

4.32 TENANT SELECTION (TS)

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TYPE OF TENANTS

TS-1. *Mission-Related Tenants*

Many commentors, including various environmental organizations and neighborhood associations, believe that the Trust should seek tenants who have a mission or business purpose related to park themes. They assert that the PTIP represents a substantial shift from the GMPA in the relative emphasis on financial versus program support as part of the tenant selection process. They ask that tenant selection emphasize the importance of visitor and educational program contributions found in the proposed tenant selection criteria of the GMPA, and that no premium be placed on financial considerations. (“The Draft PTIP should not put contributions to the visitor’s national park experience on par with financial contributions.”) They are concerned that if

tenants’ primary contributions are revenue generation, program provision by such tenants might be very limited. (“The idea of making the Presidio’s resources available primarily to the ‘highest bidder’ could well jeopardize the unique mix of non-profit and other uses that are so successful and vital in the Presidio and Fort Mason.”). The Sierra Club states “all remaining buildings should be leased to narrowly defined GMPA mission-related tenants.”

Response TS-1 – The Trust Act, which was passed after the GMPA became final in 1994, altered the tenant selection landscape significantly by elevating the importance of financial considerations above their role in the GMPA. The Trust Act (Section 104(n)) provides as follows: “In managing and leasing the properties transferred to it, the Trust shall consider the extent to which prospective tenants contribute to the implementation of the general objectives of the General Management Plan for the Presidio and to the reduction of cost to the Federal Government. The Trust shall give priority to the following categories of tenants: Tenants that enhance the financial viability of the Presidio and tenants that facilitate the cost-effective preservation of historic buildings through their reuse of such buildings.” To the extent commentors see a shift in the tenant selection approach, it is in large part due to the requirements of the Trust’s enabling statute. These statutory changes allow the Trust to consider a prospective tenant’s program contribution, but require that the Trust consider finances in tenant selection. These new requirements do not mean the Trust must select the “highest bidder,” and the Trust is not proposing such an approach in the PTMP. These requirements do mean that the Trust cannot limit itself to consideration of only a prospective tenant’s programmatic contribution.

Were the Trust to follow the suggestion of one commentor to accept “only public purpose tenants who are committed to the widest possible public access,” the Trust would also have to find within this group the smaller sub-group that would “enhance the financial viability of the Presidio” and/or “facilitate the cost-effective preservation of historic buildings....”

The tenant selection criteria and related discussion in Chapter Four of the Final Plan ensure that multiple criteria will be considered by the Trust. These criteria include financial viability and responsiveness to the general objectives of the GMPA. Also see Response TS-6, below.

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TS-2. *Other Types of Tenants are not Enough*

Several commentors are not convinced by statements in the PTIP offering reasons for diverging from the GMPA's tenant selection criteria. They feel that the PTIP "inappropriately opens the doors of the park's non-residential buildings... with no justification, and with no evidence that the 1994 GMPA's universe of potential tenants would be incapable of paying adequate rents or meeting the Trust Act's financial priorities for tenant selection." One individual states that the Trust makes no attempt to explain why "virtually any kind of business one might find in a Silicon valley office park" belongs in a national park "beyond vague references to 'changed economic opportunities'." Commentors sharing this view support the reintroduction into the PTIP of the tenant selection criteria outlined in the GMPA.

Response TS-2 – As explained in the Final Plan, the Trust proposes not to target as tenants only organizations devoted to "addressing the world's most critical environmental, social, and cultural challenges" as envisioned by the GMPA. Requiring tenants to have a business mission related to solving world problems further limits an already limited pool of tenants willing to locate at the Presidio and to contribute toward the rehabilitation of its buildings and landscapes. The Trust believes that such a constraint would introduce unnecessary risk to the Trust's ability to discharge its foremost responsibility – the timely preservation of the park's resources for the public in perpetuity.

