A Comparative Analysis of Two Urban Historic Military Base Redevelopment Projects: The Presidio of San Francisco and Boston's Charlestown Navy Yard

Megan Laurel Sorensen
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A COMPARATIVE ANALYSIS OF TWO URBAN HISTORIC MILITARY BASE REDEVELOPMENT PROJECTS: THE PRESIDIO OF SAN FRANCISCO AND BOSTON’S CHARLESTOWN NAVY YARD

Megan Laurel Sorensen

A THESIS

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Introduction

Base closure movements in the United States have historically tended to occur when the end of a large military buildup or engagement has coincided with the onslaught of a debilitating and far-reaching national economic recession. Most recently this has occurred at the end of the Vietnam era in the early 1970s and at the conclusion of the Cold War in the late 1980s. These base closures left in their wake large tracts of vacant, but developed land containing a considerable number of structures, including many that were both historically significant and difficult to adapt to alternative uses. Both the Charlestown Navy Yard and the Presidio of San Francisco were closed as a part of these larger initiatives.

As the conflict in Vietnam intensified in the early 1970s, base closures were undertaken in order to save money at home that could be redirected to the conflict abroad. In 1973, the Pentagon announced that almost 40 major military bases, including the Charlestown Navy Yard, would be closed and that an additional 200 bases would experience significant layoffs.¹ The majority of these bases were located in the New England region, with the highest percentage of closings occurring in Massachusetts. In the early 1990s, Northern California experienced a similar downsizing, when nine bases were closed in the wake of the Base Realignment and Closure Act (BRAC) of 1989. One of these was the Presidio of San Francisco. The BRAC legislation initiated four rounds of national closings, the last of which occurred in 1995.

The Charlestown Navy Yard and the Presidio of San Francisco both represent historic urban military complexes located within major metropolitan areas. In each case the lands “outside the walls” or boundaries of the base have been fully developed into largely residential regions. Both sites have been recognized for their historic and architectural significance and are listed on the National Register of Historic Places; the Presidio has also been designated as a National Historic Landmark. Because of this national recognition, all structures within the boundaries of each site deemed to be historically significant are subject to Section 106 review. Additionally, both contain major tourist attractions important to the local economy.

Because of the historic significance of these sites, the National Park Service (NPS) became a key player in their respective redevelopment plans. At the Navy Yard, the NPS played a role as both a manager of a portion of the site and a regulator of a sector of the remainder. Twenty-two acres of the base were transferred to the NPS to be developed as one of seven sites associated with the Boston National Historic Park. Additionally, the NPS played a regulatory role in helping to develop and administer design guidelines for a 31-acre portion of the site known as the Historic Monument Area (HMA). The HMA contains 22 of the Yard’s most historic structures.

At the Presidio, the NPS inherited, and was forced to plan for, the redevelopment of an entire former military complex including the rehabilitation and leasing of 473 historic structures. This responsibility led the U.S. Congress to create a new managing entity for the Park, a public/private partnership known as the Presidio Trust, the idea for which was in part the result of 20 years of NPS experience as the manager of under-funded and/or under-appreciated urban NPS sites. Urban sites are perceived as having
relative difficulty in attracting funding proportionate to their needs, as they lack the obvious importance and majesty of a Yellowstone or Yosemite but often cost more to redevelop and administer. The Presidio Trust presented a new way of dealing with the financial burden of these sites, and this thesis will look carefully at the way its funding has affected redevelopment plans.

Differences in community perceptions of these sites, their physical attributes, and the relative importance of their historic resources will also be explored. The Presidio of San Francisco contains 1,480 acres of land and 473 historically significant buildings, while the Charlestown Navy Yard encompasses a much smaller 135 acres and 84 buildings. Additionally, the Presidio is located within the Golden Gate National Recreation Area (GGNRA) and is a “park” in the true sense of the word with large forested areas, coastal bluffs, and beach lands. Although walled, the Presidio was never cut off from the city of San Francisco, either physically or psychologically. Conversely, the Navy Yard has historically been much more isolated. It was divided from Charlestown by both a wall and a highway and has had to overcome its historic image as an unappealing industrial site with no development potential. The community of San Francisco has traditionally fostered a sense of ownership towards the Presidio that has only recently been borne at the Charlestown site.

Also relevant to comparing development and reuse of the two sites are the economic and political climates under which initial long-terms plans were developed. In 1974, Boston was in the grips of an economic recession, its unemployment rate had hit
15.3%\(^2\), the cost of oil was skyrocketing, and inflation was as high as 19%.\(^3\) No one was building in downtown Boston, developers could not envision the successful redevelopment of the Charlestown site, and, on a local political level, the number one priority of any redevelopment plan was the creation of high-paying manufacturing jobs. No private developers were interested in investing in the site, and the fiscally constrained city could not feasibly consider buying the land. Transfer of the site from federal government to city hands did not take place until 1978, five years after the site was first slated for closure. Although 30 acres of the site became part of the Boston National Historical Park in 1973, no federal money was immediately forthcoming for site improvements or development.

Conversely, when the last troops left the Presidio in 1994, San Francisco was in the midst of a real estate boom. The rising tide of the “dot.com” era initiated a citywide real estate boom, and the NPS found itself the proud owner of some of the best beach front property in the region with interesting architecture, spectacular views of the bay, and a location near The Marina, one of the city’s most exclusive residential areas. The mid-1990s were, however, also a time of fiscal conservatism on a national level. Congress was focused on balancing the budget and when it became known that the Presidio, an urban national park, would become the most expensive national park in the nation, there was political backlash. Public/Private partnerships had come into vogue in the 1980s, and now the federal government would utilize this tool to create the Presidio


Trust, a managing entity designed – indeed, required - to get the Presidio off the federal ledger by 2013.

The Department of Defense did not close any military bases between 1978 and 1988, requiring planners in the 1990s to look back to the Vietnam closings for precedents. This thesis will address possible lessons learned from the Vietnam closings that were addressed by later military base redevelopment plans such as the Presidio Trust Management Plan, and draw connections between these two redevelopment experiences in terms of advancements in large-scale urban planning. Other issues examined include:

1. History – What events led to base closure?
2. Political and Economic Context - How did political and economic factors influence initial plans in terms of zoning, design guidelines, and funding?
3. Updated plans will be examined in terms of changing political and economic environments.

A conclusion will directly compare the sites in terms of their respective management entities, land division policies, funding mechanisms, and timing issues. Although neither redevelopment project is complete, some preliminary analysis will be undertaken regarding planning successes and failures to date.
Chapter 1 – Site Histories from Development Until Closing
Charlestown Navy Yard

The Charlestown Navy Yard occupies the easternmost end of the Charlestown peninsula and sits directly across the Charles River from Boston’s downtown waterfront. The approximately 129.5 acre site is bounded to the east and south by the Charles and Mystic Rivers and to the west and north by Water and Chelsea Streets. A granite boundary wall, built in 1822, along with an elevated expressway (Interstate 95) create substantial barriers to the integration of the site with the greater Charlestown area. Founded in 1800, the base was closed in 1974 after contributing nearly 174 years of shipbuilding, refitting, and manufacturing services to the U.S. Navy. At that time the largely industrial site, nominated to the National Register of Historic Places in 1967, contained a total of 86 newly vacated buildings.

Figure 1 (Above Left) – Charlestown Navy Yard Context Map, Boston Naval Shipyard / Charlestown Planning and Development Program, Boston Redevelopment Authority, 1975
Figure 2 (Above Right) - Charlestown Navy Yard Site Plan, Boston Redevelopment Authority 2002

Site redevelopment was initiated in 1974 when 30 acres of the Navy Yard were given to the National Park Service (NPS) in order to create an appropriate home for the USS Constitution. In 1978, the remaining 105 acres of the site were transferred to the local planning and redevelopment agency, the Boston Redevelopment Authority (BRA), which proceeded to carve up this land into three distinct parcels: Shipyard Park, the Historic Monument Area (HMA), and the New Development Area (NDA). Boundary lines for each of these sections were developed based upon each parcel’s level of historic significance, and varying degrees of resource protection were assigned to each. The HMA contains twenty-two of the site’s most historic structures. These structures can only be acquired through long-term leases with the BRA and their rehabilitation is regulated by site-specific design guidelines. Conversely, in the NDA, demolition and new construction are allowed. Shipyard Park has been developed as open space in perpetuity (specific planning initiatives developed for each parcel will be discussed in Chapter 2).

Figure 3 – Development Parcels at the Charlestown Navy Yard (Boston National Historical Park in Red, Shipyard Park in Blue, The Historic Monument Area in Red, and the New Development Area in Green), base map from The Redevelopment of the Charlestown Navy Yard, Boston Redevelopment Authority, 1987
Plans for the Charlestown Navy Yard have continuously evolved since the BRA gained control in 1978, responding directly to changes Boston’s economic and political environment. For instance, original plans called for light industrial uses while the current goal is to attract biomedical research facilities. The project is not yet complete, but the image of the site has successfully been transformed from that of a neglected industrial hub to that of a highly valued mixed-use complex and cultural resource.

Founding – 1800 to the Civil War

After the Revolutionary War, the U.S. found itself a coastal nation dependent on overseas trade with no standing navy to protect its commerce. The French and British were at war during the 1790s, and U.S. merchants shipping goods overseas had no means of protection from French commerce raiders who attacked U.S. commerce despite the country’s neutrality. In 1793, eleven American vessels were taken in a period of a few months, motivating Congress to take action and order the construction of six new American frigates. The first of these, built in 1797, was the USS Constitution. This oak frame vessel, sheathed in thick planking, proved virtually impenetrable in battle, earning it the nickname “Old Ironsides.”

Figure 4 (Above) – USS Constitution, 2002
Figure 5 (Right) – USS Constitution, Charlestown Navy Yard Official Park Handbook, 1995

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In order to get these ships built in the most efficient manner possible the Secretary of the Navy called for the establishment of six federal yards “to build, outfit, repair and supply naval vessels.” These facilities were to be constructed at Portsmouth, Boston, New York, Philadelphia, Washington DC, and Norfolk. The Charlestown Navy Yard was established in 1800 on 23 acres of land purchased by the government at a price of $500 per acre. The area where the Navy Yard is now located was once Mouton’s Point, the landing place of the British Army prior to the Battle of Bunker Hill.

During the War of 1812, the Navy’s first ship-of-the-line, the 74-gun USS Independence, was completed at the Charlestown Navy Yard. The site’s importance grew steadily from that time, as it became known as an important repair and supply facility. In 1833, the first naval dry dock in New England was constructed at the Yard and was inaugurated by the USS Constitution, forever linking ship and site. In 1837 one of the Yard’s most famous structures, the Ropewalk, was completed and by 1869, the site had tripled its original size. During the Civil War, the Yard acted as a repair and supply base that supported forces active in blockading Southern ports and harbors.

---

A Century of Change – 1870 to 1970

Immediately following the conclusion of the Civil War, the American fleet shrank dramatically and would not be rebuilt until the outbreak of World War I. Despite these cutbacks, Charlestown was able to maintain its status as the second most productive yard in the Navy until the 1880s, when the Navy suspended all repair and construction activities at the site. In 1886, the yard was officially converted to a facility that exclusively manufactured equipment, especially rope, for vessels built and repaired elsewhere. The 1890s brought improvements to the site as $152,000 in Congressional funds were appropriated for the modernization of the facility.

By the turn of the century, the U.S. was emerging as a new world power and many politicians began to feel the necessity of a stronger Navy. During the Spanish-American War the Charlestown site was converted back into a repair yard, and, by the end of World War I, the Yard had been both physically and functionally transformed with the construction of additional piers and buildings and the addition of responsibilities such as warship repair, the outfitting and commissioning of new vessels, and the conversion of

10Ibid., p. 50.
civilian vessels to wartime use. The site was also utilized as a supply depot and embarkation point.

WWII brought shipbuilding to the site as the Yard experienced the largest expansion in its history. At its peak, upwards of 47,000 workers were employed at the Yard, constructing a total of 174 large vessels including twelve barracks ships, four submarines, and thirty-six destroyers. With peace came the end of Charlestown’s brief period as a major shipbuilding center. In the post-war era, its role was reduced to the repair and modernization of out-of-date WWII period ships and equipment. When advances in missile technology opened a new age in naval weapons and strategy, Charlestown played a leading role in the changeover, enabling the site to render another three decades of service to the country.

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12 Ibid., p.70.
Closing

In 1968, the Navy awarded a contract to Kaiser Engineers of Oakland, California to prepare 5-year modernization programs for a number of its aging sites, including the Charlestown Navy Yard. For Charlestown, two alternatives were considered: the modernization of the entire site ($89 million) and the relocation of the entire site, except for the Ropewalk and USS Constitution, to the South Boston Annex ($179 million). Relocation was recommended and approved by the Navy and the Department of Defense. The Navy purchased a 58 acre site at the South Boston Naval Annex (see map below) for this purpose, but construction was delayed and did not commence before closing.

Figure 10 – Charlestown Navy Yard During WWII

Though the Boston Navy Yard remained in operation until April of 1973, there was a noticeable decline in the amount of work awarded to the Yard in the 16 months prior to closing. On July 1, 1974 the U.S. Navy locked the gates of the Boston Naval Shipyard ending 174 years of service.

The Charlestown Navy Yard is a site of great historic significance as its physical fabric illustrates “the naval and industrial history of the United States” and exemplifies “the industrial / technological revolution that established the U.S. as an industrial society and political world leader and the U.S. Navy as the world’s greatest naval power.”

Political and Economic Context

In order to meet increased demand during WWII the federal government encouraged the expansion of the private shipbuilding sector. When demand fell


following the conclusion of the conflict, many of these yards faced an economic crisis, which stimulated a lengthy debate as to the appropriateness of government shipbuilding and repair facilities in a free market economy. This discussion was the motivating force behind the creation of the Defense Appropriation Act of 1963, which required that 35% of the Navy's repair work be completed in commercial yards. The passage of this Bill was followed by a 1964 Defense Department study, which indicated that the combined capacity of government and private yards exceeded the nation's need for ship construction and that costs were higher in naval shipyards than in private yards. When Congress learned the results of this study it proceeded to close eight shipyards (1964), marking the most sweeping elimination of defense installations since the end of WWII. By 1967, the market share of commercial shipyards in the area of repairs, alterations, and conversions had grown to 43.6%, while they were receiving 99.7% of all new construction commissions. Navy Yards such as Charlestown were becoming obsolete.

An additional round of base closings occurred in 1973. These closings made good on a Nixon administration promise that the Department of Defense would absorb $1.5 billion in budget cuts that fiscal year. In order to accomplish this goal 40 major bases would be terminated and 200 others would be “significantly reduced.” New England was hit the hardest by these closings, the largest percentage of which would take place in Massachusetts. Admiral Raymond Black, commander of the Navy Yard from


17 Ibid., p. 804.

18 Ibid., p. 803.

19 Ibid., p.810.
October 1969 to August 1972, explained why many felt the closings had been politically motivated:

"On the one hand, Philadelphia was a "fine" shipyard, a lot of capability, big dry docks and capability for building ships...on the other it was 100 miles from the sea. However, Philadelphia was unacceptable for closure because of political considerations. Mr. Nixon was president, you see, and Philadelphia was a stronghold of his political strength. Whereas Boston, all of New England, has repudiated him and as a matter of fact, the only state McGovern carried, I guess, was Massachusetts. So these things came into play."

Many employees of the Boston Naval Shipyard responded to the closing with anger directed chiefly at political officeholders. One mechanic claimed: "It's a malicious vengeful act on the part of the Nixon administration. It's a political vendetta."

