compensation (FWC). The FWC benefits include the expected liability related to death, disability, medical and miscellaneous costs for approved compensation cases as well as a component for calculating incurred but not reported claims. The liability is determined by utilizing the historical benefit payment patterns related to a specific incurred period to estimate the future payments related to that period.

Security Deposits

The residential lease management company, John Stewart Company, collects security deposits from the residential tenants and deposits them directly into the Trust's Treasury General Account. The non-residential lease management company, CB Richard Ellis, collects security deposits from the non-residential tenants and deposits them directly into the Trust's Treasury General Account. The Trust also collects security deposits for other services managed by the Trust.

Unearned Revenue

The Presidio Trust collects permit fees for events that are held at Trust facilities. These events are paid for in advance by the clients. The revenue has not been earned for these events until the event has occurred. The amount in unearned revenue represents the monies collected for events that will be taking place in a fiscal year subsequent to the current year. Unearned revenue also includes monies received for specific projects (i.e. grants for specified improvements) on which the revenue is deferred because either the work has not been completed or the requirements of the agreement governing the work have not yet been met.

12. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

	2005	2004
INTRAGOVERNMENTAL		
FECA Actuarial	\$ 35,135	\$ 0
Other		
Annual Leave Liability	1,764,429	1,678,344
Accounts Payable	99,583	63,954
Total Liabilities Not Covered by Budgetary Resources	1,899,147	1,742,298
Liabilities Covered by Budgetary Resources	117,767,422	127,692,835
TOTAL LIABILITIES	\$ 119,666,569	\$ 129,435,133

Liabilities Not Covered by Budgetary Resources

Total liabilities not covered by budgetary resources are those liabilities that may be funded from future resources. Annual leave is accrued as it is

earned by employees and it is included in personnel compensation and benefits costs. FECA Actuarial represents future workers compensation payments, is an estimate based upon historical data and, as it is only an estimate, is unfunded [SEE NOTE 11]. An unfunded liability is recognized for earned but unused annual leave since, from a budgetary standpoint, this annual leave will be paid from future appropriations. The unfunded accounts payable is the liability that has been incurred by the residential property management company that had not been submitted to the Trust for reimbursement as of fiscal year end.

Liabilities Covered by Budgetary Resources

Liabilities covered by budgetary resources are funded by: (1) new budget authority, (2) spending authority from offsetting collections, (3) recoveries of unexpired budget authority, (4) unobligated balances of budgetary resources at the beginning of the year, and (5) permanent indefinite appropriation or borrowing authority.

13. LEASES**Trust as Lessee****Capital Leases**

All capital leases are for machinery and equipment. The Trust currently maintains one capital lease which will expire in FY 2006. Future minimum payments under the Trust's current capital lease are \$26,199 of which \$982 represents interest.

Operating Leases

The operating leases are for equipment. The Trust currently leases twenty-one copiers which are under agreements that do not have a definitive lease period of longer than a year. The Presidio Trust also leases government vehicles from General Services Administration (GSA), but such leases do not have a definitive lease period of longer than a year.

Trust as Lessor**Operating Leases****Description of Lease Arrangements**

The Trust's properties are being leased under operating leases that expire over the next 60 years. The Trust expects that these leases will be renewed or replaced by other leases in the normal course of business. In addition, 6 leases are operated under contingent rental agreements wherein the monthly rental revenue is either a percent of the lessees' monthly revenue or base rent plus additional rent based upon a percent of the lessees' monthly revenue. The Trust recognizes this revenue when payment is received on such leases.

Additionally, the Trust has one lessee that operated under a contingent rental agreement wherein the monthly rent was a percent of the lessee's monthly revenue; however, the lessee remitted a portion of their monthly rental payment to a separate government improvement account at a commercial bank. These rental payments were accumulated and can only be used for improvements to the leased building. The Trust does not have signatory authority over the bank accounts. All improvements funded from this account must be mutually approved by both the lessee and the Trust. The balance of the commercial account totaled \$432,384 and \$423,194 in 2005 and 2004, respectively and is included in other assets. The arrangement of payments into the GIA account was terminated as of September 30, 2004 and all rental payments are now made directly to the Trust. The current lease term expires in 2006.

The Trust also provides free rent or reduced rental rates to certain employees of the Trust, other Presidio based employees, and other governmental agencies.