Some commentors assert that tenants consistent with the GMPA vision would provide an ample pool of Presidio tenants, speculating that these tenants might be able to pay adequate rents or meet Trust Act financial criteria. Thus, they conclude, the Trust should limit the pool of tenants to those who fit within the overlap of both the GMPA (as one commentor lists: tenants whose focus is environmental, philanthropic, conflict resolution, international relations, and arts) and Trust Act tenant categories. These commentors say the Trust should make this decision because there is no evidence to the contrary.

The Trust's leasing experience to date and its understanding of the real estate market are the bases for the Final Plan's approach to leasing. The Trust believes the commentor's desired approach – limiting the tenant pool to GMPA-type tenants and then waiting to see whether and when they would be willing to lease the Presidio's building space – is imprudent.

While undoubtedly there are some additional tenants who fit both the GMPA and Trust Act financial criteria and are willing to sign long-term leases, their number is limited. Since the time the Thoreau Center lease was concluded, the Trust has advertised many other lease offerings to these as well as a wider variety of tenant types. For example, when the Trust solicited proposals for the Letterman Complex specifically identifying the preferred research and education user specified in the GMPA no such user came forward. The Presidio Trust's notice of the availability of the RFQ for the Letterman Complex was sent to about 4,000 prospective users. The RFQ itself was sent to 2,400 organizations based on the response to initial mailing and targeted user groups. Consistent with the GMPA biotechnology and medical research companies and organizations were included in the targeted user groups. The Trust identified prospective tenants using Dun and Bradstreet national listings for tenants in specific industries and San Francisco Bay Area listings of largest companies in specific industries. Industries targeted from the national database included Scientific Research and Development Services (SIC 5417) and pharmaceutical and medicine manufacturing (SIC 3254). Locally, the largest employers in the following areas were contacted: biotechnology/biopharmaceutical companies, medical device companies, and hospitals. The extensive outreach was made in an effort to bring forth a scientific research and education user capable of offering to implement the specific use proposed in the GMPA for the LAMC/LAIR site. Finally, the Trust made an extensive outreach to the real estate brokerage community in an effort to reach users actively seeking space so that in the absence of a qualified respondent for this preferred type of use, the Trust would have other alternatives, supported by the market, to consider.

The Trust received responses from 18 submitters, and rejected the majority of proposals either because they failed to meet the minimum standards for development, including consistency with the General Objectives of the GMPA. The Trust ultimately studied four market-based alternatives. Although commentors would have preferred that the Trust study alternatives that involved a different program focus or different mix of organizational types, no minimally qualified proposers came forward to offer any such alternatives, and they were therefore not included within the range of users considered by the Trust.

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Similarly, when the Trust has put out leasing solicitations for other buildings, users of the type identified in the GMPA simply have not responded. In one instance, the Trust prepared a lease solicitation targeted to foundations of the specific type contemplated by the GMPA. The Trust identified 2,872 prospects for the lease offering of Buildings 103/104. These buildings are considered by some to be the signature historic buildings on the Main Post, likely to be desirable to a wide audience. Some of the original 2,872 prospects were eliminated for various reasons, often due to the foundation's own requirements. (For example, an Idaho foundation was screened out because it only funded philanthropic projects in Idaho.) The Trust ultimately mailed solicitations to 1,766 prospects, including brokers, related data bases, and non-profit organizations that could spread the announcement of the offering more widely. The Trust received only two expressions of interest. One of the respondents, the Moore Foundation, a newly-created philanthropic organization funded by Intel executive Gordon Moore, is a benefactor for international environmental and biodiversity projects, and is now renting space within Building 38 as a subtenant of the master tenant who funded the historic rehabilitation of that building. As it turned out, the offering of Buildings 103 and 104 has not resulted in any viable proposal for their reuse by GMPA-type tenants to date. No doubt, the complexity associated with the building rehabilitations presents economic uncertainties that have thus far been unacceptable to prospective users.

These and other examples point out the complexities and variety of obstacles that must be managed and overcome to successfully lease the type of building space available within the Presidio. To impose yet a further constraint on successful leasing by limiting the prospective pool of tenants to those who fit the relatively narrow criteria of the GMPA risks the imposition of so many constraints as to tempt failure.

