

**Presidio Trust Board of Directors Meeting**  
**April 23, 2004**  
**Minutes**

**Attending:**

Lydia Beebe  
Don Fisher  
David Grubb  
Mary Murphy (8:44 – 2:02)  
Toby Rosenblatt  
William Wilson, III  
Joseph Yew, Jr.

Michael Boland (9:48 – 10:25)  
Steve Carp  
Karen Cook  
Lori Eason  
Hillary Gitelman  
Tia Lombardi  
Mollie Matull  
Craig Middleton  
Paul Osmundson  
Steven Potts

Meeting called to order by Chairperson Rosenblatt at 8:36 a.m.

**Actions taken:**

- Approval of Minutes of January 22, 2004, January 29, 2004, March 30, 2004, April 8, 2004 and April 14, 2004 meetings (Resolution 04-10). Motion: Beebe. Second: Fisher. Vote: 6-0 (Murphy not present for vote).
- Approval of Adoption of Revised Budget for Fiscal Year 2004 (Resolution 04-11). Motion: Beebe. Second: Murphy. Vote: 7-0.

**Discussion items:**

- Toby Rosenblatt noted that at an Executive Session during the January 29, 2004 Board meeting, the Board approved Craig Middleton's recommendations regarding senior management compensation with one modification related to an individual member of senior management.

- Joseph Yew reported the results of the Finance and Audit Committee's meeting with Grant Thornton, the auditors performing the audit of the Trust's fiscal year 2003 financial statements. Grant Thornton found no reportable conditions or material weaknesses in their audit of the Trust's financial statements. Mr. Yew reviewed some of Grant Thornton's suggestions and said that the recommendations were all in the nature of on-going improvements rather than addressing areas of exposure. The committee met with Grant Thornton representatives regarding Trust internal controls and the level of professional financial skill at the Trust. Mr. Yew reported that the auditors found the Trust satisfactory in these areas.
- Lori Eason proposed revising the fiscal year 2004 budget by moving funds from contingency to capital projects. The Board discussed each of the capital projects, asked the Real Estate Committee to make a recommendation regarding the use of funds on Buildings 86 and 87, and adjusted the amount of funds to be moved. Mr. Rosenblatt reported that since the last budget revision made by the Board on November 18, 2003, he had approved the movement of \$454,000 from contingency to capital projects, pursuant to the Approval Process for Expenditures. The projects involved the demolition of Building 1387 and the predevelopment of Pilots Row housing.
- Hillary Gitelman reported on the status of the design of the Main Parade Ground. Ms. Gitelman identified four general topics for Board consideration in order to provide the Trust's designer, the Olin Partnership, with sufficient direction and feedback to conclude the conceptual design phase of the project – traffic circulation, activity zones, public uses and parking. The Board discussed the importance of parking in the area and the parking options. David Grubb requested cost information for an underground parking facility. The Board discussed what types of uses the space should accommodate, whether there should be a thematic use, whether it should be designed for large gatherings, whether there should be a central building, and whether the space should include some amount of new construction. There was general support for the ideas related to simplifying circulation, narrowing the Main Parade area, providing a spine of pedestrian activity and landscaping, and potentially defining the edges of the parade area with two new buildings. The Board requested further resolution of the parking issue prior to proceeding with additional landscape design work. Ms. Gitelman said that she would provide an expanded parking analysis and outline some implementation strategies at the Board's next meeting.
- Ms. Eason presented a summary of the cash flow for fiscal years 2003 and 2004 and discussed the carry forward of funds from 2003 to 2004.
- Mr. Middleton discussed the draft plan prepared by the Trust pursuant to the Government Performance and Results Act (GPRA). The GPRA requires federal agencies to develop mission statements, goals and objectives and performance measures for five years - essentially a five-year strategic plan. Mr. Middleton identified preserving and enhancing the park's resources, providing opportunities for public use, operating and maintaining the park, and generating revenue to build and sustain the park as the critical components of the Trust's mission to build and sustain the Presidio for the public. Don Fisher commented that the plan

should reflect the Trust's financial goals as well. William Wilson said that the Trust needed to fill in details and attach hard numbers to its plans. Mary Murphy said that the plan should make explicit the challenges the Trust is facing since it is constrained by a number of competing demands – physical, legal and financial. Mr. Middleton noted that the proposed five-year goals are generally consistent with the 20-year financial projections that have been provided to the Board, and that a financial plan will be developed to accompany the strategic plan. He indicated that the draft strategic plan will be revised in accordance with guidance received from the Board.

- Mr. Middleton reported that a new budgeting procedure was underway for the upcoming fiscal year. The new procedure involves preparing and presenting budgets by project and identifying overhead and maintenance costs, rather than the current system of presenting operating budgets allocated by department. Mr. Middleton also reported that the organizational chart was being revised along functional lines.
- Executive Session regarding proposed organizational changes: 12:15 – 2:02.

Meeting adjourned by Chairperson Rosenblatt at 2:02 p.m.