Minimum future lease payments to be received under non-cancelable operating leases are as follows:

<i>Fiscal Year</i>	<i>Total</i>
2006	\$ 36,408,622
2007	41,277,464
2008	30,746,416
2009	26,491,271
2010	24,819,033
Thereafter	1,180,286,655
TOTAL	\$ 1,340,029,461

14. AVAILABLE BORROWING AUTHORITY, END OF PERIOD

There was no borrowing authority available at September 30, 2005 or September 30, 2004.

15. TERMS OF BORROWING AUTHORITY USED

The Trust was granted \$49,978,000 in borrowing authority. The terms surrounding the Trust's borrowing authority have been described in **NOTE 9** – Debt. The debt the Trust has incurred is all related to the borrowing authority granted to the Trust.

16. UNDELIVERED ORDERS AT END OF PERIOD

Undelivered orders represents amount for which funds were obligated but the goods and/or services related to those specific orders have not been received. The balance of undelivered orders at September 30, 2005 and 2004 were \$25,968,494 and \$18,049,716, respectively.

17. EXPLANATION OF THE RELATIONSHIP BETWEEN LIABILITIES NOT COVERED BY BUDGETARY RESOURCES ON THE BALANCE SHEET AND THE CHANGE IN COMPONENTS REQUIRING OR GENERATING RESOURCES IN FUTURE PERIODS

The Statements of Financing include a section depicting the change in certain unfunded liabilities. The amounts in this section may not correlate exactly with the amounts shown in **NOTE 12 – Liabilities not covered by budgetary resources**. Differences primarily result from Treasury requirements related to where the changes in these liabilities are reported in the Statement of Financing. These requirements are dependent upon whether the change resulted in an increase or a decrease to the liability account.

18. COMMITMENTS AND CONTINGENCIES

From time to time, the Trust is involved in legal matters, including employment-related claims. Equal Employment Opportunity (EEO) claims by ten former employees of the Trust remain pending. Two other former employees have pending judicial claims. All except for three of these claims arose as a result of the Trust's eliminating positions in two separate staff reductions. The demands in these cases include reinstatement of employment, back pay and compensatory damages ranging from \$300,000 to \$33,000,000. The Trust's processing of these claims has been complicated by legal issues regarding the jurisdiction of the EEOC and the EEOC's ability to apply its regulatory framework to the Trust's EEO process. The Trust remains engaged with the EEOC and the U.S. Department of Justice in resolving these jurisdictional issues. Trust management believes that the likelihood of an outcome unfavorable to the Trust is remote.

There are two EEO complaints by current employees. Trust management believes that the likelihood of an unfavorable outcome in one of the cases is remote. The second complaint includes new claims in addition to claims from a previous complaint. Trust management believes that the likelihood of an unfavorable outcome regarding those claims previously included in the complaint is remote. Investigation of the new complaint is pending. The likelihood of an unfavorable outcome cannot be determined at this time.

Trust management does not expect other pending legal matters to have a material impact on its financial condition or net costs.

19. INTRAGOVERNMENTAL COSTS & EXCHANGE REVENUES**Exchange Revenue**

The Trust provides services to the public and other government entities, including the Department of the Interior which are priced at market value. Revenue earned from the U.S. Treasury is from earnings on investments. Revenue earned from the Department of Defense are from the Advance for Environmental Remediation and are recognized when expenditures are made.

<i>Agency</i>	<i>Amount of Revenue Earned</i>
Department of Interior	\$ 889,481
U.S. Treasury	4,405,536
Department of Defense	9,722,428
Other	87,964
TOTAL	\$ 15,105,409

The Trust also incurs costs for services provided by other government agencies or for programs run by other government agencies. Costs incurred with the Office of Personnel Management are for employee benefits. The Department of Interior provides public safety services to the Trust. Costs incurred with the U.S. Treasury are for interest on loans.

<i>Agency</i>	<i>Amount of Cost Incurred</i>
Office of Personnel Management	\$ 5,011,075
Department of Interior	3,436,061
U.S. Treasury	3,020,595
Department of Labor	831,341
General Services Administration	557,320
Other	120,431
TOTAL	\$ 12,976,823

20. EXCHANGE REVENUES

The Trust provides services to the public and other government entities which are priced at market value.