The pool of potential tenants is already limited by the Presidio's location several miles removed from San Francisco's downtown and the complexities of its available building space. The historic nature of many Presidio buildings, as well as their layout and capacity for structural changes, limit their suitability for certain types of tenants. Interested parties often do not have the capital to rehabilitate the space. In addition, the Presidio is not as accessible to public transportation, business centers, or conveniences as other

competing locations. To restrict the pool of prospective tenants still further would make the mission of the Trust – ensuring the preservation and enhancement of park resources – more difficult. For these reasons seeking a diverse range of tenants is prudent policy. Also, a diverse tenant base mitigates the effects of inevitable economic downturns, weakness in or demise of any particular sector, and changing social trends. Over time, diversity will create a more robust and stable base of tenants, making the long-term preservation of park resources more likely.

The GMPA requirement that Presidio tenants in general will provide park programs related to the GMPA's vision of addressing the world's most critical problems has proven to be difficult to police and impractical to enforce. Further, requiring tenants to pay directly for park programs – often in addition to making a substantial investment in rehabilitating a building – creates further disincentives to lease Presidio space. Finally, the rehabilitation of historic buildings for reuse is complicated, and there is a limited pool of prospective tenants with the experience, skills, and financial wherewithal to undertake such projects. In the judgement of the Trust, the basic policy goals of the Plan, such as increasing open space and rehabilitating hundreds of historic buildings, cannot be accomplished solely by organizations of the type specified under the GMPA.

TS-3. Tenants Who Make Financial and Other Contributions to the Park

A number of commentators, including several San Francisco planning and civic organizations and businesses, recognizing that the appropriateness of tenants has been a "contentious issue," are supportive of the Trust's proposal to seek tenants who make financial and other commitments to the park. San Francisco Beautiful "strongly believes that whether a tenant's economic model is or is not for profit should not be the test of appropriateness. A better test is what benefits the tenant offers to the public, as well as their ability to enhance the financial viability of the Presidio." SPUR is optimistic that the Trust "will be able to attract tenants who make financial and other commitments to the life and vitality of the Presidio." Others applaud the Trust's efforts to "bring to the park 'value-added' tenants whose presence adds to the attractiveness of the Presidio..." ("We are delighted that you were able to attract a world class organization like George Lucas and believe it will

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add immeasurably to the Presidio—we will all be the beneficiaries. It would be great to see more such world class organizations as tenants, helping financially and in so many other respects.”) One individual “endorses” the tenants that the Trust has selected thus far, and doesn’t believe that any particular “litmus test” needs to be applied to prospective tenants.

Response TS-3 – Not all commentors asked the Trust to limit itself to selecting GMPA-type tenants or to de-emphasize financial criterion as an important component of tenant selection. The Trust recognizes, however, that most of these commentors also express the importance of attracting among this group of tenants those with a willingness and ability to make other commitments to the park. The Trust agrees with these commentors that tenants should have something to offer the public. The second of the three tenant selection criteria articulated in Chapter Four of the Final Plan is responsiveness to the General Objectives of the GMPA and contribution to the visitor experience. Thus, the Trust will encourage contributions from park tenants and will select tenants based not only on their ability to meet financial criteria, but also their willingness to make other contributions to the park and its visitors. In the Trust’s view, contributions to the visitor experience could be made in a wide variety of ways. Some tenants may design and offer their own program or special events directly to park visitors; others may create or enhance space that serves the public; others may donate volunteer services to existing programs, such as park stewardship programs or ongoing resource protection programs. Still others may offer interpretive media or other special services. These are only examples, and the form of tenant contribution is almost unlimited.