Presidio of San Francisco

The Presidio of San Francisco is located on the northern edge of the San Francisco peninsula on the southern side of the Golden Gate Bridge. It is bounded by the City of San Francisco to the south and east, the Pacific Ocean to the west, and the San Francisco Bay to the north. A sandstone wall built in 1896 demarcates the Presidio's land-locked edges. The former military base occupies a 1,480 acre site "of unparalleled scenic beauty, dense forests, native plant communities, valuable wildlife habitat, expansive beaches and an extraordinary assortment of both non-historic and historic buildings and landscapes in a National Historic Landmark setting." When the Army left the site in 1994, approximately 700 acres of this land had been developed, featuring 6.3 million SF of building space in 870 buildings, 474 of which had been identified as

21 Ibid., p. 814.
22 Letterman Project Final Environmental Impact Statement (San Francisco: The Presidio Trust, 2000).
"contributing" to the site's National Historic Landmark status. Established by Spanish colonists in 1776, the Presidio has witnessed 220 years of military history under three nation's flags, and has played a logistical role in every U.S. military engagement since the Mexican-American War.

![Aerial Photograph of the Presidio of San Francisco, 2002](image)

Planning for the redevelopment of the Presidio began in 1972 when Congress established the Golden Gate National Recreation Area (GGNRA) a 74,300 acre National Park which links shoreline areas of exceptional beauty and/or cultural and national importance throughout San Francisco and Marin counties and preserves them for public use and enjoyment (see map below). Within the Bill that created the GGNRA, U.S. Representative Phillip Burton successfully included a provision which stated that if the Presidio should ever be declared in excess to the needs of the Department of Defense, it would become part of the GGNRA. When the Army left the Presidio in 1994, site

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jurisdiction was transferred to the National Park Service, which proceeded to develop a plan for its reuse.

In 1996, the Presidio Trust (the Trust) was created by Congress as a management entity for the interior 80% of Presidio lands (see map below, Area B). The Trust, a federal government corporation, was Congressionally mandated to make the Presidio financially self-sustaining by the year 2013. With this goal in mind, and the idea of maintaining the Presidio as a National Park in an urban environment, planning was once again undertaken focusing largely on introducing residential and office uses along with public activities and educational opportunities.

Figure 12 (Above Left) - Context Map of the GGNRA, GGRNA Lands in Dark Grey, *The Presidio From Army Post to National Park*, Lisa M. Benton, 1998.
Figure 13 (Above Right) - Presidio Areas A and B, The Presidio Trust, 2002

**The Spanish Years (1776-1821)**

Archeological evidence has shown that as early as 740 AD, the lands of the Presidio were inhabited by native cultures such as the Ohlone tribes, though the site’s modern history begins in June of 1776 when a colonizing expedition of Spanish soldiers
and their families marched north from Monterey to San Francisco to claim the bay harbor for Spain. Their settlement, the Presidio de San Francisco was dedicated on September 17, 1776. It was constructed as an adobe quadrangle of 90 yards square, with divisions for a church, royal offices, a warehouse, a guardhouse, and houses for soldier settlers. Had these original settlers known the effect that the rainy San Francisco winters would have on their adobe structures, they might have chosen a different building material. As it was, the site would have to be continuously rebuilt from this point until the first major American construction campaign during the Civil War. In addition to this initial structural instability, the Presidio was also endangered by a lack of government funding and unreliable supply routes.

![Figure 14 - Artists Conception of the Presidio in 1779, National Park Service](image)

The 1790s were the most important years of Spanish rule at the Presidio. It was during this time that Spain officially conceded Nootka Sound in the Gulf of Alaska to the British, making the Presidio of San Francisco Spain's northernmost outpost. As such, a 13-gun battery was constructed in 1794 to aid in the defense of the entrance to the San

Francisco Bay. Unfortunately, the isolation of the site, hundreds of miles from the nearest Spanish speaking settlement, increased its vulnerability to attack and the unpredictability of its supply routes. The handful of farmers, soldiers, and clerics living within the Presidio continued to try to hold this thin strip of California coastline “despite an ever worsening state of affairs.” Conditions did not improve in the last two decades of Spanish rule.

The Mexican Years (1821-1946)

In 1821, the Mexican Revolution resulted in a transfer of Presidio lands from Spanish to Mexican hands. Physically, the site remained virtually unaltered in spite of this change in leadership. In 1834, after a large and damaging storm, a large part of the Presidio’s garrison was moved from the San Francisco Bay to a new barracks located within the dryer climate of the Sonoma Valley. By 1835, the last of the San Francisco garrison had been moved to the new northern outpost, and the Presidio of San Francisco was downgraded by the Mexican government to “caretaker” status. At the same time, the United States began to show an undisguised interest in the California territory. In August of 1835, the Mexican government rejected a U.S. offer of $5,000,000 to purchase Presidio lands as a harbor for American whalers in the Pacific. Another offer

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27 Ibid., p. 118.
of $25 million was rejected in 1842, even as Mexican defenses at northern California bases were worsening and the number of American settlers was growing.\(^{28}\)

**1846 to 1989**

On June 14, 1846, an independent uprising of 30 American settlers led by William B. Ide and Ezekial Merritt took place at the Sonoma compound.\(^{29}\) This rebellion has since been titled the “Bear Flag Revolt” for the Bear Flag that was raised over the site as the settlers overpowered Mexican troops and took over the base. The rebellious settlers then began to move south from Sonoma, reaching the Presidio of San Francisco on July 1, 1846. It is reported that they found the site totally abandoned.\(^{30}\) In the week following the rebellion, Commodore Sloat of the Pacific squadron of the U.S. Navy sent Commodore Montgomery of the Portsmouth (which was docked in the San Francisco Bay) news of a declaration of war between Mexico and the U.S., and in the next few weeks, the Americans gradually consolidated their hold on the Presidio. Unfortunately, an inadequate work force and limited funds left the American Presidio of the late 1840s and 1850s little changed from the Spanish and Mexican Presidio of the past.

The commencement of the Civil War brought growth to the Presidio as it underwent its first major building campaign. The growing number of men stationed at the post were alert to any city unrest resulting from disputes between northern and southern sympathizers. The 1860s and 70s brought the first tourists to the Presidio as its “majestic viewpoints and nearness to the city and army headquarters made it a destination


\(^{29}\)Ibid., p.126.

\(^{30}\)Ibid., p.127.
of choice to visitors to the Bay Area, whether civilian or foreigner."31 The 1870s also brought the first in a series of disputes between the city and the Army as to the true boundaries of the Presidio, as the city expanded toward its edges. With these disputes came the very first attempts to turn the post into a park. Bill 370 appeared before the U.S. Senate in 1870 calling for the transfer of the Presidio to the City of San Francisco for the purpose of creating a city park. This Bill was followed in 1872, by Bill 310, which called for the city of San Francisco to lease the reservation from the federal government for similar purposes.32 Although neither of these bills passed the Senate, they resulted in the establishment of the Presidio as an “open post” accessible to city residents.

Troops stationed at the Presidio during the 1870s and 1880s were involved in a series of Indian Wars, the last of which occurred in 1885-1886. It was during this time that the beginnings of the famed Presidio Forest were planted in accordance with a comprehensive afforestation plan for the site developed by Major William Albert Jones, an engineer at department headquarters. When war broke out with Spain in 1898, the Presidio became a major embarkation point for activities in the Philippines.

By the early 20th century, little remained of the original Spanish Presidio save the old south adobe wall, which had been incorporated into the construction of the Officer’s Club, where it still stands today. Throughout World Wars I and II, the Presidio acted as a major training facility for embarking troops, and during WWII the Presidio became the headquarters of the northern division of the Western Defense Command. The Presidio

31 *Defender of the Gate* (San Francisco: The National Park Service, 1997).
was active in both the Korean and Vietnam Wars, but the number of men stationed there declined steadily during this time.

Figure 15 (Top Left) - Development at the Presidio to 1907, The Presidio From Army Post to National Park, Lisa M. Benton, 1998

Figure 16 (Top Right) - Fort Scott with Calvary in 1930, National Park Service
Figure 17 (Bottom) - View of the Main Post from Around 1890 Showing Rows of Newly Planted Trees, National Park Service

The history of the Presidio is rife with community involvement; a major example occurred in 1953 when the Army installed a three-block long wire fence atop the existing sandstone boundary wall, which resulted in a strong public outcry. The 1950s also witnessed initial efforts to open the Presidio to private development. In May of 1955 the San Francisco Board of Supervisors held a public hearing on the matter of Presidio land and stated that “it was city policy to request the federal government release surplus land
at the Presidio and Fort Mason."33 By 1961, the Army had managed to convince the city of the Post’s historic importance and the Army’s need for the land, but this issue would re-emerge into the 1990s.

In 1962, the Presidio of San Francisco, including the land bounded by the Pacific Ocean to the West, the San Francisco Bay to the North, and demarcated by an 1896 sandstone wall on each of its land-locked edges, was designated a National Historic Landmark, and in 1972 Federal legislation established the Golden Gate National Recreation Area (GGNRA), a 73,400-acre park extending north of the Golden Gate to Tomales Bay in Marin County and south to the San Francisco watershed lands in Sand Mateo.34 A line was included in this legislation stating that if the Presidio should ever be declared in excess to military needs it would become a part of GGNRA. In 1989, the Presidio was slated for closure; the Army was scheduled to leave in 1994. The 1962 National Historic Landmark Registration Form describes the Presidio’s significance:

“The property is composed of historic, architectural, and archeological resources that collectively comprise a distinctive entity of exceptional historical significance...As a vast district entity, the Presidio possesses exceptional value in illustrating the history of the United States through its association with important historical events and its outstanding representation of patterns of national development through multiple periods.”35

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33 Defender of the Gate (San Francisco: The National Park Service, 1997).
Political / Economic Context

There were no domestic Department of Defense nationwide military base closures between 1978 and 1988. Post-Vietnam closings had left legislators feeling uneasy, as they had not anticipated either “the broad extent of these closures, or their substantial cumulative economic and political impact.” Partially as a result of these unsettled feelings, legislation was enacted in 1976 (Public Law 94-431) that required costly and time consuming environmental impact studies to be conducted for any bases slated for closure, a mechanism that effectively discouraged the Defense Department from closing any bases.

By 1988 many politicians felt that the process of closing military bases had become “too political for Congress to handle.” There was too great of a conflict between representing local interests and setting national policy in regard to base closures. To help alleviate this conflict, Representative Dick Armey proposed the Military Base

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Realignment and Closure Act (BRAC) of 1988. This Bill created a 12-member independent base closure commission that was assigned the task of choosing a package of bases to be closed. These closings would be voted on all at once in an “all or nothing” fashion. The BRAC commission submitted its first report to the Secretary of Defense on December 29, 1988, recommending that 86 military facilities and properties be closed, five partially closed and 54 realigned during a five-year period. One of the bases specified for closure was the Presidio of San Francisco. On January 5, 1989 the Secretary of Defense accepted all of the commission’s recommendations. Then, in 1990, Congress passed the Defense Authorization Act. This act stated that the BRAC process would be used for three additional rounds of closings in 1991, 1993, and 1995. Recommendations for closure focused on three criteria: military value, return on investment to the Department of Defense, and community and environmental impacts.

As a part of the first round of closures in 1989, the Presidio was set to shut its doors in 1994.

Figure 19 - Cumulative Major Base Closures in Rounds 1, 2, 3 and 4 of post-Cold War Base Closures, 1988-1995, The Presidio from Army Post to National Park, Lisa M. Benton, 1998

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Interestingly, although the recommendation for the Presidio’s closing came at the height of an economic recession, the five year lag period between closure and deactivation meant that many of the bases set for closure would not be transferred from military hands until what became the real estate boom of the mid-to-late 1990s. This was the case at the Presidio, which was a piece of prime real estate located within an area of high property values on the San Francisco Bay.

The BRAC closings hit California particularly hard. By the end of the 1993 round of closings, the Bay Area counted nine military bases closed or scheduled for closure. The Presidio of San Francisco was particularly important in terms of savings to the U.S. Government. It was estimated that closing the Presidio would save $50.2 million a year in Pentagon operating costs and offer a one-time savings of $313 million. Of all the military bases slated for closure in the 1988-1989 round, the Presidio was the only one mandated by federal law to become a park.

Comparisons - Base Closure Politics – 1970s vs. 1990s

Military base redevelopment in the 1990s proved to be much more complex than that of the 1960s and 1970s. The addition of environmental regulations such as the National Environmental Policy Act (NEPA) and the Superfund Act greatly lengthened the overall planning process and opened the door to greater public involvement.

Additionally, in the 1970s, base disposal was left to the General Services Administration, which followed a disposal process that virtually gave away decommissioned bases to other government agencies and municipalities such as the Boston Redevelopment

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Authority. In the 1990s, this responsibility fell to the Defense Department, which began to think in terms of maximizing their return on land sales. This change in policy often led to protracted negotiations about the size, configuration and purchase price of products.\(^{42}\) Although the Presidio was not ultimately sold to private developers or municipal organizations, this profit-orientated mind-frame was apparent in the six year Congressional debate that followed the 1989 announcement of the Presidio's future closure.

Chapter 2 – Development of an Initial Plan – Charlestown Navy Yard

At both the Charlestown Navy Yard and the Presidio of San Francisco the political and economic environments which had prompted base closings would continue to play a role in the redevelopment process, helping to shape the focus of initial master planning documents. Outside influences would help determine such characteristics as allowable uses, design guidelines and review, and funding mechanisms. Planners were acutely aware of current political and economic pressures as well as historic perceptions of site value.

Economic / Political Context

For the city of Boston, the decision to close the Charlestown Navy Yard, then the Boston Naval Shipyard, could not have come at a worse time. The country was in the midst of an economic recession, Boston’s inflation rate had risen as high as 19%, and the city was experiencing a 15.3% unemployment rate. The military base closures of 1974 contributed to these unemployment numbers; at the Charlestown site alone 5000 jobs were lost. Moreover, the majority of jobs lost had been high paying industrial sector employment, which would not be easy to replace. Boston’s economy was rapidly turning away from the industrial sector and towards the financial and service sectors for future growth.

45 Proposal to the Commonwealth of Massachusetts and the Inter-Agency Economic Adjustment Committee for Development Planning Assistance in Regard to Charlestown Naval Base and South Boston Naval Annex (Boston: Boston Economic and Industrial Commission and Boston Redevelopment Authority, May, 7, 1973).
Throughout the 1950s and 1960s, the number of trade and manufacturing jobs in Boston had steadily declined, while “finance, service industries, and government here experienced a constant growth.” The port, which had once formed the base of the city’s economy, was being seen more and more as obsolete industrial land, creating a severe job shortage for a large sector of city residents. At the Charlestown Navy Yard, city planners began to focus on the creation of high paying blue-collar jobs, and preliminary plans advocated the development of manufacturing uses on the site. These plans were politically popular but physically unfeasible as Navy Yard buildings could not easily be converted into or accessed as efficient modern factory spaces. As early as 1975, the Plan’s focus began to swing away from these more politically driven goals towards more practical ideas for attracting investment.

When it was announced that the Navy would be leaving the Navy Yard in 1973, the city turned to the Boston Redevelopment Authority (BRA) to come up with a plan for the reuse of 105 acres of the site (all but the westernmost 30 acres of the Yard, which were to be transferred to the NPS as a part of the Boston National Historical Park). The BRA had been established in August of 1957 to manage the city of Boston’s planning and development activities. Its development authorities included the power to buy and sell property, the power to acquire property through eminent domain, and the power to grant tax concessions to encourage commercial and residential development. In 1973, the BRA was facing a acute budget crunch, as the city was in the midst of a severe

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46 Proposal to the Commonwealth of Massachusetts and the Inter-Agency Economic Adjustment Committee for Development Planning Assistance in Regard to Charlestown Naval Base and South Boston Naval Annex (Boston: Boston Economic and Industrial Commission and Boston Redevelopment Authority, May 7, 1973).