Required Supplementary Information

September 30, 2005 and 2004

1. INTRAGOVERNMENTAL ASSETS AND LIABILITIES

ASSETS

<i>Agency</i>	<i>Investments</i>	<i>Accounts Receivable</i>	<i>Fund Balance with Treasury</i>
Department of the Treasury	\$ 108,354,000	\$ 0	\$ 5,075,179
Department of Defense		1,791,000	
National Park Service		484,646	
Other Federal Agencies		7,731	
TOTAL	\$ 108,354,000	\$ 2,283,377	\$ 5,075,179

LIABILITIES

<i>Agency</i>	<i>Accounts Payable</i>	<i>Debt</i>	<i>Other Liabilities (refer to note 11)</i>
Department of the Treasury	\$ 0	\$ 49,978,000	\$ 0
Other	61,356		3,556,449
TOTAL	\$ 61,356	\$ 49,978,000	\$ 3,556,449

2. DEFERRED MAINTENANCE

The Trust determined that there is deferred maintenance to many of the buildings that were transferred to the Trust. Using an Inventory Condition Assessment Program document from the NPS upon receipt of the property and an assessment survey by Trust personnel, the Trust determined that there is approximately \$ 1,791,000 of assets.

Report of Independent Certified Public Accountants on Internal Control



Accountants and Business Advisors

Report of Independent Certified Public Accountants on Internal Control

To the Board of Directors of
The Presidio Trust

We have audited the balance sheets and the related statements of net cost, changes in net position, budgetary resources, and financing (hereinafter referred to as “financial statements”) of the Presidio Trust (the Trust) as of September 30, 2005 and 2004 and for the years then ended, and have issued our report thereon dated November 10, 2005, which was qualified due to the Trust’s valuation methodology for certain property, plant and equipment transferred to the Trust at its inception.

Except for the matter discussed in the third, fourth, and fifth paragraphs of our report on the financial statements, we conducted our audit in accordance with auditing standards generally accepted in the United States of America as established by the Auditing Standards Board of the American Institute of Certified Public Accountants; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirement for Federal Financial Statements*.

In planning and performing our audits, we considered the Trust’s internal control over financial reporting by obtaining an understanding of the Trust’s internal control, determined whether internal controls had been placed in operation, assessed control risk, and performed tests of controls in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements. We limited our internal control testing to those controls necessary to achieve the objectives described in OMB Bulletin No. 01-02. We did not test all internal controls relevant to operating objectives as broadly defined by the Federal Managers’ Financial Integrity Act of 1982, such as those controls relevant to ensuring efficient operations. The objective of our audits was not to provide assurance on internal control. Consequently, we do not provide an opinion on internal control.

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Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be reportable conditions. Under standards issued by the American Institute of Certified Public Accountants, reportable conditions are matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the Trust's ability to record, process, summarize, and report financial data consistent with the assertions by management in the financial statements. Material weaknesses are reportable conditions in which the design or operation of one or more of the internal control components does not reduce to a relatively low level of risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Because of inherent limitations in internal controls, misstatements, losses, or noncompliance may nevertheless occur and not be detected. However, we noted no matters involving the internal control and its operation that we consider to be material weaknesses as described above.

In addition, we considered the Trust's internal control over required supplementary information by obtaining an understanding of the Trust's internal control, determined whether these internal controls had been placed in operation, assessed control risk, and performed tests of controls as required by OMB Bulletin No. 01-02 and not to provide assurance on these internal controls. Accordingly, we do not provide an opinion on such controls.

A separate letter, dated November 10, 2005, was provided to the Board of Directors and management of the Trust, which further discusses matters related to internal controls over financial reporting and other matters that came to our attention as a result of our audits.

This report is intended solely for the information and use of the Board of Directors and management of the Trust, OMB, and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Grant Thornton LLP

November 10, 2005
San Francisco, California

Report of Independent Certified Public Accountants on Compliance with Laws and Regulations**Grant Thornton** **Accountants and Business Advisors****Report of Independent Certified Public Accountants on Compliance with Laws and Regulations**

To the Board of Directors of
The Presidio Trust

We have audited the balance sheets and the related statements of net cost, changes in net position, budgetary resources, and financing (hereinafter referred to as “financial statements”) of the Presidio Trust (the Trust) as of September 30, 2005 and 2004 and for the years then ended, and have issued our report thereon dated November 10, 2005 which was qualified due to the Trust’s valuation methodology for certain property, plant and equipment transferred to the Trust at its inception.

Except for the matter discussed in the third, fourth and fifth paragraphs of our report on the financial statements, we conducted our audit in accordance with auditing standards generally accepted in the United States of American as established by the Auditing Standards Board of the American Institute of Certified Public Accountants, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Office of Management and Budget (OMB) Bulletin No. 01-02, *Audit Requirements for Federal Financial Statements*.