The Trust is not pre-selecting the precise way in which any given tenant must contribute to the visitor experience, to the park, or to park programs. In the changed context in which the park must pay for itself, in some cases a tenant’s best contribution may be providing capital funding to improve a building or rent to pay for other non-revenue generating goals without a substantial programmatic contribution. In other instances, tenants who meet a basic financial standard for an offering may be selected primarily for their programmatic contribution to the park and the visitor experience. It is the Trust’s responsibility and challenge to find the appropriate balance between financial and programmatic contribution, and the tenant selection approach of

the Final Plan is the means by which the Trust anticipates it will accomplish this goal. As stated in Chapter Four of the Final Plan, “Preferred tenants will serve the public interest, and will meet all three selection criteria” articulated.

TS-4. Mix of Tenant Types

Commentors offer their suggestions for the types of tenants that should be included within the mix of Presidio tenants. Some commentors provide examples, including gas stations, grocery stores, bait shops, bike rentals, cleaners, drug stores, a small supermarket, cafes, a few small shops (“to make the park more livable and also be another source of income,” “bring back to life the old buildings,” “services to support a resident population,” “visitor amenities are vital”). Others feel that retail needs besides convenience store-style retail are better elsewhere (“do not duplicate tenants that are in the Marina, downtown, rest of city...”). One individual recommends medical services (“especially for the volunteers at the Native Plant Nursery”). Another individual thinks that “Industrial Light and Magic should make a nice addition to the area,” and yet another requests “schools, etc. not just corporations.” Educational institutions are mentioned frequently (“educational tenants and preschools,” “a unique Nature and Technology High School—a magnet boarding school,” “K grade schools,” “a leading, world class university.”) Still others are less specific and ask questions (“can a fuller description of prospective tenants be included in the FEIS?”), or provide objectives (“ensure the viable presence of a variety of enterprises that echo the heterogeneity and diversity of the American economy,” “ensure that the Presidio is not a reflection of simply one business point of view”), and guidelines (“keep business, and subsequent traffic, out. We need parks, not buildings, not businesses...”).

Other commentors offer opinions on the type of tenants the Trust should avoid. One individual states that the Trust makes no attempt to explain why multimedia, telecommunication, internet, software, and other high-tech corporations belong in a national park. A commentor points out financial risks inherent in tenant selection that could “easily favor ‘here today, gone tomorrow’ (yet well-funded) technology startups.” She asks, “What if most of the Presidio’s office space had been rented to dot-coms last year? Wouldn’t most of the space be empty today, as it is elsewhere in the Bay Area?” The

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NPS offers a warning (“Should the ultimate mix of tenants contain a predominance of private business tenants, this could have the effect of making the Presidio less open, inviting and accessible to the general public”).

Response TS-4 – The Trust Act provides criteria to guide the mix of tenants at the Presidio. In keeping with the Trust Act (Section 104(n)), the Trust will consider the extent to which prospective tenants contribute to the implementation of the General Objectives of the GMPA. To achieve this goal, the Trust will make every effort to locate and find qualified tenants involved in stewardship and sustainability, cross-cultural and international cooperation, community service and restoration, health and scientific discovery, recreation, the arts, education, research, innovation, and communication. See Chapter Four of the Final Plan. All of these endeavors are derived from, and consistent with, the focus of the GMPA and are therefore embodied in the Trust Board’s Resolution 99-11 stating the GMPA’s General Objectives. In addition, the Trust may consider other users who bring value to the park in other ways, such as the ability to rehabilitate an historic building, and capacity to contribute to the vitality of the community.

In response to commentors’ suggestions, the Final Plan provides for varied users, and no single type of use or user predominates. As some commentors suggest, the Plan allows for some convenience-type retail, such as cafes or small service stores, to serve the basic needs of Presidio residents, employees, and visitors. The intent is not, however, to make the Presidio into a retail shopping area, to duplicate the activities of nearby businesses, or to create an extension of nearby retail areas. Furthermore, although some comments suggest otherwise, the Trust is not proposing to focus tenant selection primarily on private business tenants or on any one sector, even from among those listed above within the General Objectives. The Presidio will remain predominantly park-like, with nearly three-quarters of its area as open space. Office uses will comprise only about one-third of the total building space. A mix of large and small, for-profit and non-profit, long-standing and recently created organizations will occupy this space. In response to those commentors requesting education-related uses, these too will be accommodated, and their exact nature will be determined during Plan implementation.