47 Boston Redevelopment Authority, About the BRA. <http://www.ci.boston.ma.us/bra/about_us.asp> (August 2002).
economic recession and the fiscally conservative Nixon Administration had begun to cut
funding for urban renewal. The BRA’s twelve existing projects were competing for
dwindling funds, and the money required for land acquisition, infrastructure
improvements and building stabilization at the Charlestown Navy Yard simply did not
exist. 48

Historic perceptions of the Yard as an isolated industrial site further hindered
redevelopment plans. Kevin White, Mayor of Boston at the time of the closing, summed
up the Navy Yard’s problem: “Nobody could conceive of development over there. They
weren’t building in downtown, why should they build in Charlestown…Nothing was
happening in the mid-1970s in development. By 1975, the city was exhausted and there
was no lending.” 49 The BRA could not find developers for the Charlestown Navy Yard in
1975. In fact, no private investment in the yard could be stimulated until late 1978, after
the economy had once again peaked.

Neighborhood / Site Analysis

At the time of closing, the BRA was working on an urban renewal plan for greater
Charlestown. The Navy Yard was perceived as being both physically and
psychologically removed from this area due to the “closed” nature of the base during the
Navy’s stay and because it is separated from greater Charlestown both by an elevated
expressway, carrier of Interstate 95, and the Navy Yard’s 1822 granite boundary wall.

Urban renewal had recently sponsored the creation of public housing to the west of the

48 Center for Urban Development Studies, Harvard University School of Design, “The Redevelopment of
Boston’s Charlestown Navy Yard,” Paper Presented at the Executive Seminar on Urban Planning and
49 David Gordon, Implementing Urban Waterfront Redevelopment, Thesis, Graduate School of Design,
Harvard University, 1994, p. 5-13.
expressway and moderate income housing to the north. A historic residential area was located to the south. Low quality mixed retail could be found near the Charlestown City Square, although this more commercial sector contained “noticeable” vacancies. By 1973, urban renewal efforts in the neighborhood had been taking place for over a decade, and in 1975 it was written that Charlestown had emerged “from blight and decay” to become “a prime residential area.”

Figure 20 (Left) - Boundary Wall, 2002
Figure 21 (Right) - Aerial Charlestown Navy Yard 1974, Boundary Enlargement Report, Boston National Historic Park, 1978

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51 Boston Naval Shipyard / Charlestown Planning and Development Program, (Boston: Boston Redevelopment Authority, November 1975), p. 70.
A 1975 study undertaken by the BRA asserted that revitalization efforts in Charlestown were working and reported a "modest growth in population since 1970 of 19% centered mainly in young, middle-class adults and an extraordinary rise in residential property values." Property values in Charlestown were appreciating faster than in any other neighborhood in the city. At that point, $40 million of urban development expenditures had been made on Charlestown and a total of $151 million of public and private investment was either underway or planned.

At time of closing, the Charlestown Navy Yard contained 86 buildings totaling approximately 3.5 million square feet of space (see map below). Ninety percent of this space was located within 37 of the buildings, most of which were industrial in nature. Although the majority of Navy Yard structures were structurally sound, deficiencies related to inadequate elevators, a lack of storage space, a lack of environmental controls, and inefficient layouts would have to be addressed by any successful redevelopment plan. In the site's favor were excellent views of the Boston skyline, but the noisy and aesthetically unpleasing expressway would hinder the investment potential of the site.

Phase 1 - Boston National Historical Park / The USS Constitution

When the Charlestown Navy Yard was designated for closing in 1973, one of the first issues to arise centered on what would happen to the USS Constitution, the oldest commissioned ship in the U.S. Navy, which had traditionally been docked at the

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52 *Boston Naval Shipyard / Charlestown Planning and Development Program*, (Boston: Boston Redevelopment Authority, November 1975), p.70.
site. Many worried that the Navy would move the Boston icon out of the city to an extant Navy Yard for safe-keeping. Officials from Massachusetts in Congress fought to keep the ship "at home."

Figure 22 - Charlestown Navy Yard 1973, Proposal to the Commonwealth of Massachusetts, Boston Redevelopment Authority, 1973

The idea for the creation of a Boston National Historical Park (BNHP), featuring a series of Revolutionary War sites in Boston, had been first advocated in the 1950s. Although the concept was brought up periodically throughout the 1960s, the Park could never quite gain the political support necessary for creation, as a majority of the sites specified in BNHP legislation were owned by the city or private organizations that were afraid that the federal government would usurp their power and nationalize local landmarks. However, the closing of the Navy Yard, and the necessity to find a new
“safehouse” for the USS Constitution, served as catalysts pushing the legislation through Congress in 1974.⁵⁶

Massachusetts had a strong presence in the U.S. Congress of 1974 with Thomas “Tip” O’Neill in place as House of Representatives Majority Leader. With O’Neill’s enthusiastic support, Congress voted the funds to establish the Boston National Historic Park in October of 1974, 30 acres of which would be located at the Charlestown Navy Yard where the USS Constitution could dock in perpetuity. Other areas in Boston designated as a part of the Boston National Historical Park included: Faneuil Hall, the Paul Revere House, Old North Church, the Old State House, Bunker Hill, and the Old South Meeting House (see map below).

To ease fears of a federal “big brother” at locally owned sites, the Bill specified that “except for privately held lands within the Charlestown Navy Yard, the Secretary of the Interior shall not acquire any such properties by eminent domain as long as he determines that a binding written cooperative agreement assuming the preservation and historical integrity of such properties remains in force and effect.”⁵⁷ In other words, these properties were made eligible for federal funding, if they agreed to abide by the guidelines set forth in the 1966 Historic Preservation Act, officially placing the sites under Section 106 review. Local ownership would be the dominant partner in terms of site planning and development. If local and federal agencies could agree to cooperate in the preservation of the sites, federal funds could be distributed.

⁵⁶ Peter Steele, Acting Superintendent Boston National Historical Park, Interviewed by Megan Sorensen, Boston, September 25, 2002.
⁵⁷ Boston National Historical Park, Public Law 93-431, 93rd Congress S. 210, October 1, 1974.
Boston National Historic Park at the Charlestown Navy Yard encompasses 20 of the Yard’s 86 buildings, one dry dock, three piers, and an assemblage of artifacts including a large collection of navy documents relating to the history of the facility.\textsuperscript{58} The 30-acre park is located in the westernmost sector of the yard, the site of initial Navy Yard development. Particularly significant buildings located outside of these 30 acres in other sections of the Navy Yard were designated for pure preservation and placed within the NPS authorized boundary. These included the Ropewalk, the Tar House, and the Chain Forge. When the Park was first established, the National Park Service created

plans for these buildings that envisioned the Ropewalk and the Chain Forge as complete historic sites with *in situ* exhibits.\(^{59}\) Preservation in the Park was defined as a strict preservation to 1973. It was decided not to restore to an earlier period, but to show how the Yard evolved over time. Today, more than 1,000,000 visitors visit the USS Constitution each year, making it one of the most popular attractions in Boston.\(^{60}\)

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\(^{59}\) Peter Steele, Superintendent Boston National Historical Park, Interviewed by Megan Sorensen, Boston, September 25, 2002.

\(^{60}\) *Boston Naval Shipyard / Charlestown Planning and Development Program*, (Boston: Boston Redevelopment Authority, November 1975), p.4.
Early plans for the National Park site at the Charlestown Navy Yard were quite ambitious including the complete restoration of the Commandant’s House, one of the most architecturally significant buildings in the park, for use as a house museum, and a 1978 boundary expansion plan which would have extended the boundary to include buildings 31, 58, 60, 62, 105, 107, 120 (see map below). The boundary expansion was advocated as a way to protect historically significant buildings that did not lie within previously defined park boundaries. “The expanded boundary under the selected alternative will extend the Park Service protection to four of the nine exceptional resources outside the present park service boundary.” Nothing came of this plan, and boundary expansion was not mentioned again as Park budgetary constraints would not allow for the maintenance of additional land.

Figure 28 - Proposed Boundary Expansion, Boundary Enlargement Report, Boston National Historical Park, 1978

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62 Ibid., p. 40.
The park was forced to re-evaluate the practicality of these initial plans when it became obvious that federal funding was not going to be forthcoming. When asked about these early budgetary constraints, Peter Steele, Superintendent of the Boston National Historical Park, stated: “There was no money incoming for the first twelve years of the Park.” When the Navy Yard site opened in 1974, there was so little money that Building Five’s lobby was converted into a make-shift visitor center comprised only of a brochure rack and extremely limited restroom facilities. This served the site’s nearly 1,000,000 annual visitors for “20 some years.” The current visitor center is a more stable facility, but it is located off-site and is easily overlooked. One of the only major improvements completed during this time was the acquisition of the WWII destroyer Cassin Young to compliment tours of the USS Constitution.

Figure 29 - USS Cassin Young, 2002

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63 Peter Steele, Acting Superintendent Boston National Historical Park, Interviewed by Megan Sorensen, Boston, September 25, 2002.
64 Ibid.
Even without the appropriate levels of funding, the USS Constitution was able to attract more visitors annually to the Navy Yard than any other National Park site in New England. Despite this, Congressional support could not be garnered largely because of the site’s status as one of the country’s first urban National Parks and its unique structure involving non-contiguous sites. These sites were not well understood in the 1970s as they appeared to have more local than national importance and generally cost more to maintain than their more traditional counterparts such as Yellowstone. Due largely to these fiscal constraints, the General Management Plan for Boston National Historical Park was updated in 1987. At this time, the NPS pulled back from their preservation hopes for the Rope Walk and Chain Forge, and began to advocate preservation-responsive private development of these structures, with the requirement that private development maintain space for exhibits explaining their importance in Naval history.65

Currently, there is more money coming into the Park then at any other point in its history. It appears that after more than 25 years of service, the site has finally earned national respect. Most of these funds have been acquired through “line-item construction funds,” site-specific appropriations designated with Congressional approval. These funds will allow for the construction of a new visitor center in Building 5, the complete restoration of the Commandant’s House, the rehabilitation of Building 125, and the rehabilitation of Building 24 (a structure which is currently settling). Additionally there

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65 Peter Steele, Acting Superintendent Boston National Historical Park, Interviewed by Megan Sorensen, Boston, September 25, 2002.
are plans to put into place some sort of transportation system from the Navy Yard to the nearby Bunker Hill monument and to construct a new docking facility at Pier 1.66

Throughout the years, there have been sporadic, and not always successful, attempts on the part of the BRA and the NPS to collaborate on issues of site development outside of National Park boundaries. The BRA has not been hostile to the NPS, but neither has it viewed the NPS as a critical component in its redevelopment plans. Cooperation has taken place when necessary, but the BRA has mostly worked to keep the NPS out of its critical path. Through time, interaction between the BRA and the NPS has remained limited, focusing on design guidelines, design review, and boundary discussions. The NPS's shipyard and the BRA's shipyard would be developed separately as would all planning documents for the two sites.

**Phase 2 – Acquisition of the BRA site**

**1973 – Request for State Monies for Planning Purposes**

In 1973, the BRA requested $430,325 from the State of Massachusetts to be used for an 18-month study of both the Charlestown Navy Yard and the South Boston Annex to determine the redevelopment potential of each site.67 This proposal was made before any real feasibility study had been undertaken, and demonstrates a gut political reaction to create plans that would facilitate the re-employment of ex-Navy Yard employees. It advocated the advancement of manufacturing uses on the site, stating that the focus of redevelopment efforts should be “on keeping and augmenting Boston’s industrial base,”

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66 Peter Steele, Acting Superintendent Boston National Historical Park, Interviewed by Megan Sorensen, Boston, September 25, 2002.
as "efforts to develop the surplus sites as industrial locales could ease the medium and long-run effects of the closings." At this point in the planning process, the Charlestown site was slated for a mix of housing, industrial/light manufacturing, recreation and commercial uses.

1. "New uses of the shipyard should preserve, protect, and enhance the architectural, historical, and environmental character of the site.
2. Development of the shipyard should be directed towards meeting the city’s most critical needs in jobs and housing.
3. Development of the Charlestown Naval Shipyard should take advantage of its waterfront location.
4. Development of the Naval Shipyard should relate to the needs and character of the Charlestown community. More specifically it should improve Charlestown’s connection with the waterfront.
5. Economic benefit should accrue to Charlestown, its residents and the City of Boston."  

Development of Initial Plan (1975 to 1978)

The BRA’s inability to place a large amount of start-up cash into the redevelopment of the Charlestown Navy Yard greatly influenced its proposed acquisition and planning processes. It was important for the BRA to acquire the site at the lowest possible cost as the site was perceived to have "little initial development potential and a number of serious constraints." These constraints included the industrial character of the site, site access problems, early industrial building floor plans, and design regulations that accompanied the site’s status as a National Register District.

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69 Ibid.
When the Navy left the Yard in 1974, control of the land was placed into the hands of the General Services Administration (GSA). In 1973, the BRA began to test market the site as an industrial park that could stimulate local job creation. By 1975, after two years of failed marketing, that goal was beginning to seem an idealistic dream. In September of 1975 the very first sign of private developer interest in the site was recorded when, at the urging of Tip O’Neill, Immobiliare Canada came to visit the site.\(^{71}\)

This visit was viewed with unmasked enthusiasm, as the BRA had been unable to stimulate any local private investment in the site. Although Immobiliare saw development potential, they could not be convinced to invest in the site until much later in the economic recovery (1978).

In 1975, the first tentative formal master plan was developed for the site, which would be finalized with the completion of an Environmental Impact Statement in 1977. Following the development of these initial planning documents in 1976, the BRA amended the boundaries of its Charlestown Urban Renewal Plan to include the Navy Yard. This would make the site eligible for additional start-up grant programs. As Robert Kennedy stated: “We needed a lot of money to rebuild the site, so we amended the boundary of the Charlestown Urban Renewal Area to include it.”\(^{72}\)

**Original Plan 1975 - 1977**

The Boston Naval Shipyard/Charlestown Planning and Development Program was first published in November of 1975. This document attempted to combine some of the job creation ideals of the 1973 discussions with more practical private development


alternatives. The Plan divided the 105-acre site into three development zones: the new development area, the historic monument area, and the National Park. Five functional use areas would exist within these three zones: waterfront park, historic mixed-use, manufacturing, new housing, and hotel/conference center (see map below). The following is a listing of six development goals as stated in the 1975 Plan (bold). Each goal is followed by a discussion of city motivating factors leading to goal development.

1975 Goals for Redevelopment

1. "Development of the Shipyard must be directed toward the creation of new jobs for Boston residents." This goal had as its target the attraction of modern manufacturing firms to the site in attempt to offset the loss of blue-collar jobs. It was acknowledged, however, that "Boston's real long-term growth is in the service sector and new activity in office and tourism is similarly important."

2. "Reuse of the Boston Naval Shipyard should generate large-scale new capital investment in Boston and increase the city's tax base." The 1975 plan estimated that $82 of $100 million in capital improvement costs would come from private developers creating value at the site. This was important to help solve the city's economic crisis, as at that time property taxes were the city's only source of revenue and 60% of its tax base was exempt from paying those taxes.

3. "Development should take advantage of its waterfront location." Here the plan recognized that the physical site could be more easily adapted to residential, tourist, and recreational uses than to manufacturing or light industrial functions. It is here that these alternative uses were encouraged.

4. "Development should relate to the needs and character of the Charlestown community." It was also important politically to involve the local community, even though initial local interest in the site was minimal. Resident concerns revolved around the creation of job opportunities, historic preservation, and open space.

5. "Development should be geared toward meeting part of the city's critical need for new housing." Boston at this time was facing a housing shortage. The Navy Yard presented a unique opportunity for the city to create new housing without having to tear down or replace existing stock

73 All quotes within the six goals listed above have been taken from the Boston Naval Shipyard / Charlestown Planning and Development Program (Boston: Boston Redevelopment Authority, November 1975), p. 23-25.
6. "New uses should protect, as far as possible, the architectural, historical and environmental character of the site." This was an acknowledgement of the site's landmark status. The "as far as possible" is interesting and would influence the division of the site into "historic" and "new development" areas.