The management of the Trust is responsible for complying with laws and regulations applicable to the Trust. As part of obtaining reasonable assurance about whether the Trust’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts, and certain other laws and regulations specified in OMB Bulletin No. 01-02, including the requirements referred to in the Federal Financial Management Improvement Act (FFMIA) of 1996. We limited our tests of compliance to these provisions and we did not test compliance with all laws and regulations applicable to the Trust.

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The results of our tests of compliance disclosed no instances of noncompliance with other laws and regulations or other matters discussed in the preceding paragraph that are required to be reported under Government Auditing Standards or OMB Bulletin No. 01-02.

Under FFMIA, we are required to report whether the Trust's financial management systems substantially comply with the Federal financial management systems requirements, applicable Federal accounting standards, and the United States Government-Standard General Ledger at the transaction level. To meet this requirement, we performed tests of compliance with FFMIA section 803(a) requirements.

The results of our tests disclosed no instances in which the Trust's financial management systems did not substantially comply with the three requirements discussed in the preceding paragraph.

Providing an opinion on compliance with certain provisions of laws and regulations was not an objective of our audit and, accordingly, we do not express such an opinion.

This report is intended solely for the information and use of the Board of Directors and management of the Trust, OMB, and Congress, and is not intended to be and should not be used by anyone other than these specified parties.

Grant Thornton LLP

November 10, 2005
San Francisco, California

Presidio Trust Board of Directors

David H. Grubb, chairman of the Presidio Trust board of directors, is chairman emeritus and former chief executive officer of Swinerton Incorporated, a prominent San Francisco-based general contractor offering construction services throughout the western United States. Mr. Grubb worked at Swinerton for four decades, working successively as project manager, branch manager, vice president, executive vice president, president and chairman. He serves on several cultural and business community committees and lends his support to a number of charitable organizations including: board of trustees of Saint Patrick's Seminary, board of directors of Swinerton Incorporated, The Meadow Club and San Domenico School. Mr. Grubb previously served on the board of the San Francisco Zoological Society and the board of trustees for the Golden Gate National Parks Conservancy, chairing the projects committee which oversaw the restoration of Crissy Field. He earned a bachelor of sciences from Princeton University in 1958, and a master's degree in construction management from Stanford University in 1962. He was appointed as the Secretary of the Interior's designee to the Trust board in December 2003.

Lydia Beebe is corporate secretary of Chevron Texaco Corporation. In this capacity, she counsels the board and senior management, and manages stockholder relations and legal compliance. Ms. Beebe is a member of the State Bar of California and the American Bar Association. She is a member of the San Francisco Municipal Fiscal Advisory Committee to the Mayor. She served on the California Fair Employment and Housing Commission from 1991 to 1999, and as its chair from 1995 to 1999. Ms. Beebe serves on the boards of the Seneca Network and Golden Gate University, and is past president and current advisory board member of the Professional Business Women of California. She serves as chair of the Corporate Practices Committee for the American Society of Corporate Secretaries, and is a past member of the Society's board of directors. Ms. Beebe earned a Bachelor of Arts degree in journalism in 1974, and a Doctor of Law degree in 1977 from the University of Kansas. She obtained an M.B.A. from Golden Gate University.

T. Robert Burke is managing director of Metropolitan Real Estate Equity Management, and chairman and co-founder of Institutional Housing Partners. He is former chairman and co-founder of AMB Property Corporation, where he served from 1984 to 2000. He was co-founder of AMB-Rosen Real Estate Securities. Prior to that, he was a staff attorney with the National Housing Law Project, and in 1968 completed a fellowship in Santiago, Chile, with the International Legal Center. Burke is a trustee of Stanford University, and formerly served on the boards of the Stanford Management Company, Catholic Social Services of San Francisco, and the Fine Arts Museums of San Francisco, among other groups. He is a member of the investment committee of the Hewlett Foundation, and the University of San Francisco Foundation. He earned both a law degree and a B.A. from Stanford University.

Nancy Conner has served the Bay Area's parks and cultural institutions for more than 25 years. Since 1980, she has been a member of the board of the San Francisco Parks Trust, and is currently serving as board president. She

is also president of the Golden Gate Park Concourse Authority, and a member of the board of the San Francisco Symphony. Previously, Conner served on the boards of the San Francisco Art Institute, the Bothin Foundation, and the San Francisco Boys' Chorus, among others. She is the author of *Where on Earth: a Guide to Specialty Nurseries in California*. Conner received a Master's degree from Stanford University, and a B.A. from Wellesley College.