The Trust does not now and does not propose in the Final Plan to focus its tenant selection on multimedia, telecommunications, software, high-tech, or any other particular business sector. It is true that a year or more ago, some prospective tenants within these sectors leased building space at the Presidio, but that was largely due to the unprecedented condition of the market at the time. Market rents and business creation in the “dot-com,” high-tech, and software sectors were at an all-time high and vacancy rates elsewhere in the region were at an all-time low. Many existing or start-up organizations were willing to rent space at almost any price wherever they could find it, including at the Presidio, which, unlike other areas, had available space. That situation has changed, and the Trust’s approach to long-term tenancies at the Presidio will not focus on these sectors or any other single one business sector.

Other comments complain that the Trust should not limit itself to or allow an overabundance of for-profit business tenants. Again, the Trust does not and is not proposing to limit tenant selection to a single business model. In response to commentors who asked the Trust to articulate more concretely the place for non-profit organizations in the Presidio community, the Trust agrees with the commentor who stated “whether a tenant’s economic model is or is not for profit should not be the test of appropriateness.” The tenant selection criteria allow for a broad mix of tenants, and tenant diversity is embraced as the Trust’s policy. See Chapter Four of the Final Plan.

The current mix of approximately 60 non-residential tenants varies widely, and more than half are non-profit organizations occupying almost 600,000 square feet of building space (out of about 900,000 square feet of occupied space). Some of the existing non-profit tenants are large organizations offering services and programs directly to the public. Other non-profit tenants are small organizations that advocate social causes that transcend the day-to-day experience of park visitors. For-profit tenants also range from large to small, and from those that directly interact with park visitors to those that likely go unnoticed by most visitors. The Plan calls for continuing development and retention of a diverse tenant mix without limiting the potential tenant pool based upon business structure or purpose.

Some commentors seem concerned that the Trust’s goal is to seek out more or mostly corporate “powerhouse” tenants like Letterman Digital Arts, Ltd. (an

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affiliate of Lucasfilm Ltd.), which will redevelop the 23-acre Letterman Complex site for a digital arts campus. As noted above, the Final Plan does not eliminate from consideration tenants that are successful for-profit companies, but commentors need not be concerned over a duplication of the LDAC project elsewhere in the Presidio. The LDAC project is unique. No other site at the Presidio combines the same characteristics as the 23-acre Letterman Complex (i.e., demolition of large obsolete non-historic buildings to allow new replacement construction), and no other single tenant is expected to occupy as much space (i.e. 900,000 square feet).

TS-5. Tenant Subsidies

The Sierra Club comments that no “tenants should be accepted that would pose a continuing operating subsidy or other financial demand on the Trust.” Others believe financially stable tenants should help underwrite the needs of desirable, but possibly under-funded tenants. One individual remarks “having some tenants pay market rate, while non-profits pay a reduced rate is working, and no further fees should be placed on market rate paying tenants.”

Response TS-5 – As a general policy matter, the Trust does not favor and will not rely on tenant subsidies to engineer the tenant mix. The Trust’s approach is to allow the marketplace to deliver a diverse tenant mix, something that is expected to evolve in part because none of the building space at the Presidio is considered to be premium Class A space such as that found in downtown San Francisco. The Presidio’s non-residential building space is a mix of Class B and C office space that is likely to attract a wide range of small-to medium-sized users. Consequently, the Presidio is not in competition for and is not expected to draw the high-end corporate users of the nature that concerns some commentors.