Although all six goals are mentioned, the Plan seems to focus on goal number three: "Development should take advantage of its waterfront location." To this end, a number of tourist-related uses are discussed, as the site's proximity to the waterfront and a major National Historical Park seemed to indicate that hotel, retail and other museum and institutional uses could be successful. Additionally, waterfront housing seemed appropriate as it could offer spectacular views of the Boston skyline and would be located next to a historic area. The presence of the housing would then stimulate a demand for more commercial uses such as ground-floor retail and restaurants.

Figure 30 (Left) - Three Development Zones, Boston Naval Shipyard / Charlestown Planning and Development Program, Boston Redevelopment Authority, 1975
Figure 31 (Right) - Five Functional Use Areas, Boston Naval Shipyard / Charlestown Planning and Development Program, Boston Redevelopment Authority, 1975
This emphasis on housing and recreation represented a change in the city’s philosophy towards the site. The plan states that, “Although it is a policy of the City of Boston to encourage, whenever possible the stabilization of employment in the manufacturing sector, new employment projects focusing on manufacturing have been difficult to implement. Any creation of new blue collar jobs will occur in the industrially zoned land in South Boston, particularly in the former South Boston Naval Annex...The proposed hotel, commercial, industrial and residential uses of the Charlestown site will not replace the 5000 Navy Base jobs in Charlestown in 1973.”

Issues of access were also discussed. A shuttle bus to Haymarket Station and watertaxi service were planned to provide better access to public transportation. Plans called for the conversion of Buildings 149 and 199 into public parking facilities containing a total of 3,500 spaces. This plan is especially interesting given the 1986 conversion of Building 149 into research facilities for Massachusetts General Hospital. The city would be obligated to change the zoning of the site from blanket industrial to a combination of B-1 general business (including commercial, residential, institutional and recreational uses), H-1 apartment, and M-1 light manufacturing. Review of the project would have to be completed by the Advisory Council on Historic Preservation under Section 106 of the National Historic Preservation Act of 1966.

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74 Boston Naval Shipyard / Charlestown Planning and Development Program (Boston: Boston Redevelopment Authority, November 1975), p. 69.
Funding

By 1977, it was generally recognized that the BRA would need to acquire the site for a minimal cost and obtain state and federal aid in order to raise the funds necessary for initial capital improvements. The use of bond financing was ruled out, as borrowing to acquire a long-term asset would not have been politically popular. The Federal Property and Administrative Service Act of 1948, which “allows for the disposal of federal properties for specified purposes at a 100% discount,” facilitated the BRA’s acquisition of two of the three proposed development parcels. The first of these was a 16 acre parcel acquired from the Bureau of Outdoor Recreation for use as open space in perpetuity, now known as Shipyard Park.

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Figure 32 (Left) - Historic Structures to be Preserved, *Boston Naval Shipyard / Charlestown Planning and Development Program*, Boston Redevelopment Authority, 1975

Figure 33 (Right) - Proposed Structures for Demolition, *Boston Naval Shipyard / Charlestown Planning and Development Program*, Boston Redevelopment Authority, 1975

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75 *Boston Naval Shipyard / Charlestown Planning and Development Program* (Boston: Boston Redevelopment Authority, November 1975), p.54.
A 1966 amendment to the Disposal Act made it possible for areas of historic merit to be acquired by governmental agencies for purposes of historic preservation. This provision required that the property remain in public hands and that any profits generated from leases of the property be used for historic preservation and the funding of parklands. This amendment was used to facilitate the transfer of the Historic Monument Area, a 31 acre parcel containing 22 of the site’s most historic structures.

The BRA would act as the developer of the entire site. Its responsibilities would include site preparation and infrastructure improvements including public areas, streets, parks, and related open space. The BRA would market the properties and identify appropriate private developers for historic buildings as well as new developments. Plans estimated that a minimum of at least $99.5 million in new capital investments would be required at the site including at least $17.5 million in public funds for internal access and street repair ($2.2 million), utilities ($2.6 million), pier demolition and repair ($1.1 million), demolition in the New Development Area ($3 million), parking structures ($3.1 million), and public park and promenade ($5.5 million). It was hoped that the initial investment of public monies for infrastructure improvements would encourage the needed $82 million of private capital that, according to the plan, would be spent in the following areas:

- Housing = $47,800,000
- Hotel = $15,000,000
- Commercial / Retail = $3,000,000
- Office / Loft = $1,200,000
- Industrial = $4,000,000

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Marina = $300,000
Institutions = $10,700,000

Timing

In terms of timing, “The goal of the development process is a fully revitalized Charlestown Shipyard in 10 to 12 years.” Public sector investment would be completed by year five, with the largest expenditures occurring during years 1-3. Timing goals included in the 1975 plan are quite specific, indicating that some institutional space in the Historic Monument Area would be developed by the end of year one and “buildings closest to the National Historic Park will be developed into mixed-use commercial/office and housing starting in year two and be completed in year six.” Construction of 300 units of new housing would be initiated in year three, after major improvements in site appearance and public infrastructure had been completed. Thereafter additional units were to be constructed on a scheduled basis through year ten. Hotel development would be delayed until year three when “the National Historic Park and initial historic areas are fully operative.” Manufacturing construction was scheduled to start as early as year two, once the necessary improvements to roadways and access routes had been solved. Demolition would be deliberately phased allowing for the creation of a centralized waterfront park around which initial development efforts could be focused.

79 *Ibid*, p. 64.
80 *Ibid*, p. 64.
Plan Summary

"The present proposal foresees a total development cost of $100 million with a 450 unit hotel/conference center and convention complex, 700-1000 units of housing, 82,000 SF of retail, 150,000 SF of industrial, and 350,000 SF of institutional and museum space. Retail sales in commercial tourist expenditures parking, hotel, and personal services are estimated at nearly $18 million per year. The City of Boston would gather an estimated annual tax revenue of over $2 million and the state would receive almost $1.6 million a year in income taxes."81

1977 Environmental Impact Statement Approval

The Final Environmental Impact Statement for this plan was not completed until 1977, two years following the articulation of the initial Plan. The final approval of this Plan was critical as the transfer of federal lands to the BRA could not be completed until the site had developed a finalized master plan. The federal government, state and local historic preservation officials, and the BRA worked together to draft this plan, which did not deviate substantially from the 1975 version. Its use patterns are summarized as follows:

1. “Approximately 1,500 units of new luxury and mixed-income housing (including up to 10% subsidized housing)
2. Some 80,000 SF of retail/commercial space
3. Up to 450,000 SF for institutional activities
4. Over 60,000 SF of office and loft industry space
5. A 300-700 room hotel and conference center
6. Up to 250,000 SF of labor intensive light industry
7. A waterfront park with approximately 550 slips in public and private marina and docking facilities”82

81 Boston Naval Shipyard / Charlestown Planning and Development Program (Boston: Boston Redevelopment Authority, November 1975), p. 70.
Acquisition Negotiations and Parcel Plans

The BRA decided to divide the site into four parcels, each with its own acquisition and development strategy. The first of these four parcels was the aforementioned 22 acre National Park, which was acquired by the NPS from the Navy for $1 in 1974. The BRA acquired the balance of the site in three separate transactions, each requiring a different set of negotiations with the GSA. The Navy Yard had gone through a five and a half year start-up phase when the last parcel was transferred into the BRA’s hands in July of 1978.

Shipyard Park

In November of 1975, the BRA applied for the transfer of 19.6-acres of land from the Bureau of Outdoor Recreation for utilization as a public park. The transfer of 16-acres was approved in May of 1977 for the negotiated purchase price of $1. The land was sold with the restriction that it be used in perpetuity for public recreation purposes. The site was named Shipyard Park and its completion marked one of the BRA’s first and most important Navy Yard public infrastructure projects. Its creation showed private developers that the city was committed to the transformation of the site and gave them a public amenity around which to base future development. “The park gave confidence to the initial residents (and the developer) that the area would soon be a better environment.”

Robert Kennedy: “We intended to develop a critical mass by starting at

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the park and working out. The park was a catalyst for changing the image of the first private development.\textsuperscript{85}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure34.png}
\caption{Shipyard Park Outlined in Red, Base Map from the \textit{Redevelopment of the Charlestown Navy Yard}, Boston Redevelopment Authority, 1987}
\end{figure}

**Historic Monument Area**

The BRA utilized Section 203(k)(3) of the previously discussed Federal Property and Administrative Services Act of 1948 to facilitate the transfer of a 31-acre section of the site that included 22 of the shipyard's most historic structures.\textsuperscript{86} Application for the transference of land occurred in July of 1977, and the deed to the land making up the Historic Monument Area was conveyed to the BRA on July 10, 1978. The negotiated purchase price was $1. The land was located between the northwestern boundary of the shipyard and First Avenue and between the Gate #4 and 16\textsuperscript{th} Street. All historic structures in this area with the exception of the three under NPS auspices were transferred to the BRA whose objective was to “maximize the conservation of the historic and


architectural character of the sites while adapting the existing resources to new and economically viable purposes.”

The transfer of Historic Monument Area land was made dependent upon the development of design guidelines prepared by the NPS in collaboration with the Massachusetts State Historic Preservation Office (SHPO) and the BRA, and approved by the SHPO and the National Advisory Council on Historic Preservation. These guidelines were published in March of 1980 and won several prestigious design awards, including a 1980 Progressive Architecture Citation in Urban Design and Planning (design guidelines will be discussed in greater detail in Chapter 4).

The BRA was prohibited, by federal law, from the subsequent conveyance of Historic Monument Area land to a third party. Redevelopment of existing historical structures would therefore have to be carried out by issuing long-term leases to

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developers. These developers would then invest their own money to rehabilitate the buildings in accordance with the Secretary of the Interior’s Standards. The long-term leases would allow developers to take advantage of the Federal Income Tax Credit for the rehabilitation of certified historic structures and spread land acquisition costs out over the life of the project, reducing their front-end costs. Additionally, the lease structure would allow the BRA to participate in the expected return from the project on a longer-term schedule.

The 1975 Plan for the site specified that buildings in the Historic Monument Area “be restored to recapture the architectural and naval significance of the buildings within a pedestrian oriented commercial and museum environment.”88 In this historic setting, it was envisioned that “retail, restaurant and other tourist oriented facilities would attract Park visitors.”89 Other approved uses within this mixed-use area included housing, office space, and loft industry. It was in this area, that planners dared to dream of such things as a “specialty shopping area developed around such themes as antiques, marine-related goods, imported goods, designer furniture, and other specialty items.”90 It was even suggested that the Ropewalk be converted to a public market “for crafts.” The Society of New England Antiquities was slated to reuse Building 106 for museum and restoration workshop space, and it was hoped that the Massachusetts College of Art would chose to locate 330,000 SF of new classroom and studio space in Buildings 39 and 105. In the historic area, 75 housing units were planned.91

88 *Boston Naval Shipyards/Charlestown Planning and Development Program* (Boston: Boston Redevelopment Authority, November 1975), p. 35.
New Development Area

The New Development Area (NDA), consisting of a 58-acre parcel of land bounded by First Avenue and the waterfront, contains a majority of the shipyard’s less historically and architecturally significant buildings.\(^{92}\) In 1977, the BRA began negotiations with the GSA for the transfer of ownership rights for this parcel. The purchase price, $1.76 million, was based upon the estimated value of the site in view of plans for future use. Although this was considered something of a bargain, the BRA might have been able to get the land for even less. Robert Kennedy: “We didn’t know what to do with the far end of the site, so we guessed that a hotel might be needed someday. That was an expensive mistake because most of the $1.76 million value ascribed in the New Development Area was attached to that hotel.”\(^{93}\) Even at this reasonable price, the BRA did not have the funds to purchase the land. They had to look to a private developer for help.

The search for a developer was not easy. As previously stated, the real estate market in Boston was terrible in the mid-1970s and even worse for an area such as the Navy Yard with such an isolated and industrial image. The market in Boston was so bad at this time that the BRA did not even bother to advertise locally.\(^{94}\) Immobiliare New England (INE), a developer out of Canada, first visited the site in 1975 with the encouragement of then U.S. House of Representatives Majority Leader Tip O’Neill. INE, a subsidiary of Societa Generale Immobiliare of Rome, was one of the world’s

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\(^{92}\) *Boston Naval Shipyard / Charlestown Planning and Development Program* (Boston: Boston Redevelopment Authority, November 1975), p. 32.


oldest and largest developers. The BRA began negotiations with INE after the site visit in 1975, and continued to negotiate for over two years before INE agreed to become the master developer of the NDA. The Land Disposition Agreement signed in 1978, at the peak of an economic upturn, effectively hedged the developer’s risk at the site.

Figure 36 - New Development Area Outlined in Red, Base Map found in Redevelopment of the Charlestown Navy Yard, Boston Redevelopment Authority, 1987

The Agreement worked as follows: Immobiliare would lend $1.76 million to the BRA at prime plus 2% for site acquisition. In exchange, the developer would get the rights to most of the NDA and an option on the hotel and industrial sites. The BRA’s mortgage on the property would be paid down as the developer took up the sites. Additionally, the project was granted a reduced property tax rate.95 The project would be taxed on the basis of a percentage of the gross income, so that the developer would not be burdened in the initial stages of the project. The land would revert to the BRA after 99

years with the exception of parcels developed into condominiums. In that case, Immobiliare would pay the BRA 4% of the gross sales price of the condo and 4% of the price would be deducted from the NDA mortgage held by Immobiliare.  

The agreement stipulated a phased development schedule and a pre-set disposition formula that apportioned the total acquisition cost among the development phases on the basis of their redevelopment potential. The phased development schedule helped hedge the private sector risk as INE retained an option to withdraw from the project if the initial developments were not successful. If this option was exercised, the remaining debt would become payable. In exchange for assuming some of the downside risk, the BRA was given an increased participation in the event that redevelopment potential exceeded initial expectations.

The involvement of a private entity did nothing to immediately reassure lenders that the project would be successful. In the first five years after Immobiliare’s purchase, the Navy Yard was able to attract only $25 million in debt financing, with credit enhancement requirements, for the construction of rental housing and marinas.

The 1975 master plan for the site made clear that three functional use areas were to be located within the New Development Area. These included: new housing, manufacturing, and a hotel/conference center (see map below). The New Housing Development Area was defined as a 15.4 acre waterfront parcel located between 9th Avenue and the Mystic Channel. Seven hundred to one thousand units of luxury and

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98 Ibid., p. 9.
mixed income housing were planned here. Midrise and town house structures would complement nearby historic architecture and preserve view corridors. A hotel/conference center was planned on a 14 acre section of the site where Buildings #40 and #42 are currently located. The hotel would attract tourists and visitors with its location adjacent to a National Park and its proximity to downtown and the airport. Manufacturing uses were planned for the northeast corner of the site, in an area bounded by Gate #5, the Little Mystic Channel and Third Avenue. This area was somewhat removed from the rest, but would be easily accessible through a widened Gate #5. A total of 250,000 SF of industrial space was planned for the site.\(^9\)

The first in a series of changes to this Plan would take place soon after the Land Disposition Agreement was signed as both INE and the BRA realized that there was no market for hotel development at the site in the mid-1970s and re-arranged the parcels so residential development would border the National Park site while hotel uses were moved further east and scheduled for future development.

Figure 37 - Use Areas: Manufacturing in Red, New Housing in Blue, and the Hotel Conference Center in Yellow, Boston Naval Shipyard / Charlestown Planning and Development Program, Boston Redevelopment Authority, 1975
Chapter 3 – Development of an Initial Plan -
The Presidio of San Francisco

Discussion of the transformation of the Presidio into public open space began as early as the 1880s, but official planning did not begin until 1972 with creation of the Golden Gate National Recreational Area (GGNRA). Its enabling legislation stated that the Presidio would become a part of the GGNRA should it ever be declared excess of military needs. The history of the redevelopment planning process at the Presidio can be seen as being carried out in two theaters: the Congressional halls of Washington, D.C. and the GGNRA planning offices in San Francisco.

