

Presidio Trust Board of Directors Meeting
May 18, 2004
Minutes

Attending:

Lydia Beebe
Don Fisher
David Grubb
Mary Murphy
Toby Rosenblatt
William Wilson, III (8:28 – 9:24)
Joseph Yew, Jr.

Steve Carp
Karen Cook
Lori Eason
Adam Engelskirchen (8:28 – 9:24)
Hillary Gitelman
Michael Lamb (11:50 – 12:07)
Tia Lombardi
Mollie Matull
Craig Middleton
Paul Osmundson
Steven Potts

Meeting called to order by Chairperson Rosenblatt at 8:28 a.m.

Actions taken:

- Approval of Minutes of April 23, 2004 (Resolution 04-12). Motion: Beebe. Second: Murphy. Vote: 6-0 (Wilson not present for vote).
- Approval of Adoption of Revised Budget for Fiscal Year 2004 (Resolution 04-13). Motion: Yew. Second: Beebe. Vote: 6-0 (Wilson not present for vote).
- Approval of Delegation of Emergency Powers to Executive Director (Resolution 04-14). Motion: Murphy. Second: Grubb. Vote: 6-0 (Wilson not present for vote).
- Approval of Authority of Executive Director to Establish Public Use Limits and Closures (Resolution 04-15). Motion: Beebe. Second: Yew. Vote: 6-0 (Wilson not present for vote).

- Approval of Authority of Executive Director to Establish Speed Limits (Resolution 04-16). Motion: Beebe. Second: Fisher. Vote: 5-0 (Wilson and Murphy not present for vote).

Discussion items:

- Karen Cook outlined options for completing the National Environmental Policy Act process for the Public Health Service Hospital project. The Board directed staff to prepare a Supplemental Environmental Impact Statement (SEIS). The SEIS will tier off of the Trust's Environmental Impact Statement prepared for the Presidio Trust Management Plan, adopted by the Trust in August 2002. The Board discussed the timing for engaging in additional discussion with interested parties and directed staff to announce immediately the Board's decision to prepare an SEIS.
- The Board discussed issues in connection with playing fields, including the number and location of the fields, the source of capital to develop new fields and maintain all of the fields, and priority use.
- Paul Osmundson reported that at its meeting on May 6, 2004 the Real Estate Committee considered various issues in anticipation of making certain recommendations to the Board. Based upon Board and staff discussion of those recommendations, the Board directed staff to: extend the existing agreements for the use of the Paul Goode and Morton Street ball fields for one year with the understanding that the current users of these fields will use their best efforts to accommodate the Bay School as a sub-tenant/user during the one-year extension; enter into exclusive negotiations with a proposed user of 100 Montgomery Street for a long-term lease for office and related uses; study the parking requirements for a proposed use of 99 Moraga Avenue and prepare a counter proposal to the offer received in January 2004; enter into exclusive negotiations with proposed users of 103 and 104 Montgomery Street for long-term leases for office use and museum/exhibition uses respectively; reallocate \$4,049,800 in contingency funds to capital projects to renovate 86 and 87 Graham Street as multi-tenant office space; issue a Request for Proposals for the use of 1056 and 1059 Thornburgh Road as a restaurant; and negotiate an intermediate-term lease of 605 and 606 Mason Street for storage use. Don Fisher asked Mr. Osmundson to provide the Board with a timeline for the completion of leasing transactions, taking into account the resources needed and delays inherent in each transaction. The Board discussed public announcements regarding leasing activity.
- Joseph Yew reported that at its meeting on May 4, 2004, the Finance and Audit Committee reviewed the budget report and operating results for the Trust's second quarter of fiscal year 2004. The committee recommended adjustments to the revenues to reflect certain lease transactions, and the reallocation of contingency funds to capital projects and finance costs.
- Mr. Fisher discussed the need for traffic calming measures throughout the Presidio and suggested that the Board consider the combined use of speed tables, cameras, signage and one-way streets. Toby Rosenblatt suggested posting signs at Presidio entrances advising motorists of the traffic calming measures to remind them that safety rules exist and that they

will be enforced. The Board discussed traffic circulation issues. Craig Middleton was directed to report back to the Board at the next meeting with proposals for traffic calming measures and immediately to install speed tables on West Pacific Avenue in the Julius Kahn Playground area. The Board directed Hillary Gitelman to distribute a draft study that incorporated the measures suggested by Mr. Fisher as well as some other options prepared by her staff. (A few minutes later Ms. Gitelman gave Mr. Fisher a copy of the study.) The Board directed Mr. Middleton to provide them with the proposed plan for the streetscape of the East Washington neighborhood, and was given a presentation at the end of the meeting.