Although the Sierra Club prefers that no tenant be subsidized or create a financial demand on the Trust, the strict interpretation of this comment would mean that the Trust would select only the highest bidder. That is not the Trust’s intent. This comment also seems at odds with the Sierra Club’s desire that the Trust limit itself to tenants contemplated under the GMPA, many of whom would be non-profits who may be less likely to be the highest bidder. To provide a diverse tenant mix, the Trust will select some tenants who primarily offer a financial contribution to the park. Others may be selected

primarily for the importance of what they can contribute to the park community. The Trust’s preferred tenants will be those who meet both criteria.

For obvious reasons, the Trust must avoid subsidizing tenants, and will require tenants to demonstrate the overall feasibility of their lease proposals, including the feasibility of funding capital improvement and ongoing operating expense. Nonetheless, in its commitment to tenant diversity, the Trust expects to use a variety of approaches. As explained in Chapter Four of the Final Plan, the Trust may encourage master tenants to sub-lease to desired organizations or seek partnerships with philanthropic organizations to support tenants that might no otherwise be able to locate at the Presidio.

TENANT SELECTION CRITERIA

TS-6. GMPA vs. Trust Act Tenant Selection Criteria

Various commentors, including the CCSF Planning Department and NAPP, request that the Trust retain the GMPA tenant selection criteria. Various other commentors, including three historic preservation groups, feel the Trust should select tenants that conform fully to the provisions of Section 104(n) of the Trust Act. They assert that the Trust Act requires that priority be given to tenants “that facilitate the cost-effective preservation of historic buildings through their reuse of such buildings,” and that the Trust’s tenant selection criteria do not reflect this priority.

Response TS-6 –The tenant selection criteria set forth in the Final Plan combine the requirements of the Trust Act concerning tenant selection with elements from the GMPA that placed a premium on tenant contribution to the park and its visitors. Under the Final Plan, Presidio tenants will be selected on the basis of the following three criteria: (1) demonstrated ability to enhance the Presidio’s financial viability and/or rehabilitate and reuse an historic building, thus contributing directly to the Trust’s primary goal of resource protection; (2) responsiveness to the General Objectives of the GMPA and contribution to the visitor experience; and (3) compatibility with the planning principles and preferred uses articulated in the Plan. The first criterion is derived directly from Section 104(n) of the Trust Act, which requires the Trust to “give priority to the following categories of tenants: Tenants that

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enhance the financial viability of the Presidio and tenants that facilitate the cost-effective preservation of historic buildings through their reuse of such buildings.” The second criterion derives from the Trust Act’s requirements that the Trust “consider the extent to which prospective tenants contribute to the implementation of the general objectives of the General Management Plan for the Presidio....” The third criterion ensures consistency with the PTMP, including its policies, objectives, and land use framework.

The Trust’s goal is to identify tenants who serve the public interest and meet all three selection criteria. In instances where it is not possible to identify such tenants, the Trust may consider users who would have a neutral effect on the Presidio’s visitor experience or long-term financial viability. For further explanation of why the Trust chose to adopt in PTMP tenant selection criteria that modify what was set forth in the GMPA. Refer to Responses TS-1 and TS-2.

TS-7. Application of Tenant Selection Criteria

Some commentors offer recommendations for appropriate tenant selection criteria and how the Trust should prioritize or apply its tenant selection criteria. A number of commentors urge that the Trust should not select tenants strictly on their ability to pay or place financial contribution on par with a tenant’s program contribution (“tenant selection should emphasize the importance of visitor and educational program contributions,” “PTIP should not put contributions to the visitor’s ... experience on par with financial contributions,” “do not place a premium on financial considerations above the tenant’s contribution to the park’s program”). Many of these commentors ask that the Trust give more weight to the programmatic contribution element of the tenant selection criteria. (“NAPP recommends the following tenant selection priorities: tenants should be related to the mission and objectives of the GMPA and GGNRA; a preference should be given to tenants that serve the public, rather than private interests; tenants should be fiscally responsible.”) Two commentors, including San Francisco Beautiful, invite the Trust to seek tenants who contribute to the park in two or more ways (“by directly providing a program to park visitors, by contributing financially, or by offering in-kind services to a park program,” “...including park programs, public outreach and access, and financial contribution”). Others, such as PAR

