

Presidio Trust Board of Directors Meeting
February 8, 2012
Minutes

Attending:

Nancy Bechtle
David Grubb
Charlene Harvey
Bill Hambrecht
John Reynolds
Michael Shepherd

Attending Via Teleconference:

William Wilson, III

Alex Mehran
Michael Boland
Steve Carp
Karen Cook
Jeff Deis
Mollie Matull
Craig Middleton
Mike Rothman

Meeting called to order by Chairperson Bechtle at 10:42 a.m.

Actions taken:

- Approval of Minutes of [December 6, 2012 \(Resolution 12-8\)](#). By motion duly made and seconded. Vote: 7-0.
- Approval of Adoption of Revised Fiscal Year 2012 Budget Forecast and Revised Five-Year Construction Plan ([Resolution 12-9](#)). By motion duly made and seconded. Vote: 7-0.

Discussion items:

- Ms. Bechtle introduced Alex Mehran, President Obama's intended appointee to the Board.
- Ms. Bechtle said that among other issues, the Board should address at its retreat in April two topics in connection with the Main Post area – parking and transit. Ms. Bechtle said that Trust staff will be crafting a new, comprehensive parking plan with a specific emphasis on the needs of commercial tenants in the Main Post. She also suggested that the Board consider charging users of PresidiGo transit since it is very expensive for the Trust to provide. In response to a question from Mr. Shepherd, Mr. Boland said that since a permit

system was instituted during commute hours, the number of non-Presidio residents taking the PresidiGo shuttle downtown had diminished, and that since paid parking has been instituted, the number of commuters parking in the Main Post had diminished by approximately 20%.

- Mr. Middleton reported that:
 - Many capital projects are underway in the Presidio and that the improvements involve many moving parts.
 - The Inn at the Presidio at 42 Moraga Street is scheduled to open in April 2012, with a soft opening in March 2012. Mr. Middleton said that weekends are fully booked through June 2012.
 - The Trust anticipates the signing a lease for space in 101 Montgomery Street and that a restaurant may also be located in the building.
 - The Trust will move its administrative offices to 103 Montgomery Street in the near future and that a mess hall restaurant concept is being developed for a portion of the ground floor of the building.
 - The National Park Service (NPS) and the Trust will soon sign an agreement to swap certain buildings in the Presidio, resolving a long-standing issue between the agencies.
 - Caltrans is reporting that progress on the Doyle Drive rebuild has slowed and that its completion will be delayed. Mr. Middleton said that they are now six months to one year behind schedule. He also said that the Trust would engage Caltrans in talks because rent concessions and tenant quiet enjoyment issues are affected by the delay.
 - The Trust recently hosted a meeting at Fort Scott with the Corporation for National and Community Service, educational groups, veterans groups and other service-oriented groups. The Trust had an opportunity to build relationships and to show the Fort Scott area. Mr. Middleton reported that the Trust is assembling an advisory committee to assist in developing the National Center for Service and Leadership at Fort Scott. Ms. Harvey said that the Trust should compile a list of what skills would be helpful in the development of the Center. Ms. Bechtel asked the Board to consider identifying a back-up plan if the desired use as a Center for Service and Leadership is not realized within a reasonable amount of time. Ms. Harvey said there are two management possibilities for Fort Scott – either another entity leases the buildings, or the Trust maintains control of the area and leases the buildings. Mr. Shepherd asked about the purpose of an advisory committee. Mr. Middleton responded that it was to help provide programmatic expertise, to provide business expertise, and to serve as ambassadors for the project.
 - Brent Glass, a consultant hired by the Trust for six months, began work last week to assist in the development of a cultural use concept for the former commissary building at 610 Mason Street.
 - The YMCA is expected to submit a plan to consolidate its space in the Presidio.
 - Some restaurateurs have exhibited interest in a location in the Main Post.
 - La Terrasse recently abandoned its restaurant space at the transit center at 215 Lincoln Boulevard and their bankruptcy filing seems imminent.
 - In the course of the rehabilitation of 640 Mason Street, the roof of the building collapsed. There were no injuries, and it appears that some of the historic fabric can be saved. The work with the National Japanese Historical Society to create a center commemorating the Military Intelligence School at that site is continuing.

- The Trust has agreed to receive \$7M from the San Francisco International Airport for wetland mitigations. The Trust will use these funds for restoration projects, including the east arm of Mt. Lake and Quartermaster Reach in the Tennessee Hollow watershed.
- Construction contracts have been let and crews are being mobilized to perform improvements at the Baker Beach Apartments.

- Mr. Shepherd summarized the Finance and Audit Committee meeting held earlier in the morning. He reported that the proposed modifications to the Fort Scott budget were endorsed by the Committee, that the Committee received a report on information technology at the Trust, and that an executive session was held with KPMG, the Trust's external auditors, and Burr Pilger Mayer, the Trust's internal auditors. A second executive session was held to receive a litigation briefing.

- Ms. Bechtle suggested that the Real Estate Committee meet soon. The Board discussed the availability and leasing of certain buildings. Mr. Middleton said that some buildings would be marketed on a shorter-term basis in connection with the America's Cup.

- Judy Walsh joined the meeting at 11:26 to identify focus topics for the Board retreat. Ms. Walsh said that in addition to the current group discussion, she would like to interview each Board member individually. Ms. Matull will schedule the interviews.

Executive Session: 11:53 – 12:24.

Meeting adjourned by Chairperson Bechtle at 12:24 p.m.