The Initial Planning Process – 1990 to 1994

In 1989, it was announced that the Presidio would be one of 86 bases closed as part of the first round of BRAC closings with an Army move-out date of September 1994. Between 1990 and 1994 the NPS conducted an extensive public planning process to develop a General Management Plan that would guide future development at the Presidio as a National Park Site. “The Park Service had no guidance as to what the Presidio should look like, what changes should be made, or how to incorporate the Presidio into the larger GGNRA.” Neither did they have the funding necessary to create a traditional National Park out of a military base of this size.

When it became clear that a non-traditional approach would be necessary to support the continued rehabilitation of the site, the Park Service began a search for volunteers with expertise in real estate, city planning, and finance to advise the planning

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process. These volunteers became part of an "advisory group" known as The Presidio Council, a formal non-profit organization. In 1991, the Presidio Council, along with the Golden Gate National Park Association, a non-profit partner of the GGRNA, raised more than $956,000 from private and corporate sources and leveraged over $1 million in pro bono support to conduct a thorough economic and real estate analysis of development potential at the site.\footnote{Lisa M. Benton, \textit{The Presidio From Army Post to National Park} (Boston: Northeastern University Press, 1998), p. 92.} Park Service planners had never dealt with such a complex multi-use site. According to Brian O’Neill, Superintendent of the Golden Gate National Recreation Area: “The normal ideas that would come out of a planning process in the Park Service are more in line with what to do with a dozen buildings, not 801 of them totaling more than 6.3 million SF."\footnote{Ibid., p. 94.}

The planning process, which began in May of 1990, allowed for a great deal of public participation. The majority of public suggestions called for open space with “the
environment or nature as a unifying theme." Brian O’Neill observed that “a year ago the NPS launched a major planning effort to chart a course for the future of the Presidio. In the past year, we have held public meetings and workshops in which over 1700 people have participated.” The public would remain a constant and active participant in the Presidio planning process. From 1991-1993 the Presidio Planning Team used this public input to narrow its planning focus into four broad concepts:

1. “Stewardship and sustainability
2. Cross-cultural and international cooperation
3. Community services and restoration
4. Health and scientific discovery”

In order to gauge the marketability of the site, the Park Service issued a Call for Interest Proposal in April of 1992, targeted to local, national, and international non-profit organizations, academic institutions, government agencies, and for-profit enterprises wishing to occupy space at the Presidio. They received more than 400 responses. The Presidio would not be without future tenants. These tenants would have to help subsidize federal support of the property. While the Army had spent $45 - $60 million each year to manage the Presidio, the annual operating budget of the entire GGNRA (72,000-acres) was only $10.5 million. Additionally, millions of dollars in repairs would be required if these buildings were to be brought up to code.

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106 Ibid., p. 100.
107 Ibid., p. 95.
In Washington, much of the debate over the Presidio’s future would revolve around the issue of cost, not design. While Park Service planners explored imaginative and innovative new uses for the site, critics wondered how the millions needed annually for operations could be obtained. During the 1980s, the NPS had experienced massive budget cuts and by 1993 it was having a difficult time adequately staffing and maintaining many of its existing properties. To help solve these financial difficulties and bring in the real estate expertise necessary to implement evolving site plans, the National Park Service, along with community leaders, concluded that the best form of management for the Presidio would be an innovative governing structure, a public/private partnership.

Throughout the 1980s, the concept of public/private partnerships had become increasingly popular for local development policy and planning. Public/private entities were found to be able to make development decisions more efficiently because they could operate without the encumbrances of traditional government bureaucracy and were without the “culture of caution” generally associated with public agencies. Additionally, these entities were able to be more innovative in the way they offered financial incentives, tax abatements, and project specific subsidies. Public/private partnerships could combine public minded goals with private management skills while avoiding the worst stereotypes of the “inadequate public bureaucracy” and the “predatory entrepreneur.”

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108 Lisa M. Benton, The Presidio From Army Post to National Park (Boston: Northeastern University Press, 1998), p. 120.
109 Ibid, p. 120.
110 Ibid, p. 120.
In 1992, the Presidio Council hired the consulting firm McKinsey and Co. to research over two dozen successful public/private partnerships throughout the country and analyze them in terms of whether or not their structure would be compatible with the specific management needs of the Presidio. At the end of their study, the consultants recommended a public benefit corporation, a public/private partnership, as the site’s best management option. “The Park Service embraced the partnership as a break with traditional park management.”

Because any future public/private partnership entity would be managing federal property, it would need to be federally chartered. Thus, the Park Service developed a legislative proposal to create the “Presidio Corporation,” a federally chartered public/private partnership.

In 1993 the Park Service released its General Management Plan Amendment (GMPA) for the Presidio. This Plan described a global center whose mission would be to address the world’s most critical environmental, societal, and cultural challenges. The City of San Francisco reacted to the Plan in an unusual way “by enthusiastically endorsing it.” It was also endorsed by San Francisco’s political elites, the business community, the major daily newspaper, and more than 30 non-profit organizations and neighborhood coalitions. The final General Management Plan Amendment was officially approved in 1994 just before the Army’s scheduled departure. On September 30, 1994, the 6th United States Army lowered its colors and transferred the 1480 acre Presidio of

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112Ibid., p. 4.
San Francisco to the NPS. “On October 1, the Presidio re-opened as the crown jewel of the GGNRA.”

General Management Plan Amendment – 1994

The result of this four-year intensive planning process was the General Management Plan Amendment (GMPA) for the Presidio finalized in 1994. The so-called “grand vision” was exactly that -- an eloquent, although sometimes overly sentimental, document describing the Presidio as a center of education and research where a multitude of national and international research or “think tank” organizations could come together and work towards a better tomorrow for humanity. This document is monumental in the scope of its idealism. It is hard to imagine the same mix of uses and activities being developed in any other environment but that of the historically liberal San Francisco.

That is not to say the document was not well thought out. It was extraordinarily organized, a mixture of high ideals and practical thoughts. The GMPA divided the Presidio into thirteen sections, each of which had its own plan, and provided for the reuse of buildings over a 10-year period with an emphasis on the preservation of historic resources. Additionally, it called for an increase of 200 acres in open space and a maximum building square footage less than or equal to the existing 6.3 million SF. Buildings would be leased at “fair market value” but fair market value in terms of the normal lease rates for the uses required, not fair market value in terms of the so-called “highest and best” use of the space.

Janet Smith-Heimer and David Shiver, “Progress in Bay Area Conversions,” Urban Land (December 1994).

Recognizing the limitations of NPS experience and knowledge, the GMPA called for the creation of a public/private partner to manage the business and redevelopment aspects of the site. This represented a highly risky venture on the part of the NPS as no other such entity had ever been created for the sole purpose of managing a National Park. In the Park Service version, this entity would be held accountable primarily to the Secretary of the Interior. The GMPA was dependent on Congressional appropriations for its success, but capped these appropriations at $25 million annually. With the aid of leasing revenues, such appropriations were scheduled to decline to $16 million by 2010.

High-Minded Goals

The wording of the GMPA feels less like a planning document and more like a treatise on world affairs. The Preamble states:

"There are occasions in which an opportunity is so palpable, a time for action so precisely apparent and a place so right that even our contentious species cannot

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and will not lose the chance to achieve a grand result. So it is with the creation of a national park and environmental study center in the Presidio...The Presidio is a community within a park within a larger community. This wonderful connectivity invites us to create models of successful sustainability. We are reminded that each of us is placed in human life with the concentric circles of relationships to others and the natural world...The transformation is inspired by a newly emerging definition of protection, one that recognizes that security is no longer based solely on political and military strength, but on stewardship of the world’s human and physical resources through global cooperation.”¹¹⁶

Specific recommendations are made in the form of themes, program areas, and planning districts. The overarching goal of the plan is the creation of a “global center dedicated to addressing the world’s most critical environmental, social, and cultural needs.”¹¹⁷ Plan themes provide a broad set of guidelines for future use:

1. “The Presidio will be a dynamic setting for a network of institutions devoted to stimulating understanding of and action on the world’s most critical social, cultural, and environmental challenges.”
2. The Presidio’s unparallel collection of military architectural treasures and cultural landscapes will be preserved and enhanced. Its spectacular natural and recreational features will be perpetuated.
3. The Presidio’s inspirational setting of bay, ocean, forests, and streams and its various facilities for recreation will provide many opportunities for reflection and personal removal.
4. A federally charted partnership institution will assist the NPS in managing the Presidio. This partnership will be responsible for assigned areas and conduct building repair and maintenance, leasing and property management, program development, and fundraising.
5. The 6th Army will be a major park partner occupying approximately 1.8 million SF of building space.”¹¹⁸ (In December of 1994, the Army announced that it would not be occupying this space).

¹¹⁷ Ibid.
¹¹⁸ Ibid.
Program Areas

After articulating these basic themes, the plan overlays four program areas based on the Presidio’s facilities, setting, and park purpose: 119

1. **Stewardship and sustainability** – “Objective: Promote and advance research, education, training and demonstration, and policy formulation on major environmental issues of worldwide importance.”

2. **Community service and Participation** – “Objective: Convey the value of public service by promoting responsibility, leadership, stewardship, and community participation in improving the places where we live, work, and play.”

3. **Cross-cultural / international cooperation** – “Objective: Build on the historic role of the Golden Gate as a crossroads of international exploration, cooperation, and exchange.”

4. **Health and scientific discovery** – “Objective: Promote life and earth sciences research, emphasizing systems and methods to improve human health and the quality of the environment for future generations.”

Planning Districts

All themes and programmatic goals would be achieved through the redevelopment of thirteen distinct planning areas, each with its own reuse plan and “concept.” The following list summarizes GMPA plans for each district. The area’s assigned “concept” is in parenthesis. 120

1. **Main Post (The Heart of the Presidio):** “The Main Post, site of the original walled ‘Presidio,’ has historically functioned as the administrative heart of the Presidio.” Future plans for the Main Post called for a continuation of this function utilizing the Main Post as a central visitor center, a focal point for interpreting the Presidio’s military history, and a community for multicultural international exchange and education.

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119 All quotes in the program areas listing are located within *Creating a Park for the 21st Century From Military Post to National Park Final General Management Plan Amendment* (San Francisco: The National Park Service, July 1994).

120 All quotes in the planning districts listing are located within *Creating a Park for the 21st Century From Military Post to National Park Final General Management Plan Amendment* (San Francisco: The National Park Service, July 1994).
2. **Golden Gate / Fort Point (A Symbolic and Scenic Site):** "The Golden Gate / Fort Point planning district houses a large and impressive concentration of historic coastal defense fortifications, including Fort Point, an excellent example of a Civil War era fortification." Here plans emphasized, "reopening the visual grandeur, qualities and values of the Golden Gate." Non-historic structures were to be removed from the bridge area, while cultural resources including historic engineering and coastal defense structures would be preserved and made accessible to visitors.

3. **Fort Scott (A Conference, Training, and Applied Research Center):** "Fort Scott is a place of quiet beauty with a strong sense of historic stability. Built in 1912 as a coastal artillery sub-post, the site contains 159 buildings in a campus like setting." Here activity plans focused on learning and sharing knowledge about "major environmental and societal challenges and their solutions." Historic structures would be sensitively rehabilitated into a conference / research center.
4. **Letterman Complex (A Scientific Research and Education Complex):** “The Letterman Complex was the Presidio’s most urban space containing approximately 50 structures, with a series of large, modern buildings dominating the landscape.” The GMPA plans called for new site uses dedicated “to scientific research and education focusing on issues of human health including preventative medicine, nutrition, collaborative eastern/western medicine, and health concerns relating to the environment.” The removal of several buildings, both historic and non-historic, would be allowed in order to restore open space and the historic setting. Up to 503,000 GSF of replacement construction was permitted within the complex as a substitute for buildings identified for demolition. The maximum allowable SF for the complex was set at the existing 1.3 million. New construction would be permitted if existing building and improvements could not meet essential program and management needs.

5. **Calvary Stable (Hands-on Learning Workshops):** The Calvary Stable was constructed in 1913 to support army Calvary troops. “It is a small, forested area containing 16 buildings, nestled between Crissy Field, Fort Scott and the National Cemetery.” The site was considered ideal for educational outdoor workshops.
6. **Public Health Service Hospital (Residential, Education, and Conference Center):** This 37-acre site is located on the southern boundary of the Presidio adjacent to an active residential neighborhood. Here the Plan called for the rehabilitation of historic buildings and landscape features, the addition of an assembly space of up to 20,000 SF, and the removal of all non-historic buildings. In the event that a suitable tenant could not be found for the site, all structures would be removed and the site restored to open space.

7. **East Housing Area (An Educational and Residential Neighborhood):** “The East Housing Area contains 135 historic and non-historic buildings, mostly housing for officers and enlisted personnel and their families.” Historic housing in this area was to be maintained for residential use, while twenty non-historic buildings would be removed.
8. **Crissy Field (Bayfront Recreation and Resource Preservation):** "Originally the site of wetlands, Crissy Field is now a fill area containing nearly 100 buildings." In 1921, Crissy Field became the first and only Army Air Service Coast defense station on the West Coast and it continued in use as an airfield for training and defense through the 1970s. Plans called for the historic airfield structures at the west-end of the site to be rehabilitated and for all other structures to be removed and the wetlands to be restored.

9. **Presidio Hill (Recreation and the Outdoors):** "This area is dominated by recreational open space, a 160-acre golf course, and three distinct housing complexes with 650 units of housing." Here non-historic housing was to be removed and replaced with historic forest and native plants.

10. **National Cemetery:** The National Cemetery was established in 1884, as the first national cemetery on the West Coast. It is administrated by the Veterans Administration.

11. **Presidio Forest (A Woodland Retreat):** "The Presidio Forest is the result of an ambitious tree-planting project begun in the 1880s and is now a mature 100-year old
forest. It will require extensive management and replanting to survive.” Plans called for the revitalization of the forest as an important cultural landscape.

Figure 49 - Presidio Forest, *Presidio Trust Management Plan, 2002*

12. **Lobos Creek Valley (Nature’s Quiet Refuge):** “The Lobos Creek, long the provider of water for the Presidio, is only disturbed by one 31,000 SF brick and concrete structure, the Army Resource Center, built in 1970.” Here there would be opportunities to learn about natural systems and human use of resources.

13. **Coastal Bluffs (A Wild Coast):** The Coastal Bluffs would remain unchanged.

Figure 50 - Coastal Bluffs, *Presidio Trust Management Plan, 2002*

**Historic Building Adaptive Reuse**

The GMPA called for the adaptive reuse of historic buildings through the selection of compatible uses and the development of a rehabilitation and maintenance plan. Rehabilitation guidelines were to be established based upon the Secretary of the
Interior's Standards for the Rehabilitation of Historic Structures. A programmatic agreement covering all actions described in the final plan including maintenance activities, rehabilitation, and historic property leasing was to be negotiated and signed by the GGNRA, the California State Historic Preservation Office, and the Advisory Council on Historic Preservation to facilitate and expedite the compliance review process. Additionally, tenants would be required to prepare long-term maintenance plans subject to NPS review.

The idea behind all design guidelines would be the preservation "of the Presidio's uniqueness and unity of site features" and "the symbols and traditions that provide a link to its past." Any new construction would be required to be compatible in massing, scale, materials, style, color, and siting with that of nearby historic buildings and their settings. Heights would not exceed that of the existing adjacent buildings with an overall ceiling of 60 feet at the Letterman Complex and 50 feet elsewhere. No new building would contain more than 215,000 SF total.