and the NPS, would apply a threshold financial standard. They recommend that once candidate tenants are found to meet minimum financial standards for a given site, priority should be given to those tenants with a mission or business purpose related to park themes. (“Though a financial proposal can be a baseline requirement for tenant suitability, the next level of the selection process should address the contribution of the tenant to the realization of the park vision through the delivery of distinctive programs. This would allow a greater possibility of tenants who would become actively involved in the mission and community of the park, which would in turn allow more interaction between tenants and park visitors. An ultimate result could be greater accessibility to the historic structures.... The NPS recommends that the Trust give stronger weight to the programmatic contribution element....”). The CCSF would make public access among other criteria a priority (“it is important that the PTIP... accept only public purpose tenants who are committed to the widest possible public access rather than private companies or elite resorts which serve to limit such access;” and “tenant selection must consciously rely on criteria such as the amount of outdoor and indoor public access space, types of programs promoted, and hiring and workforce diversity.”) The CCSF Planning Department also addresses other lease commitments and asks the Trust to provide a detailed method for allocating a fair-share portion of in-kind or in-lieu fee payment program responsibility to tenants (“...a detailed plan, including the total cost and method of allocating a fair share portion of programs or services or financial contribution to each tenant is not presented. Such contributions should be a primary condition of lease terms under the PTIP if the program commitments of the GMPA are to be honored, and developing a plan for imposing such lease commitments is a necessary first step”).

Response TS-7 – The Trust’s tenant selection criteria are set forth in Chapter Four of the Final Plan and in Response TS-6, above and encompass a tenant’s financial contribution as well as a contribution to the park programs and visitor experience. Although many commentors would prefer that the Trust minimize the importance of a tenant’s financial contribution, the Trust Act (Section 104(n)) made this criterion an important consideration and priority: “The Trust shall give priority to ... [t]enants that enhance the financial viability of the Presidio and tenants that facilitate the cost-effective preservation of historic buildings...” See also Response TS-1 above. With

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this in mind, the Trust cannot give financial contribution a reduced priority as is recommended by some commentators.

Instead, the Trust approach is articulated in the Final Plan as the goal that preferred tenants meet all three criteria. See Response TS-6 above. Nevertheless, in instances where it is not possible to identify such tenants, the Trust may consider and select other users who do not meet all three criteria but nonetheless bring value to the park. Also, non-residential tenants will be required to pay “service district charges,” with which the Trust funds police, fire, road maintenance, and other park-wide services. Other lease terms will be determined on a case by case basis and are beyond the scope of this general planning effort.

The Trust will encourage tenants to make contributions to the park in ways that are not merely financial. For further discussion of this point, refer to Responses TS-3 and PR-2. That said, not all tenants can or will provide park programs, nor will the Trust require in its leases that all tenants provide park programs. Although a compelling idea, any such immutable requirement or standard is impractical. Leasing the building space at the Presidio presents a unique set of challenges. The pool of potential tenants is already limited by the Presidio’s location and the complexities of its available building space. The historic nature of many Presidio buildings, as well as their layout and capacity for structural changes, limit their suitability for certain types of tenants. Tenants, even if interested, may not have the capital to rehabilitate the space. In addition, the Presidio is not as accessible as other competing locations. For these reasons, the pool of tenants is already restricted. Imposing further tenant restrictions, such as the lease requirement to provide a park program, would further limit an already restricted tenant pool. Furthermore, the Trust is not in a position to enforce a requirement that every tenant provide visitor programs. Every effort will be made to select tenants willing to contribute programmatically to the park and to encourage the implementation of programmatic ideas that are offered, but in the end such contributions will be voluntary.

