

Presidio Trust Board of Directors Meeting
July 13, 2016
Minutes

Attending:

Paula Collins
Alex Mehran
Nicola Miner
John Reynolds

Andrea Andersen
Carla Armstrong
Michael Boland
Steve Carp
Jean Fraser
Fran Gonek
Mollie Matull
Sherri Schilling
Joshua Steinberger

Attending Via Teleconference:

Lynne Benioff

Not Attending:

John Kecker
Janet Reilly

Meeting called to order by Chairperson Collins at 9:46 a.m.

Actions taken:

- Approval of Minutes of [May 26, 2016 \(Resolution 16-21\)](#). By motion duly made and seconded. Vote: 5-0.
- Approval of Appointment of Executive Director – Chief Executive Officer ([Resolution 16-22](#)). By motion duly made and seconded. Vote: 5-0.
- Approval of Proposed Regulation Amendments – New Construction ([Resolution 16-23](#)). By motion duly made and seconded. Vote: 5-0.
- Approval of Adoption of Fourth Revised Operating Budget Forecast for Fiscal Year 2016 and Fourth Revised Five-Year Construction Plan ([Resolution 16-24](#)). By motion duly made and seconded. Vote: 5-0.
- Approval of Adoption of Operating Budget for Fiscal Year 2017 and Five-Year Construction Plan ([Resolution 16-25](#)). By motion duly made and seconded. Vote: 5-0.
- Approval of Construction Project – East Mason Warehouse Site and Utility Upgrades ([Resolution 16-26](#)). By motion duly made and seconded. Vote: 5-0.

- Approval of Construction Project – Lendrum Court Site Remediation Phase II ([Resolution 16-27](#)). By motion duly made and seconded. Vote: 5-0.

Discussion items:

- Ms. Collins welcomed Ms. Fraser as the Trust’s new Chief Executive Officer and reviewed the agenda for the day’s meeting.
- Mr. Boland reported for the Interim Leadership Team that:
 - The 150th anniversary of the Buffalo Soldiers would be celebrated at the Officers’ Club on August 6, 2016.
 - Construction of the Korean War Memorial in partnership with the Korean War Memorial Foundation was nearly complete; the opening ceremony would occur on August 1, 2016.
 - Conversion of five acres of land to sustainable, low-water landscaping was on track.
 - The philanthropically-funded restoration of the MacArthur Meadow portion of the Tennessee Hollow watershed was underway.
 - Redevelopment of the Paul Goode Field was anticipated to be complete in six months.
 - Landscaping of the Riley neighborhood would be finished in the next month.
 - Stabilization and painting of the Thornburgh district was in progress.
- Ms. Collins said that she had attended the most recent Presidio Institute Advisory Council meeting – the Council was formed to advise the Trust on matters pertaining to the rehabilitation and reuse of Fort Scott as a national center focused on service and leadership development. The Board discussed its support of the Council’s work and a more active engagement by the Board in conversations about the plans and strategy for the future of Fort Scott. Ms. Collins said that the Council’s next meeting was scheduled for September. She anticipated that the Council would continue outreach meetings and would soon identify specific possibilities for the use of the district.

Ms. Benioff informed the Board that she had spoken with representatives of an organization that was interested in establishing a small think tank in San Francisco focused on collaborative problem solving approaches to pressing social issues such as the environment, healthcare and education. The Board discussed the availability of space in 1201 and 1202 Ralston Avenue in the Fort Scott district. Mr. Mehran and Ms. Collins said that they would spearhead the review of a proposal from the group.

- Mr. Reynolds presented the Audit Committee report. He said that neither the Trust’s internal auditors, BPM, nor the external auditors, KPMG, found any material issues, and that the four outstanding control issues the auditors identified were being addressed. Both auditors were very complimentary of Trust staff and commented that the Trust had done an excellent job. Mr. Reynolds said that a Request for Proposals to rebid the internal audit function would be issued later in the month; BPM would be invited to participate. Mr. Reynolds also reported

that the upgrade of the Trust's financial system was expected to launch in December and that it was within budget.

- Ms. Collins presented the Planning and Real Estate Committee report. She said that the Committee discussed:
 - A letter of intent for a longer-term lease with the Interfaith Center at 130 Fisher Loop. The agreement would include (i) the rehabilitation of the historic portion of the structure to upgrade building systems and to accommodate use of the basement, and (ii) a small addition to the chapel to accommodate the installation of the "McDonald Windows" – windows created from shards of stained glass collected from the rubble of World War II by Army Chaplain McDonald.
 - The progress of the land use study undertaken by James Corner Field Operations (Corner). Mr. Boland added that he anticipated holding a land use workshop for the Board in August and that the final deliverable from Corner was due in November.
 - The negotiation of a letter of intent with the proposed tenant of the Presidio Theatre at 99 Montgomery Street. Ms. Collins suggested that the Trust describe the project on the Trust's Web site.
 - Options for the future of the Observation Post at 211 Lincoln Boulevard.
 - Two alternatives for completing the build out/rehabilitation of Presidio buildings. One possibility represents a combination of Trust and master developer funding, and the other relies largely on Trust funding. Mr. Mehran said that key goals were to activate all building space, to minimize Trust overhead usage, and to generate revenue quickly so excess capital could be deployed to programs. He noted that the decision ultimately was one of speed and control since both alternatives results in a similar financial position for the Trust. The Board discussed the rehabilitation of the Thornburgh area and methods of capital generation.
- Ms. Andersen discussed a recommended regulation amendment and rulemaking. The Board recommended that staff conduct outreach on the proposed rule prior to public circulation.
- Mr. Boland presented the proposed fiscal year 2017 (FY17) budget and five-year construction plan (FY17 through FY21). He explained that the budget and plan were aligned around Strategy 2020, the Trust's blueprint identifying high-level objectives and actions the Trust will pursue from 2015 to 2020. Mr. Boland detailed how the budget was linked to Strategy 2020's key goals of sharing the Presidio, stewarding the Presidio, funding the vision, and sustaining the Trust.

Ms. Armstrong reviewed proposed revisions to the operating budget forecast for FY16 and five-year construction plan (FY16 through FY20).

- Mr. Boland provided an update on the Tunnel Tops project. He reported that Corner had refined the schematic design in response to the Trust's feedback, and that the project was in the design development phase. He said that a draft philanthropic fundraising plan for the project was due at the end of the month from the Golden Gate National Park Conservancy's consultant, CCS. He anticipated that the fundraising effort would begin in earnest in the fall. He also said that conversations with Caltrans regarding a right-of-way agreement and the

turn over condition of the site were progressing. The Board directed staff to enter into an agreement with the National Park Service and the Golden Gate National Parks Conservancy in connection with the programmatic content of the “Youth Campus” portion of the project.

- Executive Session: 12:26 p.m. – 12:40 p.m.

Meeting adjourned by Chairperson Collins at 12:40 p.m.