Open Space Restoration

"The majority of the Presidio's 510 historic buildings and the landscapes that distinguish the NHL will be preserved and adaptively used to tell the stories of the Presidio's past." The GMPA called for additional open space of 200 acres to be obtained through the removal of approximately 276 (1.5 million SF) of the Presidio's 870 buildings. Forty-eight historic structures would be removed in order to restore earlier

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122 Ibid.
123 Ibid.
historic settings. By 2010, total open space within the park would measure approximately 1000 acres, including the 300 acres of Presidio Forest. Restrictions stated that the total built square footage of the Park would never exceed the existing 6.3 million total. Development was to be concentrated in the Park’s southern areas.\textsuperscript{124}

**Summary of Uses**

Out of the total 6.3 million SF of building space, 1.5 million SF was scheduled for demolition leaving 4.8 million SF of useable space. This space would be divided as follows:

\begin{enumerate}
\item 300,000 SF - Reserved for park partner housing and short-term lodging
\item 2.5 million SF - Committed to the 6\textsuperscript{th} Army, Park Service, and other interim tenants
\item 100,000 SF - Contained in infrastructure buildings and other non-rentable spaces
\item 1.2 million SF – Available at the Letterman Complex and are targeted for a single institutional user
\item 400,000 SF - Proposed for a conference / education center
\item 300,000 SF - To be marketed\textsuperscript{125}
\end{enumerate}

**Access and Transportation**

The GMPA called for the creation of a comprehensive transportation strategy emphasizing public transit, pedestrian, and bicycle travel. A total of 11 miles of hiking trails and 13 miles of biking routes were planned. The existing 60-mile network of roads, largely established before 1910, was developed in a very complex manner leaving both motorists and pedestrians confused. Goals for roadway improvement in the GMPA included a simplification of circulation patterns.

\textsuperscript{124} Creating a Park for the 21\textsuperscript{st} Century From Military Post to National Park Final General Management Plan Amendment (San Francisco: The National Park Service, July 1994).

\textsuperscript{125} Ibid.
Traffic congestion was also discussed as two regional highways pass through the Presidio, Highway 101 (Doyle Drive) and Highway 1 (Park Presidio Boulevard). Additionally, the Golden Gate Bridge carries about 120,000 vehicles per day to and from these highways and is a major tourist attraction in its own right. The GMPA discouraged the utilization of these roads by commuters not associated with the Park.¹²⁶

![Figure 51 - Highway 101 and Highway 1, Mapquest 2002](image)

Residential Uses – Private Residences in a Public Park

Residential uses as specified in the GMPA would be provided primarily for military, park, and park partner staff, with housing clustered close to workplaces and major activity centers. In 1994, the park contained about 1,192 housing units in 382 buildings. Of these, 96 units would be converted into lodging, hostel, and conference center accommodations for up to 720 guests. Five hundred and twenty-four units, inhabited by Army personnel, would be removed upon their vacancy. Sixty units in the El Polin Spring area were also scheduled for demolition. Rents charged would be matched to the income levels of the projected workforce.

Tenant Selection

When the GMPA was finalized, seventy-seven non-military tenants maintained space in Presidio structures. Most of these existing permits and other contracts would be extended under NPS management as the uses were not inconsistent with the goals of the Park. The selection of "park partners" (tenants) would be guided by the following criteria:

1. Dedication to the Presidio's purpose as a park of the National Park System
2. Contribution to implementing the GMPA
3. Contribution to national and international distinction
4. Financial feasibility

Buildings would be leased to tenant organizations, which would be responsible for rehabilitation and maintenance costs related to the buildings they occupied. If long-term leases were obtained (more than 27 years) Federal Historic Tax Credits could be utilized to help subsidized building rehabilitation costs.

Public/Private Partner

The GMPA recognized that, "[m]anagement and governance must be built around the ability to craft partnerships, secure capital investment, attract philanthropic support, lease structures, and secure income from Presidio tenants."\(^{128}\) To this end, "a federally charted management partner with skills and authorities that supplement NPS expertise, particularly in professional areas that are not widely represented in the agency such as financing, capital improvement, programming and leasing"\(^ {129}\) would be established.

\(^{128}\) Ibid.
\(^{129}\) Ibid.
NPS would retain primary responsibility for the Presidio “providing overall management, monitoring compliance with the Plan and approving modifications, setting programmatic guidelines and goals, providing technical assistance, management and constructing infrastructure, managing NPS facilities, assigning building function and areas to be managed by the institution, and managing tenant and visitor services.”

The partnering institution would:

“Manage assigned buildings and acres, forge partnerships with public, non-profit, and private institutions, negotiate and enter into leases and other contractual agreements needed to implement the plan, seek appropriate tenants and lease buildings to those tenants, fund operations by retaining and reinvesting net revenues supplemented by public and private funds, develop and implement public and private innovation funding approaches to help finance costs for building infrastructure repair and rehabilitation, and seek privately donated funds.”

The partnership’s Board of Directors would have an NPS representative, and the Secretary of the Interior would appoint a majority of the members.

Costs and Financing

“The costs of the site will be borne by a combination of public and private financing.” The GMPA estimated capital costs for building rehabilitation and site improvements of $612 million. It was believed that private investment in the Park could reduce costs to approximately $490 million over a 15-year period. Sixty-eight percent (or $330 million) of building rehabilitation and site improvement costs would be funded through building and facility rental fees; twenty-two percent (or $109 million) would be funded by NPS appropriations; and ten percent (or $51 million) would be funded by a

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131. Ibid.
132. Ibid.
combination of private philanthropy, federal government tax credits, and other agencies including the Department of Defense. The first year appropriation requirement for both capital and operating expenses would be $25 million. By 2010, this number would decrease to about $16 million per year.\textsuperscript{133}

**Community Reaction**

Community reaction to the ideals set forth in the GMPA was largely positive. Many commented that they had never seen the San Francisco public unite so strongly in support of a single plan. GGNRA Superintendent Brian O’Neill noted: “I feel really pleased with the broader sense of community ownership of the Presidio. In the planning process, we were able to get a broad cross-section of the community involved at a level at which they now feel a strong sense of proprietary ownership. They are prepared to fight to ensure its long-term preservation and to ensure that the plan will be adopted and implemented. The public is committed. They won’t let anyone run too far afield of the plan and its Grand Vision.”\textsuperscript{134}

Problematically, the GMPA was developed prior to the passing of the 1996 Presidio Trust Act, which laid out the mission and structure of the proposed public/private partner management entity. Lisa Benton noted in her book, *The Presidio From Army Post to National Park*, that the finalized GMPA “set unrealistic expectations about the kind of community that would reside at the Presidio...Many San Franciscans envisioned the Presidio Park as a non-profit campus and were not prepared for the fact

\textsuperscript{133} *Creating a Park for the 21st Century From Military Post to National Park Final General Management Plan Amendment* (San Francisco: The National Park Service, July 1994).

\textsuperscript{134} Lisa M. Benton, *The Presidio From Army Post to National Park* (Boston: Northeastern University Press, 1998), p. 188.
that the enormous annual operating expenses would entail some form of private business participants.”\textsuperscript{135} When Congress inserted increasingly conservative financial restrictions regarding appropriations into the legislation, the full extent of the need for private investment at the Presidio became better understood and there was a great deal of community backlash.

**Political / Economic Context**

Even as the NPS was performing the painstaking task of developing a comprehensive planning document for the Presidio, its future as a National Park was in constant jeopardy as Congress debated its worth. The first half of the 1990s saw a dramatic shift in the nation’s political climate as the Republicans took back Congressional control from the Democrats in 1994, riding high on the fiscally and socially conservative “Contract with America” platform. This shift in political power would have a profound effect upon the way in which the Park Service’s “Grand Vision” would be received and the way in which its public/private partner, the Presidio Trust, would be ultimately structured.

Similarly dramatic changes occurred in the national economy during that time. In 1989, when the base was slated for closure, the country was in the midst of an economic recession and the nation’s real estate market was just starting to recover from one of its greatest downfalls in history, the savings and loan crisis of the late 1980s. By the time the Army left the base in 1994, the economy was on the rise, especially in tech-happy San Francisco, and the real estate market was soaring. This economic context would have an

impact on the way the Presidio was perceived in terms of development and profit-making potential and played a key role in the development of the Presidio Trust’s mission statement and funding system.

Financial debates were exacerbated by the Presidio’s standing as a National Park in an urban environment. While urban NPS sites had become more accepted since the 1974 creation of the Boston National Historical Park, they were still received with some skepticism. The status of a “recreational area” implied a park of marginal national importance. Funding efforts were further stymied by the Presidio’s specific “urban environment,” San Francisco, a traditionally Democratic stronghold. In 1993 and 1994, the rhetoric in Congressional debates focused on the question, “Is the Presidio truly nationally significant?” Clearly many could not reconcile the concept of a National Park located within a city.

The Congressional Debate – Continued Funding for a Closed Military Base?

The GMPA relied on Congressional appropriations of an estimated $24 million for 15 years (1994 to 2010) decreasing to $16 million thereafter. Total implementation costs were estimated at $660 million spread out over 25 years. The $24 million in appropriations actually constituted a great savings to the federal government, as the average annual operating budget of the Army at the Presidio from 1986 to 1992 had been $60 million. Advocates of the development of the Presidio into a National Park such as Senator Diane Feinstein pointed out that: “Because of this legislation, the federal

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137 Ibid., p. 187.
138 Ibid., p. 135.
commitment to the Presidio will be less this year than anytime in the recent past and will continue to decline in proceeding years."\textsuperscript{139}

From another perspective, short run funding costs at the Presidio would be more than the annual budgets of both Yellowstone ($17 million) and Yosemite ($15 million), conceptually "more important" National Parks.\textsuperscript{140} Critics asked the question: Should the federal government be asked to fund a National Park, more expensive than any other, at a former military base which was closed for the express purposes of reducing federal expenditures and controlling federal debt? They pointed out that, "The funding requirements for the Presidio are the equivalent needed to operate something like 88 other smaller parks in the NPS."\textsuperscript{141} Was this site, in an urban setting, worth the money?

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{Figure_52}
\caption{National Park in an Urban Context, The Presidio's 1896 Boundary Wall, \textit{The Presidio from Army Post to National Park}, Lisa M. Benton, 1998}
\end{figure}

\textsuperscript{139} U.S. Senate, Hearing Before the Subcommittee on Public Lands, National Parks, and Forests of the Committee on Energy and National Resources United States Senate, One Hundred Third Congress, Second Session on S-1549 to Amend the Act Establishing the Golden Gate National Recreation Area to Provide for the Management of the Presidio by the Secretary of the Interior and for Other Purposes, S-1639 to Provide for the Management of the Portions of the Presidio Under the Jurisdiction of the Secretary of the Interior and for Other Purposes, May 12, 1994, U.S. Government Printing Office, Washington DC, 1994.

\textsuperscript{140} Lisa M. Benton, \textit{The Presidio From Army Post to National Park} (Boston: Northeastern University Press, 1998), p. 123.

Congressional Battles 1993 - 1995

In October of 1993, Nancy Pelosi, Congresswoman from California, brought the first of the Presidio bills, H.R. 3286, to the House floor in order to provide the National Park Service with interim leasing authority over the Presidio until the debate over its future could be completed. "In less than 12 months, the Army will be vacating most of the buildings it now occupies. Rather than face a ghost town of vacant buildings, it seems as though the Park Service is trying to get on the move with this so that we can make some decisions."\(^{142}\) The legislation recognized that granting leasing authority to the NPS was not a solution in itself and that further legislation would be necessary in order to more thoroughly address the Presidio’s financing needs.

In order to create a sense of urgency for these future negotiations, a five-year limitation was placed on NPS leasing authority providing an incentive for "the Secretary to accelerate the transfer of financing and management of certain Presidio properties to a public benefit corporation."\(^{143}\) The Bill allowed the Secretary of the Interior the authority to negotiate and enter into leases with "any person, firm, association, organization, corporation, or governmental entity" as long as uses conformed with the goals set out by the General Management Plan. Additionally, it was specified that leases be entered into at fair market value, indicating that "fair market value" at the site would take into account permitted uses.\(^{144}\)


\(^{143}\) Ibid.

\(^{144}\) Ibid.
Heading into 1994, Congressional debates over the future of the Presidio began to intensify. In 1992, the Bush Administration had approved $14.8 million for Fiscal Year (FY) 1993 Presidio appropriations.\(^{145}\) The Park Service was requesting an increase of this amount to $25.4 million for FY 1994. The FY 1994 appropriations bill was hotly contested, as Representative John Duncan (R-Tenn) Duncan campaigned to cut the Presidio's funding to $11.4 million. Although this amendment was defeated, the vote fell largely along party lines. A 19-vote swing would have meant defeat for the Presidio.\(^{146}\) Thus began a passionate three-year debate over the future of the site. Many in Congress saw the Presidio purely in terms of its cash value. The federal government could continue to fund this "city park" or it could generate revenue through the sale of "three-square miles of spectacular ocean and bay vistas," which could bring in millions of dollars in private development projects.\(^{147}\)

In 1993, Representative Duncan introduced legislation that would have divided the Presidio and sold the Letterman and Public Health Service Hospital complexes. Proceeds from these sales would have been used to fund the remainder of the Presidio. Representative Duncan and others circulated letters stating that the Presidio should not be a national park. At the same time, a number of attempts were made in the House of Representatives to dramatically scale back funding for the Presidio. These plans would have left the site virtually inoperable. Specific battles took place as follows:


\(^{146}\) Summer Intern 2001 Correspondence (San Francisco: The Presidio Trust, May 2001).

H.R. 3433 was introduced by Congresswoman Nancy Pelosi of California and consisted of two distinct sections. The first section called for the establishment of a “Presidio Corporation,” a federal government corporation which would aid the NPS in its management of the site. The “Presidio Corporation” was the first manifestation of what would eventually become the Presidio Trust. The financial and managerial powers laid out in H.R. 3433 would be fought over and compromised until a structure could be found which would allow for total Park financial self-sufficiency by 2013. A brief examination of the original structure of the public/private partnership is necessary in order to fully understand its evolution.

“There is established within the Department of the Interior a public benefit corporation to be known as the Presidio Corporation. The corporation shall manage… the leasing, maintenance, rehabilitation, repair, and improvement of property within the Presidio which is transferred to the Corporation by the Secretary of the Interior…. …All proceeds received by the Presidio Corporation from the leasing of properties managed by the corporation within the Presidio shall be retained by the corporation and used to defray the costs of administration, preservation, restoration, operation, maintenance, repair, and related expenses.”

Under the dictates of this Bill, the Board of Directors would be made up of nine members including: the Director of the NPS, the Secretary of the Army, the Secretary of Transportation, the Chairperson of the GGNRA, the Mayor of San Francisco, and four members chosen by the Secretary of the Interior with knowledge and experience in one or more of the fields of environmental studies, city planning, finance, real estate,

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engineering, or management. Added to these would be five non-voting members including the Executive Director of the National Trust, the Chairman of the GGNRA Advisory Commission, a tenant representative, and two members appointed by the Secretary with knowledge and experience in one or more of the fields of city planning, finance, real estate, engineering, or management.\textsuperscript{149}

This wording of H.R. 3433 greatly emphasizes the role of the Secretary of the Interior in the management of the Presidio. The Secretary was in charge of deciding which areas of the Presidio the corporation would manage and of selecting a majority of the corporation’s Board members. In the event of the termination of the corporation, “all property and unexpected funds shall be transferred to the Department of the Interior.”\textsuperscript{150} Additionally, the Secretary would be granted authority to examine corporation financial records once a year, and the corporation required to submit an annual report detailing operations, activities, and accomplishments to both the Secretary and to Congress.

Clearly in this early manifestation, the corporation was meant to play a subordinated role to the power of the NPS.

Financially, the corporation was given the following powers:

1. “The corporation may enter into contracts including leases, cooperative agreements, or other agreements with any government entity, private or non-profit organization, person, firm, association, organization or corporation for the occupancy of any property within the Presidio which the corporation manages.


