

Presidio Trust Board of Directors Meeting
May 25, 2017
Minutes

Attending Board Members:

Lynne Benioff (Recused during Fort Scott matters)
Paula Collins
William Grayson
John Keker
Mark Pincus
Janet Reilly
John Reynolds

Participating Staff Members:

Carla Armstrong
Michael Boland
Kelly Dallmann
Jean Fraser
Fran Gonek
Nancy J. Koch
Sherri Schilling
Josh Bagley (Participated only for Fort Scott/Thornburgh matters)
Dave Smith (Participated only for Fort Scott Advisory Committee matter)

Guests Attending:

Lenny Mendonca, Senior Fellow, Presidio Institute (Participated only for Federal Advisory Council Report)
Greg Moore, Executive Director, Golden Gate National Parks Conservancy (Participated only for discussion of Tunnel Tops Project)
Toby Rosenblatt, Chair, Federal Advisory Council (Participated only for Federal Advisory Council Report)

Chairperson Keker called the meeting to order at 8:04am.

Actions taken:

- William Grayson sworn in as new Board Member.
- Approved: Minutes of April 24, 2017 Telephonic Board Meeting.
- Approved: Solicitation Process for Fort Scott Development.

- Approved: Thornburgh/West Letterman Development Plan.
- Approved: Delegation of authority to Chairperson Keker regarding Doyle Drive dispute.
- Approved: Mission Statement and Strategic Goals.
- Revoked: Educational Tenant Policy
- Approved: New Budget Policy

Discussion items:

After Mr. Grayson took the oath of office to become a Trust Director, Chairperson Keker and Ms. Fraser both recognized Ms. Collins for her service as Board Chair. Ms. Collins had resigned from that position on 24 April 2017 to promote organizational stability and continuity. She will continue to serve on the Tunnel Tops Project Committee and to Chair the Finance and Real Estate Committee. Ms. Collins has dedicated significant time, effort and skill to leading the Board during her term. She expressed gratitude to her fellow directors and to staff for their contributions to the Trust.

Approval of 24 April 2017 Minutes.

Upon motion duly made and seconded, the Board unanimously approved the revised version of minutes for the 24 April 2017 Board meeting attached hereto as Exhibit A.

Presentation of Presidio Institute Federal Advisory Council Report.

Ms. Benioff recused herself from this matter. Mr. Rosenblatt presented a report entitled “Fort Winfield Scott: Reactivating a Legacy of Service” which had been prepared by the Presidio Institute Federal Advisory Council. The report, which follows four years of investigation by the Council, describes Fort Scott as the last un-redeveloped area managed by the Presidio Trust. It is comprised of 19 historic buildings and 272,000 square feet of interior space overlooking the Golden Gate Bridge. The report recommends transforming Fort Scott into a “...hub for social innovation that will enable problem solvers from around the world to come together and forge courageous solutions for the greatest challenges of our time.” The Council encourages the Trust to curate a dynamic environment at Fort Scott to promote a culture of innovation with multi-use buildings, meeting and training space, accommodations, support services and people flowing in and out for varying lengths of time. To fully renovate the campus, as recommended by the Council, would cost an estimated \$150 - \$200 million and take at least three years of construction. The Council predicted a high level of interest among potential funding sources given the prevailing economic and political climates.

On behalf of the Board, Mr. Keker commended the Council on the quality of its work and thanked them for their service. Directors then questioned Messrs. Rosenblatt, Mendonca and Smith about various elements of the report.

Approve 2-Part Solicitation Process for Development of Fort Scott.

Ms. Benioff recused herself from this discussion. Ms. Fraser and Mr. Bagley presented a staff recommendation to follow a two-step solicitation process for development of Fort Scott. Developing Fort Scott would require both significant funds and staff resources to succeed, potentially to the detriment of advancing other Trust projects and priorities. The Presidio Institute Federal Advisory Council predicted that significant interest and funds from outside sources would be available. Staff recommended testing the validity of the Council's conclusion by following a two-step solicitation process for identifying qualified and interested developers. In the first step, the Trust would issue a request for concepts describing the opportunity and ask interested parties to submit development concepts along with information about their financial wherewithal. If qualified respondents submit proposals that are attractive to the Trust, the Trust will solicit formal proposals and enter negotiations for a long-term master development agreement. If qualified respondents do not emerge, the Trust likely will defer development of Fort Scott.

Mr. Bagley described the mandatory elements of the request for concept proposal that would be required of interested parties including a new transit center, an entrance to Fort Scott from Lincoln Boulevard, rehabilitation of several buildings constituting about 242,000 square feet in accordance with historic preservation standards and LEED Silver environmental standards, and ensuring food service open to the public and tenants. He further identified some optional concept elements. Ms. Fraser explained the schedule for preparing the concept proposal request, seeking public input and then seeking approval from the Board.

After discussion, and upon motion duly made and seconded, the Board unanimously approved staff's recommendation to follow a two-step solicitation process for development of Fort Scott.

Approve Thornburgh/West Letterman Development Plan.

Mr. Bagley presented the Thornburgh/West Letterman Development Plan. The proposed mixed-use plan elements would include new affordable and market rate residential units, an active business community and improved pedestrian and bicycle access. Staff believes this proposed development plan is consistent with the Presidio Trust Management Plan, financially feasible, and supports the Trust's strategic goals. The Finance and Real Estate Committee previously considered details of this Plan and supports the proposal. After discussion, and upon motion duly made and seconded, the Board unanimously approved the mixed-use development plan for the Thornburgh/West Letterman area as presented. Upon staff's suggestion, the Board deferred making a determination of when to proceed with this development effort at least until such time as the Fort Scott RFP process is complete.

