

Presidio Trust Board of Directors Meeting
September 17, 2002
Minutes

Attending:

Don Fisher
Jennifer Hernandez
Michael Heyman
Amy Meyer
Mary Murphy
William K. Reilly
Toby Rosenblatt

Steve Carp
Karen Cook
Hillary Gitelman
Harry Haigood
Jim Lechleitner (10:30-11:10)
Tia Lombardi
Craig Middleton

Paul Osmundson
Steven Potts
Charles Sakai (10:30-11:10)
Jeff Sloan (10:30-11:10)
Joe Swerzewski (10:30-11:10; via teleconference)
Paula Vlamings

Meeting called to order by Chairperson Rosenblatt at 8:37 a.m.

Actions taken:

- Approval of Minutes of July 11, 2002 meeting (Resolution 02-20). Vote: 4-0 (Hernandez, Murphy and Reilly not present for vote).
- Approval of Approval Process for Expenditures (Resolution 02-21). Vote: 6-0 (Fisher not present for vote).
- Approval of Adoption of Budget for Fiscal Year 2003 (Resolution 02-22), with the understanding that \$5MM of in-flow may be delayed until fiscal year 2004. Vote: 7-0.
- Approval of Non-Residential Real Estate Policy (Resolution 02-23). Vote: 6-0 (Hernandez not present for vote).
- Approval of Non-Residential Short-Term Leasing Policy (Resolution 02-24). Vote: 6-0 (Hernandez not present for vote).
- Approval of Lease of Building 640 (Resolution 02-25). Vote: 6-0 (Murphy not present for vote).

Discussion items:

- Craig Middleton presented the Executive Director's Report. Mr. Middleton reported that:
 - The amount of time it takes to make a residential unit ready for occupancy after it has been vacated by a previous resident has been reduced.
 - Regulatory approvals have been received to implement the remedial plans for Landfill 4 and Fill Site 5. The landfills will be excavated and the area prepared for long-term restoration.
 - A Trust representative will attend the National Preservation Conference scheduled for October.
 - The Trust and Letterman Digital Arts are working through pre-closing matters and anticipate that closing will occur soon.
 - The Trust received an award for its 2001 annual report as the best annual report in the government category, a Department of Energy award for energy conservation, and the Governor's award for historic preservation for archeological educational outreach.
 - The Trust must reduce its costs in fiscal year 2004; the request for funding for 2004 must be sent to Washington this week.
 - The Trust staff is in the early stages of building a philanthropic program.
 - A draft five-year plan will be presented at the next Board meeting, including an articulation of Trust goals, ways to increase revenue and ways to reduce expenses.
- Hillary Gitelman outlined the planning initiatives for fiscal year 2003, including the former PX/Commissary buildings and feasibility studies for West Crissy Field and the Thornburgh Road area. She discussed whether individual buildings should be leased or clusters of buildings. Ms. Gitelman anticipated that the trails plan will be released in the first week of October. The Planning Department has been working on uniform signage standards, street furniture, lighting, kiosks and bus shelters.
- Paul Osmundson presented the non-residential and residential leasing outlook and marketing strategies for next year. Mr. Osmundson said that in the short term the Real Estate Department will focus on leasing certain non-residential buildings that can be selectively improved and that might be appropriate for office use and/or public serving space such as a café. Buildings in this category might include the Funston Avenue houses, the former PX/Commissary buildings and Building 563. The Real Estate Department will look at larger blocks of space such as the Public Health Service Hospital for long-term use. Mr. Osmundson reviewed upcoming Requests for Proposals and Requests for Qualifications and possible uses, including educational, senior housing and office uses. Mr. Osmundson also presented revised real estate policies.
- Tia Lombardi discussed the budget for Public Affairs, noting that the budget for programs has been reduced by 30% to \$1.9MM next year and that the focus will be on partnerships because of the Trust's limited funds. Ms. Lombardi projected that revenue from special events such as facilities rentals will exceed \$1MM next year. She presented a calendar for proposed events for next year.

- Harry Haigood addressed the approval process for expenditures. Mr. Haigood re-presented the budget for fiscal year 2003 and discussed the automated financial accounting system, internal audit options and a five-year budget projection.
- Karen Cook, Jim Lechleitner and outside counsel summarized the status of the pending Federal Labor Relations Authority decision, the labor negotiations with LIUNA and the framework for future discussions, including steps to develop a cooperative relationship. The Board directed staff to proceed with the discussions with LIUNA and to keep the Board informed. Ms. Cook provided an update on the Trust's EEO procedures and relationship with the EEOC.
- The Board discussed a lease for Building 10.
- The Board noted that the changes to the Lettermen Digital Arts design have been approved. The Board discussed the presentation of the final design to the public.
- Executive Session: 12:15 p.m. – 1:00 p.m.

Meeting adjourned by Chairperson Rosenblatt at 1:00 p.m.