\textsuperscript{150}Ibid.
2. The corporation may make loans to the occupants of property managed by the corporation for the preservation, restoration, maintenance, or repair of such property.

3. The corporation may retain any revenues from leases or other agreements concerning property managed by the corporation including preexisting leases or agreements.

4. The corporation may barrow money privately and may provide collateral to secure such indebtedness including without limitation a mortgage or pledge of the corporation’s interest in revenues of the leasehold property transferred to the corporation.

5. The corporation may barrow money from the US Treasury of such amounts as may be authorized in appropriation acts to carry out the corporation’s duties and responsibilities.

6. The corporation may invest funds not required for immediate use or disbursement in obligations of the U.S. government or obligations to the principal and interest of which are guaranteed by the U.S. government.”

Importantly, the corporation was granted the power to negotiate directly with the SHPO and the Advisory Council on Historic Preservation to develop agreements concerning the reuse of historic structures. These agreements would create a more efficient approval process, “the objectives of which shall be to maximize the potential for securing tenants.” Additionally, any public/private partnership at the Presidio would be granted tax exempt status. Most of these financial powers and responsibilities did not change as the Bill evolved. What did change, however, were specifications regarding Congressional appropriations. In H.R. 3433 federal appropriations to the Presidio are limited to $25 million per fiscal year indefinitely.

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152 Ibid.

153 Ibid.
The reciprocal Bill, H.R. 4078 was debated on the House floor that same day.

This Bill, advocated by Congressman Duncan, stated that, "House Report 92-1391 which accompanied legislation establishing the GGNRA states the clear intent of Congress that NPS management should be limited to open space within the Presidio, not the entire parcel of the land."\(^{154}\) H.R. 4078 at its core was about cost:

"The NPS has issued an EIS for converting the Presidio into a park, which the GAO has found could cost $1,200,000,000 or more. The NPS currently faces a backlog of $5,600,000,000 for construction projects and an operational shortfall of hundreds of millions of dollars and cannot afford to take on a new project of this magnitude without seriously jeopardizing funding for other areas currently managed by the NPS...The best way to preserve the historic values and public open space opportunities at the Presidio as well as ensure its economic success is to reduce the role of the NPS to those functions for which it is best suited and maximize the authority of a public benefit corporation designed to operate buildings and facilities which are not of direct government interest."\(^{155}\)

This Bill would fund the public benefit corporation “up-front through a sale of certain lands and facilities such that no additional taxpayer funds will be required for preservation of the Presidio.”\(^{156}\)

These “certain lands” included the Public Health Service Hospital planning district and the Letterman Complex including the “Army Institute of Research, Letterman Army Medical Center and such other buildings and lands in the Letterman Complex as are necessary to conduct scientific research or education programs pertaining to human


\(^{155}\)Ibid.

\(^{156}\)Ibid.
health to the University of CA at San Francisco. In this permutation, the corporation was again required to submit an annual report, but this time only to Congress; the Secretary was cut out.

Figure 53 - The Presidio According to Duncan, The Presidio from Army Post to National Park, Lisa M. Benton, 1998

Pelosi argued against this legislation on the grounds that it would probably, in the end, cost more to guide the Presidio through all of the zoning and other legal regulations required before sale than it would to pass her bill, H.R. 3433, calling for lease arrangements through the Presidio Trust. Brian O’Neill, superintendent of the GGNRA had a larger concern: “The Duncan proposal has serious ramifications for the entire park system. If we begin to get into a process where individual members of Congress, for

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economic reasons, are proposing the removal of portions of national parks, the National Park System as we know it, is going to change."\textsuperscript{158}

On August 18, 1994, the House of Representatives approved Congresswoman Pelosi’s H.R. 3433.\textsuperscript{159} Presidio supporters expected the Senate version to be passed by September or October, but months came and went without action as Republican Senators filibustered the bill.

**Effects of the 1994 Election**

The 1994 National election swept into office supporters of Newt Gingrich’s “Contract with America,” and dramatically altered the control of the House of Representatives. Fiscal conservatism reigned as concerns with welfare reform, health care reform, social security reform, and overall budget reductions were discussed. Although no legislation regarding the Presidio would be passed in 1994, life continued at the Presidio and on September 30, 1994 the Army vacated the Presidio leaving the land in Park Service control. Representative Pelosi re-introduced her Presidio Trust legislation as H.R. 1296 the following term, knowing that if members continued to vote along party lines the Bill would be defeated.

In 1995, Pelosi redoubled her efforts and started a marketing campaign including tours of the Presidio for key members of Congress. Site visits proved invaluable as more than a few Congressmen changed their minds about the legislation after visiting the Park. By early 1995, the rhetoric in Congress had changed from “How can we stop this


\textsuperscript{159} Ibid., p. 138.
legislation from passing” to “How can this be put together in a way we can afford?" 

In September of 1995, the House passed Pelosi’s Bill to create the Presidio Trust by a 3 to 1 margin. Advocates were, however, forced to make several concessions.

A reversion clause was added which specified that if the Trust failed to achieve a sufficient degree of financial self-sufficiency, the property would revert to the Department of Defense for disposal. Additionally, Congress gave the Presidio Trust full management power over the interior 80% of the Presidio. Further limiting Park Service control were requirements that the Trust deliver annual reports directly to Congress, not to the Secretary of the Interior. These concessions reflected a changing Congress, which in the course of two years had consistently shaped the Presidio legislation to minimize, if not remove, the Park Service’s authority over the property.

The most important change to the legislation took place in the area of Congressional funding. The Bill called for appropriations to fall to $0 by 2013, giving the Park 15 years to become completely financially self-sufficient. This requirement would forever change the way the Park would be perceived and has had a continuous influence on all planning and leasing decisions. With these changes in place, the Senate approved the Presidio legislation, commonly known as the Presidio Trust Act, as a part of a broad package of legislation on parks and public lands known as the Omnibus Parks and Public Lands Management Act (Public Law 104-333), in October of 1996.

The Presidio Trust

The mission of the Presidio Trust is to "preserve and enhance the Presidio as a national park in an urban area."\textsuperscript{163} The Trust was given the responsibility to "preserve the park's natural landscape and environment, protect and enhance the Presidio's historic resources and with the NPS and other partners, welcome visitors with educational, cultural and recreational activities."\textsuperscript{164} On July 1, 1998, the Trust was given management power over 80% of the Presidio's parklands (Area B). The NPS maintains jurisdiction over the coastlands (Area A).

Figure 54 - Presidio Areas A and B, \textit{Presidio Trust Management Plan}, 2002
Figure 55 - The Presidio Trust

The Presidio Trust Act specified that no more than $25,000,000 of federal funds would be made available annually for the operation of the GGNRA. To ensure the feasibility of this plan, the Trust was required to develop a Financial Management Plan including a schedule of decreasing annual appropriations and an explanation of the Trust’s plan to achieve financial self-sufficiency at the Presidio within 15 fiscal years.

\textsuperscript{163} \textit{Summer Intern 2001 Correspondence} (San Francisco: The Presidio Trust, May 2001).
\textsuperscript{164} \textit{Ibid.}
The Financial Management Plan was signed on July 8, 1998, shortly after the Trust assumed management powers over Area B. Trust goals and responsibilities included: finding tenants and establishing programs which preserve natural, historic, scenic, cultural and recreational opportunities; establishing a sustainable community promoting ecological integrity, socio-economic diversity and economic viability; and providing workforce housing at a full range of rent levels for up to half the people working at the Presidio.\footnote{The Presidio Trust Act and Financial Management Program for the Presidio of San Francisco, Report to Congress (San Francisco: The Presidio Trust, July, 8, 1998).}

**The Presidio Trust Act and Financial Management Program**

The Presidio Trust Act, signed in 1996, defined the structure, management responsibilities, and financial powers of the Presidio Trust. The Trust Act created a public/private partner (The Trust) to share management responsibilities with the NPS at the Presidio. The final Trust Act reflects years of Congressional deal making and compromise. Its conservative funding apparatus, which mandates declining appropriations to $0 in 2013, can be seen as a direct result of the economic and political environment in which it was developed.

According the Trust Act, the Trust is responsible for the "leasing, maintenance, rehabilitation, repair, and improvement of property within the Presidio."\footnote{Ibid.} The Trust Act calls for both economic development at the Presidio and the preservation of its cultural and natural resources. The Presidio "must be managed in a manner which is consistent with sound principles of land use planning and management, and which protects the Presidio from development and uses which would destroy the scenic beauty.
and historic and natural character of the area and cultural and recreational resources...through a innovative public/private partnership that minimizes cost to the U.S. Treasury and makes efficient use of private sector resources.\textsuperscript{167}

In areas of the Park managed by the Trust, the Secretary of the Interior’s role is defined as “providing public interpretive services, visitor orientation and education programs on all lands within the Presidio” in cooperation with the Presidio Trust. Additionally, the Trust is given the ability to transfer the administrative jurisdiction of any properties it feels are surplus to its needs to the Secretary and is encouraged to transfer that jurisdiction for any “open space areas which have high public use potential and are contiguous to other lands administered by the Secretary.”\textsuperscript{168}

In terms of its physical and legal make up, the Trust is considered a wholly-owned government corporation. A wholly-owned government corporation is a corporate entity established by Congress in which the government holds all equity. The Trust’s Board of Directors is made up of seven members: The Secretary of the Interior’s designee, and six individuals, not employees of the federal government, appointed by the President, who possess extensive knowledge and experience in one or more of the fields of city planning, finance, real estate development, and resource conservation. At least three of these must be living in the San Francisco Bay area.\textsuperscript{169}


\textsuperscript{168} Ibid.

\textsuperscript{169} Ibid.
Financial Structure

Future rehabilitation of Trust land and buildings would be funded by Treasury borrowings and lease revenues. The Trust was required to set aside an adequate reserve for the replacement, renovation, and restoration of buildings, landscapes, infrastructure, and natural resources. In order to achieve the cash flow necessary to set up such a reserve, the Trust was given the power to:170

1. "Lease Presidio buildings and facilities and retain lease revenues for dedicated use at the Presidio. 'The Trust shall have the authority to negotiate and enter into such agreements, leases, contracts, and other arrangements with any person, firm, association, organization, corporation or governmental entity, including without limitation, entities of federal, state, and local governments as are necessary and appropriate to carry out its authorized activities. The Trust shall ensure reasonable competition for lease agreements, and may not dispose of or convey fee title to any real property.'"

2. Enter into financial management or service arrangements with other federal agencies, state or local governments and private or non-profit organizations.

3. Provide guarantees of up to 75% of the principal of loans, the proceeds of which would be used to upgrade federal facilities (predominantly historic buildings) at the Presidio. This power will help encourage the use of non-federal funds to finance capital improvements at the Presidio. Loan guarantee agreements shall end after 15 years.

4. Borrow money from the US Treasury with the aggregate amount of obligations outstanding at one time limited to $50 million.

5. Hire, employ, and compensate staff under flexible procedures.

6. Acquire goods and services using streamlined procurement procedures.

7. Comply with the Government Corporation Act which requires an annual audit of the Trust’s financial statements.

8. Submit a detailed annual report of Trust activities and accomplishments and a description of goals for each current fiscal year to the Committee on Energy

and National Resources of the US Senate and the Committee on Resources of the House of Representatives.”

Additional financial support would be received through tax relief. “All interest created under leases, concessions, permits and other agreements, and property” were declared as exempt from taxes by the State of California and its political subdivisions, including the city of San Francisco.”

Federal laws and regulations governing procurement by federal agencies would not apply to the Trust with the exception of laws and regulations related to working conditions, wage rates, and civil rights.

The Trust was directed to “develop a comprehensive program for management designed to reduce expenditures to the NPS and increase revenues to the federal government.” If necessary, this could include the demolition of structures that could not be cost-effectively rehabilitated. New construction was limited to the replacement of existing structures of similar size in existing areas of development.

“In managing and leasing the properties transferred to it, the Trust shall consider the extent to which the general objectives of the GMPA are being met and the reduction of cost to the federal government.” The Trust is obligated to give priority to tenants that can enhance the financial viability of the Presidio and facilitate the cost-effective preservation of historic buildings through the re-use of such buildings. If the Trust is not successful in achieving financial self-sufficiency by 2013, the property of Area B will be “transferred to the GSA to be disposed of in accordance with the procedures outlined in

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172 Ibid.
173 Ibid.
the Defense Authorization Act of 1990 and deleted from the boundary of the
GGNRA."¹⁷⁴

The Financial Management Plan (FMP) lists specific policies for leasing and
rehabilitation that, conceivably, will allow the Presidio to fulfill its financial mission:¹⁷⁵

**General Policies of the FMP**
1. “Provide reserves for replacement of buildings, infrastructure and open space
to ensure long-term sustainability.
2. Protect the Presidio from development and uses that would destroy the scenic
beauty and natural character of the area or its historic, cultural, educational,
and recreational resources.”

**Non-Residential Leasing Policies**
1. “Lease non-residential space to non-profit and for-profit entities that are
appropriate for the Presidio per the general objectives of the 1994 GMPA.
2. Ensure reasonable competition.
3. Priority is given to tenants that enhance the financial viability of the Presidio
and that facilitate the cost effective preservation of historic buildings through
their re-use of such buildings.”

**Residential Leasing Policies**
1. “Provide a full range of housing for people who work at the Presidio. Offer
short-term market rate leases to other federal employees, specialty tenants
(students, visiting faculty), and the general public, in that propriety order until
demand from persons employed at the Presidio requires all the housing.
2. Over time replace Wherry and MacArthur Housing with more open space.”

**Open Space Policies**
1. “Preserve and enhance existing open space areas in cooperation with the NPS.
2. Increase open space by as much as 200-acres.
3. Use Wherry Housing rental revenues to fund the return of the site to natural
open space.
4. Implement a comprehensive vegetation management strategy for natural plant
communities, the historic forest and landscaped areas.”

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(12 November 1996).
¹⁷⁵ All policies are listed within the *Financial Management Program for the Presidio of San Francisco*,
Report to Congress (San Francisco: The Presidio Trust, July, 8, 1998).
In its financial models, the Trust used conservative financial assumptions in “anticipation of market fluctuations and other uncertainties,” and forecasted a $625,000 annual decline in appropriations until year the 2010, after which appropriations would decline more steeply. By fiscal year 2013, the Trust would be able to set aside a capital reserve of $11.5 million annually for replacement of buildings, infrastructure, grounds and natural areas “to ensure long-term sustainability.” Capital costs for Park improvements would be $150 million over the next 15 years.\footnote{176} All leasing rates were calculated using 1998 fair market values at “highest and best” use with no concessions made for non-profit or other financially limited tenants and included both lease payments and the non-monetary returns that would be captured when tenants made improvements to government properties. Specific financial assumption were as follows:\footnote{177}

Non-Residential Financial Assumptions:
1. **Letterman Hospital Complex** – “Letterman Hospital and Letterman Army Institute of Research (LAIR) will be demolished and replaced with equivalent SF in new lower-profile Class A office buildings that are architecturally compatible with the Presidio. A long-term ground lease will be made to a tenant who invests almost $200 million in new buildings. Ground lease terms are projected based on $40 PSF Class A fully serviced office rent.”
2. **General Office** – “600,000 SF of existing office space, mainly in the Main Post, area will be leased and renovated. Initial occupancy will begin in 1999 with lease-up occurring over an 8-year period. Office rents will average $28 OSF on a fully serviced basis (average of the last four years class B rents in San Francisco). A rehabilitation cost of $86 PSF is estimated based on prior renovation experience at the Presidio.”
3. **Fort Scott** – “250,000 SF of existing barracks and office space will be renovated into a conference center and lodging facility. $148 PSF will be invested in building renovation. Average room rates are estimated at $100 per night with an occupancy factor of 80%.”