Curtis F. Feeny has long supported the preservation of the Presidio as a park, testifying before Congress when the Presidio Trust was first being formed. He has more than 25 years of experience in real estate development and capital investment. Feeny is currently managing director for Voyager Venture Capital, which specializes in software technology. He worked from 1992 to 2000 as executive vice president of Stanford Management at Stanford University, where he was responsible for half of the university's endowment. He has served on the boards of the Boy Scouts of America and the Building Owners and Managers Associations, among others. Feeny graduated from Harvard School of Business, and holds a B.S. degree from Texas A&M.

William Wilson III is vice-chair of the Trust board. He has led Bay Area-based real estate investment firms for more than 25 years. These firms include William Wilson and Associates, Wilson/Cornerstone Properties, and Wilson/Equity office. He is currently managing partner of Wilson Meany Sullivan Inc., which developed the San Francisco Ferry Building. Previously, he founded the Borel Companies, Webcor Builders, and Rusty Scupper restaurants. Mr. Wilson serves on several boards, including the Multiple Myeloma Research Foundation. He is a trustee of the California Academy of Sciences, and is also a director of the Stanford University Department of Athletics Investment Fund. Mr. Wilson earned a B.S. degree in engineering from Stanford University.

Joseph Yew Jr. is a vice president with E.J. De La Rosa & Co. Inc., an investment banking firm serving public clients by developing and implementing financing programs. Prior to this position, Mr. Yew served as treasury manager for the City of Oakland from 1999 to 2004. In this capacity, he was responsible for the issuance of nearly \$1 billion of municipal debt, cash management, and investment and administration of Oakland's public funds totaling \$600 million. Mr. Yew previously served as assistant treasurer with the California State Treasurer's Office, and as executive director of the California Debt Limit Allocation Committee from 1995 to 1999. He also worked as an investment banker at Stone & Youngberg from 1992 to 1994. Mr. Yew serves on the board of the Chinatown YMCA, and is a treasurer and board member of the Community Youth Center. He earned a B.A. degree in economics from U.C. Irvine, and a Masters of Industrial Administration (MBA) from Carnegie Mellon University in 1992.



From left: Curtis Feeny, T. Robert Burke, Nancy Conner, Vice-Chair William Wilson, Lydia Beebe, Joseph Yew, Jr., and Chairman David H. Grubb.