Similar problems exist with commentators’ suggestions about giving high priority to public purpose tenants offering public access. With respect to selecting only public purpose tenants. Refer to Response TS-2. With respect

to requiring tenant commitment to “the widest possible public access,” this standard too is unworkable. Office tenants, whether serving a public purpose or private business interest, have a reasonable expectation that leased office space will not be fully available to the public. Some commentators appear to assume that organizations with a mission related to addressing social and environmental problems (the so-called “public purpose tenants” referred to in comments) would hold open their leased space to any member of the public or any park visitor desiring to enter the building. In the Trust’s experience, this space is leased and used as office space and is not more accessible or available to the public than any other office space, whether leased by public-serving or private, non-profit, or for-profit organizations. The Trust understands that the historic building resources of the Presidio are an important resource to be visited and experienced by park visitors. It is the Trust’s goal to interpret the Presidio’s historic buildings for the public and to work with each of its tenants to accommodate public access appropriate to interpretive goals that are compatible with the building use. The Trust is keenly aware that “the Presidio is a public treasure that should be available to the public at large.” It is with this understanding that the Trust, rather than committing to choose only those tenants that will provide public access to their leased space, chooses instead through the PTMP to provide that nearly three-quarters of the Presidio will remain public open space and to expand the publicly available and public-serving cultural and educational building uses beyond what the 1994 GMPA offered.

OTHER CRITERIA

TS-8. Quotas, Minority-Owned Business, and Other Criteria

One commentator alludes to tenant type quotas by asking what percent of the office space will go to non-profit versus private sector businesses and what amount of square footage this would be. This commentator also asks what kind of economic development will be prohibited, discouraged, and accommodated. Another asks the Trust to ensure that “even minority-owned, or non-profit, or emerging businesses could be accommodated proportionately along with the powerhouse, corporate ventures so favored for necessary economic stability and sustainability.” Two other commentators infer that building occupancy should be as low as possible to maximize income but limit

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the number of people in the Presidio. (“I recommend that preference be given to businesses that require little to no customer visitation to reduce the coming and going of car traffic.”)

Response TS-8 –The Trust is committed to attracting and retaining a diverse tenant mix, and will not limit the potential tenant pool to those of a particular business structure or purpose. Neither will the Trust set quotas or establish outright prohibitions by tenant type. The pool of potential tenants is already limited by the Presidio's location, the difficulties of attracting qualified tenants, and the complexities of its available leasing space. See Responses TS-2 and TS-7. Seeking and maintaining a diverse range of tenants is prudent policy, and the Trust sees no need to establish tenant quotas. Over time, pursuing diversity, including minority-owned businesses, non-profit groups and for-profit businesses of all sizes, without quotas or prohibitions other than the principles set forth in the Plan, will create a robust and stable base of tenants, making the preservation of park resources more feasible.

TS-9. Public Process on Tenant Selection

Several commentors request a commitment from the Trust for annual reporting of the tenant mix and programs being provided (“since programs are such a key element of the Presidio’s future, there should be some tracking, monitoring and accountability in place for achieving stated goals and programs.”) One individual advises that the public should remain well-informed and part of the comment process in regard to the selection and maintenance of tenants. The Sierra Club adds a request that once buildings are rehabilitated in preparation for lease, the public should be included in the review of uses included in RFQs and RFPs. The GGNRA Citizens’ Advisory Commission seeks a public explanation for the basis of any tenant selection decision that appears to differ from the general objectives of the GMPA.

Response TS-9 – The Trust’s tenant list is public information available to anyone. The Trust website lists every non-residential tenant’s name, address, telephone and facsimile numbers, email address, and website (when available). Similarly, lease offerings are public. All buildings that are offered for lease are posted on the Trust’s website, and copies of all lease offerings are available in the Trust’s offices. Members of the public who express interest in a particular building or group of buildings are added to the mailing

lists maintained by the Trust’s real estate department. When buildings are offered for lease, individuals on the mailing list receive written notice. The Trust also gives notice of lease offerings through email. With respect to the RFQ and RFP process, many large-scale reuse projects will include public workshops that allow public input into review of project-specific planning guidelines and reuse principles for those projects. There will also be public notice given of the availability of all such offerings, most often by email and mail notification to mailing list and other interested parties.