Tunnel Tops Project Status.

Mr. Moore joined the meeting to present information concerning fundraising for the Tunnel Tops project. Projected project design and construction costs are estimated at \$100 million. The campaign to raise the required funds is well underway thanks, in part, to the significant efforts of Director Benioff. Approximately 50% of the funds already have been pledged; Mr.

Moore described the prospective donor pool as robust. Still, the project will face a cash flow challenge due to the lagging timing of pledge payments compared to construction costs. Mr. Moore led a discussion concerning potential mechanisms for managing the cash flow challenge and potential risks faced by the project. Then, Mr. Boland summarized ongoing interactions with the State Historic Preservation Office and the National Park Service concerning historic preservation compliance issues.

Doyle Drive Project Dispute: Attorney Client Privileged Briefing.

Ms. Koch updated the Board on the Doyle Drive Project dispute.

Approve New Strategic Goals.

Ms. Fraser sought approval for new Strategic Goals designed to help the Trust focus its spending and work plans around a relatively small and measurable set of core goals. The proposal reflected input from the public, key stakeholders, plus Trust staff. These groups all broadly agreed about the nature of the proposed strategic goals. Ms. Fraser noted that the metrics used to measure progress against each of the proposed goals would be further developed and changed over time. Further, Ms. Fraser noted that goal #1 would focus on the Presidio as a whole, not just Area B.

Ms. Fraser also presented an updated proposed Mission statement which explicitly incorporates the Trust's collaborative relationship with the National Parks Service and the Golden Gate National Parks Conservancy.

After discussion, and upon motion duly made and seconded, the Board approved the Mission statement and Strategic Goals in the form attached hereto as Exhibit B.

Approve Committee Appointments.

The Board deferred discussion of this item.

Other Business.

Ms. Fraser updated the Board on current events around the Park.

Executive Session.

Directors did not meet in Executive Session.

Meeting adjourned by Chairperson Kecker at 12:10pm.

Exhibit A

**Presidio Trust Board of Directors Meeting
Via Teleconference
April 24, 2017
Minutes (Revised)**

Attending Board Members:

Lynne Benioff
Paula Collins
John Keker
Nicola Miner
Mark Pincus
Janet Reilly
John Reynolds

Participating Staff Members:

Carla Armstrong
Michael Boland
Jean Fraser
Fran Gonek
Nancy J. Koch
Mollie Matull
Sherri Schilling

Chairperson Collins called the teleconference meeting to order at 10:00 a.m.

Actions taken:

- Approval of Minutes of March 23, 2017. Vote: 7-0.
- Approval of Bylaws. Vote: 7-0.
- Approval of Real Estate Policy. Vote: 7-0.
- Approval of Procurement Policy. Vote: 7-0.
- Approval of Personnel Policy. Vote: 7-0.
- Election of John Keker to be Board Chairperson. Vote: 7-0.
- Election of Janet Reilly to be Board Vice Chairperson. Vote: 7-0.

Discussion items:

Approval of Bylaws

The Board considered an amendment to the bylaws to replace Article 4, Section 3 relating to the Election of Officers as recommended by the Governance & Human Resources Committee.

The board discussed the recommendation and asked questions. Thereafter, a motion to approve the Bylaws amendment was made and duly seconded. The Board unanimously voted to approve the amendment attached hereto as Exhibit A.

Approval of Real Estate Policy

The Board considered a new comprehensive Real Estate Policy as recommended by the Governance & Human Resources Committee. Two separate policies relating to short and long term non-residential real estate transactions were merged into one policy that also covers residential real estate transactions. The board discussed the recommendation and asked questions. Thereafter, a motion to approve the Real Estate Policy was made and duly seconded. The Board unanimously voted to approve the Real Estate Policy attached hereto as Exhibit B.

Approval of Procurement Policy

The Board considered an amended Procurement Policy as recommended by the Governance & Human Resources Committee. The board discussed the recommendation and asked questions. Thereafter, a motion to approve the Procurement Policy was made and duly seconded. The Board unanimously voted to approve the amendment attached hereto as Exhibit C.

Approval of Personnel Policy

The Board considered an amended Personnel Policy as recommended by the Governance & Human Resources Committee. The board discussed the recommendation and asked questions. Thereafter, a motion to approve the amended Personnel Policy was made and duly seconded. The Board unanimously voted to approve the amendment attached hereto as Exhibit D.

Election of Chairperson and Vice Chairperson

Ms. Collins resigned from her position as Chairperson. Motions were made and duly seconded to appoint Vice Chairperson Keker to the position of Chairperson and to appoint Director Janet Reilly to the position of Vice Chairperson. Both motions were unanimously approved.

Other business

The board held an attorney-client privileged discussion led by counsel regarding disputes related to the Doyle Drive project.

Chairperson Keker adjourned the meeting at 10:39 a.m.

Exhibit B



Strategic Goals

Mission of the Presidio Trust

In partnership with the National Park Service and the Golden Gate National Parks Conservancy, and at no cost to taxpayers, the Presidio Trust brings alive the unique historic, natural, and recreational assets of the Presidio for the inspiration, education, health, and enjoyment of all people.

Goal #1

The Presidio will be visited and loved by all.

Goal #2

The Presidio will be a model of environmental stewardship.

Goal #3

The Presidio Trust will be a model of operational excellence and financial sustainability.