Organizations at the Presidio

3 Phases Energy Services	Center for Citizen Initiatives	Foghorn	Just Think Foundation	Presidio Café	San Francisco Unified School District (Child Care Center)
39th Exposure	Center for Food Safety (CFS)	Fort Mason Foundation, The	Dr. Nazreen Kadir	Presidio Community YMCA of San Francisco	SenSpa, LLC
Acre Café	Center for Leadership Renewal	Fort Point & Presidio Historical Association	L.S.B. Leahey Foundation	Presidio Golf Course	Serra Preschool, The
Active Space	Center for Resource Solutions (CRS)	Fort Point National Historic Site	Law School Consortium Project	Presidio Internet Center, LLC	Shurgard Storage Centers, Inc.
Adopt-A-Watershed	Cherner, David	Friends of the Urban Forest	Lawyers for Clean Water	Presidio Performing Arts Foundation	Social Venture Network
Affordable Self Storage, Inc.	Columbia Foundation, The	Fund for International Non-Profit Development	Ledoux Esquire Inc.	Presidio Sport and Medicine	Solidago Foundation
African-American Association	Community Clinics Initiative	Garden Conservancy, The	Letterman Digital Arts, Ltd.	Presidio World College	Solutions Alert
Alexa Internet	Concord Group, The	Geographic Expeditions, Inc.	Lexnet	R & A Investment Forestry	Soma Development, LLC
Alliance for California Traditional Arts	Constellation Fund	Glickman, Rubin	LoBue & Majdalany Management Group	Raven Group, The	Sports Basement, Inc.
Angel Island Immigration Station Foundation	Consultative Group on Biological Diversity	Golden Gate Bridge District	Lone Mountain Children's Center	REDF	St. Francis Yacht Club
Ann Getty and Associates	Crissey Field Center	The Goldman Fund	Long Now Foundation	Reference Media Group	Stillwater Sound
ARCS Foundation	Culman, John	Golden Gate Club	M&H Type	Regeneration Project	Swords to Plowshares Veterans Academy
Arion Press (aka Lyra Corporation)	Cultural Conservancy	Grabhorn Institute	Mark Kitchell	Resource Media Solutions	Thoreau Center for Sustainability
Arnold Palmer Golf Mgmt. Co.	Dada	Green, Steven A.	MCT Associates	Revival Mercantile, Inc	Threshold Foundation
Aviation Personnel International	Dept. of Veterans Affairs Medical Ctr. (S.F. National Cemetery)	Groundspring.org	Medicine Restaurant Group	Rex Foundation	Tides Center
B.A.Y. Fund	Desiree Café	Grove Consultants International, The	Mila Brand Studio, LLC	Richard Beggs	Tides Foundation
Banjo Strategic Entertainment	DeVries, Mary	Haight Ashbury Free Clinics, Inc.	Miller Video and Film, Inc.	Rights Workshop, The	Tides, Inc.
Bay Area Ridge Trail Council	Discovery Mining, Inc.	Hamilton Zanze & Company	Monte Vista Management Company	Robert D. Kerstetter	Towers, Matthew
Bay Kids	Don't Be Fueled	Harry M. Snyder	Moore Foundation	RockRose Institute	Town School for Boys
Bay School of San Francisco	Door Dog Music Productions	Houden, Patricia	MV Transportation	Rough House Editorial	Tweak Films
Bellingham Investment Management	Douglas Wright Consulting	Hub Strategy and Communications, Inc.	New Field Foundation	Routson Films	United Religions Initiative
Bellingham, Jack	Duler and Company	Husdawg	New Ways to Work, Inc.	Rudolf Steiner Foundation	United Sates Postal Service
Benningfield Financial Advisors	ECB Management Services, Inc.	Institute for the Study and Development of Legal System	Niantic Corporation	Runyan, M. Kathryn	Van Acker Construction Company
Biological Diversity	ECOR-SF Holdings, Inc.	Interfaith Center	Northern California Independent Booksellers	San Francisco Conservation Corps	Veriditas, Inc
Blacksmith Management LLC	EcoTalk/Trash Talk	International Forum on Globalization	Omnia Foundation	San Francisco Film Centre	Verity Wealth Advisors, LLC
BLUM, Inc.	Energy Foundation	Internet Archive	Orphanage, The	San Francisco Film Society	W&JP Fund
Body of Work / Hopola, Inc.	Environmental Advocates	Interview Clips	Pachamama Alliance, The	San Francisco Gymnastics	W. Clement and Jessie V. Stone Foundation
BoxIT	Environmental Justice Solutions	Jenifer Altman Foundation	Pacific Forest Trust	San Francisco Medical Science	WDF Foundation
Buffalo Soldiers Museum and Library	Envision Schools	Jeppesen VisionQuest, Inc.	Pacific Foundation Services	San Francisco Museum and Historical Society	Wilderness Society, The
California Indian Museum and Cultural Center	Equal Access	Joe Goode Performance Group	Pacific Rip	San Francisco Ocean Film Festival	Winton DuPont Films
Callendar, Peter	Equity Community Builders, LLC	John Kao (Ealing Studios)	Pacific Union Co.	San Francisco Psychotherapy Research Group	World Link Foundation
Carlyn Hunter	Eucalyptus Associates, Inc.	John Stewart Company	Penhoet, Edward E.	San Francisco Recreation and Park Dept. – Julius Kahn Playground	World Link Media
Cassidy, Patrick	Eureka House, Inc.	Jonas Koester dba Westbase Productions	Perk Presidio Café		XRT
CDA Services LLC	Exploratorium		Playsongs, Inc.		Your Health / Olympic Rehabilitation Center, Inc.
CDFgraphics	Fiber Futures		Pohaku Fund		
	First Home, Inc.		Pottruck Family Foundation		
	First Republic Bank		Presidio Bowling Center		
	Fleishhacker Foundation				

Creative Contributors

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Points of Interest

- 1 Presidio Promenade
- 2 Archaeology Lab
- 3 Fill Site 6A
- 4 Bay School
- 5 Officers' Club
- 6 Buildings 86 & 87
- 7 Pilot's Row
- 8 Baker Beach Disturbed Area
- 9 Immigrant Point
- 10 West Washington
- 11 Kobbe Avenue
- 12 Inspiration Point
- 13 El Polin Spring





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