- Mr. Middleton reported that:
 - He met with a philanthropist who pledged \$1M to fund the development of a scenic overlook in the World War II Memorial area and the development and enhancement of trails that lead to the overlook.
 - The board of the Golden Gate National Parks Conservancy recently voted to collaborate with the Trust and to establish a leadership council to develop appropriate philanthropic projects.
 - The Trust has been approached by parties interested in rehabilitating the stables and developing an equestrian program. The proposal includes a program for handicapped children.
 - Congressman Regula toured the Presidio with Mr. Middleton on May 2 and returned with an aide for an additional tour on May 3. Mr. Middleton reported that the congressman said that helping build the Presidio is one of the best things he has done in his years in Congress.
 - Additional appropriations earmarks totaling approximately \$5M are working their way through Congress to help fund trail, transportation and Main Post improvements.
 - Ben Zaricor, who sponsored the Trust's recent exhibit, "The American Flag: Two Centuries of Concord and Conflict," has expressed interest in housing part of his collection in the Presidio. Mr. Zaricor has proposed a mixed museum, education center, flag conservation and interpretive use.
 - In response to a question from Mr. Fisher, Mr. Middleton reported that discussions with the Smithsonian Institution had stalled some time ago because of the prohibitive cost of staging an event or housing a collection in the Presidio. The Board previously had discussed mounting a major festival in the Presidio along the lines of a recent event in Washington D.C., but concluded, upon counsel from former Board member Mike Heyman, that at the time the scope of such an undertaking exceeded the Trust's resources. Mr. Fisher asked Mr. Middleton to re-engage the Smithsonian Institution in discussions about housing a collection in the Presidio and Mr. Fisher discussed the possibility of obtaining gifting for collections.
 - A music organization has expressed interest in office and performance space in the Main Post area.
 - A performing arts organization has expressed interest in performing arts space.
 - A film organization has expressed interest in space to showcase visual effects in film.
 - Staff is working on the Trust's financial projections. Mr. Middleton said that he will discuss the projections with the Board at their next meeting.
 - He had drafted a description of the Chief Operating Officer position and its requirements. He circulated it to the Board at the meeting.

- The Trust's executive search consultant, Gilbert Tweed, has received much interest in the Chief Financial Officer position. Mr. Middleton is scheduled to meet with Stephanie Pinson, a principal at Gilbert Tweed, on June 4 to discuss the candidates.
- Mr. Fisher and Mary Murphy suggested meeting with the principals of some of the Trust's non-residential tenants to get their thoughts about uses for Main Post buildings.
- The Board discussed parking in the Main Post area. Fundamental threshold decisions, such as whether to have underground parking, must still be made. Ms. Gitelman said that based upon the Board's input she would need to provide the Olin Partnership, the Trust's design consultant for the Main Post area, with direction so they could complete the conceptual design phase. Ms. Gitelman said that the work products would include two conceptual site plans, one of which would contain surface parking only, a couple of presentation graphics or renderings, a cost estimate and a financial analysis of the parking schemes.
- The Board discussed the maintenance of the landscaping throughout the Presidio, noting its declining quality in some neighborhoods. The Board directed Mr. Middleton to take immediate steps to improve the appearance of highly visible landscapes. Mr. Middleton noted as well that staff and consultants are developing a comprehensive landscape maintenance plan that will be implemented in fiscal year 2005 (beginning October 1).
- The Board directed Mr. Osmundson first to discuss alternate locations with the proposed user of 100 Montgomery Street rather than entering into exclusive lease negotiations at this time.
- The Board discussed the streetscape of the East Washington Boulevard neighborhood. There are approximately 40 residential units in the neighborhood and the roads are heavily traveled. Over the next two years the Trust plans on designating bike lanes, moving parking behind buildings onto improved service roads, undergrounding utilities, landscaping and installing new street lights at a pre-design estimated cost of approximately \$1.5M.
- Executive Session: 12:07 – 12:33.

Outstanding items:

- Staff is to provide the Board with a timeline for the completion of the leasing transactions discussed at this meeting and for future leasing transactions.
- Staff is to recommend communication approaches for the proposed projects discussed above, which the Board approved at the recommendation of the Real Estate Committee.
- Staff is to provide the Board with proposed traffic calming measures at the next Board meeting.
- Staff is to install speed tables along West Pacific Avenue in the Julius Kahn Playground area immediately.

- Mr. Middleton is to discuss with the Smithsonian Institution the possibility of its exhibiting a collection in the Presidio.
- Mr. Middleton is to take immediate steps to improve landscape appearance while developing a comprehensive management program for landscape maintenance.

Meeting adjourned by Chairperson Rosenblatt at 12:33 p.m.