\footnote{176}{Financial Management Program for the Presidio of San Francisco, Report to Congress (San Francisco: The Presidio Trust, July, 8, 1998).}
\footnote{177}{All quoted assumptions are located within the Financial Management Program for the Presidio of San Francisco, Report to Congress (San Francisco: The Presidio Trust, July, 8, 1998).}
4. Public Health Service Hospital – “The non-historic wings will be removed, and the entire structure will be either re-used or removed. A long-term ground lease of $1.1 million annually is anticipated. Reuse of 400,000 SF is expected by 2001.”

5. Golf Course – “The golf course brings in $1.5 million of annual revenue.”

Residential Financial Assumptions:
1. “There are 1,119 current housing units at the Presidio. As units are removed to create open space, replacement units will be added in appropriate areas of the Presidio.”
2. “Over the next four years, all existing units are rented on an interim basis with sufficient upgrades necessary to correct life-safety deficiencies and make cosmetic upgrades and repairs. For all units except Wherry Housing, these initial costs are estimated at $16,800 per unit.”
3. “As contemplated by the Trust Act, a more complete renovation of the housing units including building system replacements and seismic upgrade will be deferred until four years after their initial rental...Costs of this second renovation are assumed to average $33,200 per unit with an addition $20,000 per unit for infrastructure upgrades.
4. Housing rents will be market based.”

Financial goals set by the Financial Management Plan would set into motion a re-planning process which would lead to the creation of the Presidio Trust Management Plan, approved in 2002. This document would serve as a replacement for the Park Service’s “Grand Vision” the 1994 GMPA.
Chapter 4 – A Discussion of Architecture
Charlestown Navy Yard

The Charlestown Navy Yard’s docks, piers, buildings, and landscapes illustrate its 174-year naval history more clearly than any written document could. Alexander Parris, one of Boston’s most important architects, designed a number of the Navy Yard’s more significant buildings, including the famed Ropewalk, and was the author of the original master plan for the site in 1827. This formal planning document was greatly influenced by the grand scale of Europe’s royal navy yards.178

Figure 56 - Ropewalk Building, Boundary Enlargement Report, Boston National Historical Park, 1978

In 1928, Colonel Laommi Baldwin expanded upon this original plan and designed the grid street pattern we see today, utilizing rectangular buildings set along five avenues. The only structure that does not conform to these orthogonal lines is the Ropewalk, which borders the western edge of the site along Chelsea Street (see map below).179

Nearly all of the Yard’s most historic and architecturally significant buildings lie within the western portion of the site between Chelsea Street and First Avenue, while

most of the WWII era industrial buildings were constructed between First Avenue and
the water’s edge.

![Image](image.png)

**Figure 57 - Orthogonal Streets in Red, Ropewalk Building Highlighted in Yellow, Base Map Found in Redevelopment of the Charlestown Navy Yard, Boston Redevelopment Authority, 1987**

The Charlestown Navy Yard features a wide variety of industrial buildings and
support structures, including five wooden and four steel bulkhead piers, which are now
considered “too short, too close together, and in too shallow of water to be suitable for
use by ocean going vessels;”\(^\text{180}\) two operable dry docks, the “shipways,” used for
launching vessels; and 86 major buildings that can be categorized by date of construction
program, materials used, and architectural style.\(^\text{181}\) Although diverse, the Yard’s
buildings create a cohesive streetscape; nearly all of the structures are three

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\(^{180}\) *Boston Naval Shipyards / Charlestown Planning and Development Program* (Boston: Boston
Redevelopment Authority, November 1975), p. 16.

\(^{181}\) National Register Nomination, *The Boston Navy Yard* Boston Naval Shipyards, Department of the
stories in height or less. Three notable exceptions include Building 149 (10 floors), Building 197 (7 floors), and Building 199 (9 floors).

Figure 58 - Dry Dock 2 and Building 197, 2002
Figure 59 - Building 149, A Plan for the Yard's End, Boston Redevelopment Authority, 1990

Construction dates fall roughly into four periods that generally coincide with periods of war. Buildings constructed in the 1800s are generally 2-3 story, federal style brick or granite workshops and warehouses, which reflect advancing building technology in their large size and robust architectural treatment. Parris designed buildings of a classical style built of finely dressed granite between 1830 and 1851, examples of which include Buildings #34, 33, 38, 22, 58, and 60. Joseph Billings (1821-1880) took over the position of the chief architect vacated by Parris in 1842, and his work can be seen in the brick, Georgian Revival style of Buildings #42, 31, and 32.182

From 1865 to 1900, the Public Works Office of the U.S. Navy began to design and construct large brick veneer, steel-frame factory buildings ornamented with Colonial and Renaissance Revival details. Examples can be seen in Buildings #103, 104, 105, 106, and 114. During the Great Depression, construction slowed, but did not halt, as the Works Project Administration initiated building projects that lasted until WWII. Buildings constructed during this time were primary utilized as factories or warehouses and are for the most part concrete buildings with brick veneer. Some of these buildings show conscious use of the International Style including Buildings #197, 199, 104, and 195. During WWII a large number of additional office buildings were constructed such
as Buildings #39, 24, 58. “The Charlestown Navy Yard has retained more of its architectural components and hence its continuity, than any other major naval facility.”

Charlestown Navy Yard – Design Guidelines

“In the 1970s, a new interest in physical planning emerged concurrent to the evolution of private/public partnerships. Urban design guidelines allowed detailed development control on a parcel-by-parcel basis, permitting incremental development over time, rather than designing every building at once as in comprehensive plans of the

past." The 1978 land transfer agreement for the Historic Monument Area was contingent upon the development of detailed design guidelines for the rehabilitation of structures located within the parcel.

The Design Guidelines developed received a 1980 Progressive Architecture Citation in Urban Design and Planning. These guidelines establish general patterns for circulation, open space, and building massing and make specific recommendations regarding the treatment of building facades and groundplane elements. Within the guidelines, each building in the HMA is individually addressed. Architecturally significant buildings in the New Development Area are identified and protected from future demolition. Key elements of open space are identified as “Shipyard Park, Flirtation Walk and Second Avenue, and the Pedestrian easement (Pier 6 and the Shipways).”

Figure 67 - Building Specific Guidelines Building 38, Charlestown Navy Yard Design Guidelines for Reuse, Boston Redevelopment Authority, 1980

186 Ibid., p. 12.
187 Ibid., p. 12.
Guidelines also protect axial views “which survive from the historic building pattern of the shipyard,” and encourage historic view shed restoration. The traditional layout of streets, walks, steps, platforms and landscaped areas is maintained with “streets and open spaces of historic significance...rehabilitated and aligned to re-establish their historic character.” New streets and open spaces are to “be designed to complement the overall historic character of the Shipyard in layout, materials and visual qualities.”

Design guidelines at the Navy Yard were not meant to turn back the hands of time to the colonial era, but rather to preserve the overall character and physical consistency of the Yard at the time of its closing.

“The yard was a living organism that grew and developed as missions changed. Facades were altered and floor plans shifted as the yard evolved from its beginnings in 1800 to its phase-out in 1974. The buildings tell long histories and they cannot be restored to a particular historic period without destroying some part of their message or making the yard into something it never was...The Navy

189 Ibid, p. 17.
Yard was not pretty and it should not be portrayed as such. It was an industrial site.\textsuperscript{190}

"It is the intent neither to re-create the impression of an earlier time nor to expunge all evidence of the area's industrial past."\textsuperscript{191}

The Presidio of San Francisco

The Presidio contains "one of the finest collections of military architecture in the country and reflects over 200 years of development under three different nations."\textsuperscript{192} Within its boundaries have been constructed more than 790 buildings of which 473 contribute to its National Historic Landmark status. These include elegant officers' quarters and barracks, large industrial warehouses, administrative headquarters, air hangers, major medical facilities, and stables. "The rich diversity of architectural styles signifies specific building campaigns that narrate the story of the Presidio's growth into a significant western United States Army Post."\textsuperscript{193} Whole streetscapes of these historic buildings are still intact and the site functions as "a small city."\textsuperscript{194}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure70}
\caption{Figure 70 - Historic Buildings and Landscapes, \textit{Presidio Trust Management Plan, 2002}}
\end{figure}

\textsuperscript{190} National Register Nomination, \textit{The Boston Navy Yard Boston Naval Shipyard}, Department of the Interior, 1964.
\textsuperscript{192} National Park Service, \textit{Presidio Architecture}.
\textsuperscript{193} <http://www.nps.gov/prsf/prsfpht/architec/architec.htm> (August 2002).
\textsuperscript{194} Ibid.
According to the National Park Service, nine prevalent architectural styles can be found at the Presidio, although buildings often defy strict stylistic descriptions, as “different building elements were often intermingled resulting in eclectic styles.”

These include:

1. Greek Revival (1840 – 1860) and Italianate (1860 – 1880)
2. Queen Anne (1880 – 1890)
3. Colonial Revival (1880 – 1940)
5. Mediterranean and Italian Renaissance Revival (1920 – 1940)
6. World War II Era (1940 – 1945)
7. Post – War Era / Modern (1945 to present)
8. Utilitarian Style (1860 to present)
9. Eclectic Anomalies

When the U.S. Army arrived at the Post in 1847, the Presidio was a “barren, wind-swept” landscape containing only a few deteriorated adobe and wood-frame buildings. The Civil War brought the first major building campaigns to the site as the U.S. Army bolstered its presence at the Presidio in response to increasing tensions between local supporters of North and South. A need for rapid construction led to a request for standard building patterns provided by the Army Quartermasters’ Office in Washington, D.C. These same building patterns were used to varying degrees at most of the nation’s expanding military bases. Designs were typically simplified versions of popular East Coast architectural styles. Pattern orders included floor plans, elevations, and constructions instructions.

\[196\] Ibid.
\[197\] Ibid.
\[198\] Ibid.
Even though the Army relied on standard building plans for construction, building design varied greatly from region to region; the influence of local conditions and customs created deviations in pattern execution. By the end of the 19th century, the Presidio had changed immensely. It had gained in strategic importance during both the Indian Wars and the Spanish American War causing it to be the focus of several building campaigns. Each successive campaign produced “larger, grander, and more expensive buildings.”

Buildings constructed during the Civil War tend to be simple, wood-framed, Italianate and Greek Revival buildings, while those constructed at the end of the 19th century are larger in scale, built of brick, and designed using Colonial Revival motifs. In the 1890s, landscaping became a priority and tens of thousands of trees were planted to protect the Base from soil erosion and provide residents with windbreaks.

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At the turn of the century, Mission Revival came into fashion and was utilized during the development of Fort Scott. This project was such a great success that Mission Revival became the prescribed style for all Presidio construction. In fact, the two most recognizable features of the style, white stucco veneer and red-tile roofs, were retroactively applied to many existing Presidio structures creating a more uniform streetscape throughout the Post. In the 1930s, Mission Revival was adopted as the predominant style for all Bay area bases.\textsuperscript{200}

Buildings constructed during WWI and II tend to be wood-framed warehouse and temporary training structures. Post-war buildings such as were constructed at the Letterman Hospital complex reflect an acceptance of modern architecture.\textsuperscript{201}

\textsuperscript{200} National Park Service, \textit{A History of Military Architecture at the Presidio}, \texttt{<http://www.nps.gov/prsf/prsfphot/archtiec/archist1.htm>} (August 2002).

\textsuperscript{201} Ibid.
Because the Presidio is a National Historic Landmark being managed as federal property, leasing and rehabilitation trigger a compliance review process in coordination with the California State Historic Preservation Officer and the Advisory Council on Historic Preservation (ACHP) under Section 106 of the National Historic Preservation Act of 1966. National Park Service planners in the early 1990s recognized the importance of an efficient approval process, and the 1994 GMPA made recommendations for the development of a Programmatic Agreement signed by all the stated parties to
speed up the process. This recommendation was taken seriously, and a Programmatic Agreement called “5X” was negotiated. The 5X process required that the officer in charge of historic compliance at the Presidio review all repair, renovation, and construction projects for their compliance with the Secretary’s Standards. The officer was then required to bring the proposed projects to a panel of Park Service experts for final approval. This Programmatic Agreement was updated in 2001 as the Park was undergoing a re-planning process. The revised Agreement allows the Trust to handle almost all of their historic compliance issues “in-house.”

The Revised / Current Programmatic Agreement

The current / revised Programmatic Agreement (PA) is applicable to all Presidio Trust lands except for those located within the Letterman Complex. It states that “all work pursuant to this PA regarding historic buildings and structures will be reviewed by or under the supervision of a person having five years or more experience in historic preservation and meeting the professional qualifications for Historian, Architectural Historian, or Historic Architect included in the Secretary of the Interior’s Historic Preservation Professional Qualification Standards.”

The Trust Officer reviews all projects “to ensure that identification and evaluation of historic properties has been completed and that adequate information has been compiled to identify and evaluate the effects of the proposed undertaking on historic

\[\text{202} \text{ Programmatic Agreement Among the Presidio Trust, National Park Service, The Advisory Council on Historic Preservation, and the California State Historic Preservation Officer Regarding the Presidio Trust Implementation Plan and Various Operation and Maintenance Activities for Area “B” of the Presidio of San Francisco, 2001.}\]
properties. If it is concluded that no historic properties are negatively affected by proposed changes, the Trust Officer documents the decision and the work can be undertaken without further review by the ACHP, SHPO, or NPS.

If an adverse affect is determined, the Trust Officer must consult with the NPS to determine if the adverse effect may be avoided. If the NPS and the Trust Officer cannot agree on a course of action or if the Trust Officer chooses not to consult with the NPS then the Trust Officer must consult with the ACHP and the SHPO to resolve the adverse effect. The Trust Officer must also consult with the NPS, SHPO and ACHP regarding any proposed demolition of a historic property within Area B or any proposed new construction that may have an adverse effect on historic properties, except where such new construction is proposed as part of a plan for which consultation has already occurred, i.e. construction specified in the Presidio Trust Management Plan (the Presidio Trust Management Plan is discussed in Chapter 6). All review is undertaken using the Secretary of the Interior’s Standards for the Rehabilitation of Historic Buildings.

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204 Ibid.
In order to transform the image of the Navy Yard from a derelict industrial yard to an attractive investment site, the BRA would have to find a substantial amount of start-up capital. Because the BRA did not itself possess such sums, it went in search of funding from other local, state, and federal organizations. Between 1977 and 1982, the BRA was able to put together start-up grants for infrastructure and site clearance totaling $14 million including:

- Massachusetts Economic Development Administration Grant (1977-78) - $5.4 million
- Federal Bureau of Outdoor Recreation Grant (1978) – $2.1 million
- Boston Public Works (1978) - $1.6 million
- Development Loan (1979) - $1.7 million

Implementation of Initial Plan

Plans and goals for the Charlestown Navy Yard have evolved in the face of a cyclical Boston real estate market and changing political ideologies. The early 1980s were difficult years in which to start a major redevelopment project as the real estate cycle peaked in 1978 and by the early 1980s a new recession had begun. From 1978 to 1983, investment at the site was primarily directed towards the construction of luxury housing which provided a high enough return to justify the cost and risk of site development. Site demolition for such housing began in the summer of 1978.

To advance development goals, the BRA funded (through the above mentioned grants) a variety of early site improvements including:

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1. The installation of new utilities ($5 million)
2. The conversion of Second Avenue into a pedestrian mall surfaced with the original 19th century granite cobblestones
3. The construction of Shipyard Park in 1978. The park was built in three phases at a cost of over $5 million.206

Most of these improvements were completed by 1982. Public investment was phased carefully to leverage scarce resources and target specific private investments.

Immobiliare and the BRA reworked the 1975 Master Plan for the site when it became apparent that there was no market at the Navy Yard for hotel/conference space. The hotel parcel was not dispensed with, but moved to an area in the eastern end of the Yard scheduled for future development. The parcels adjacent to the park, where the hotel had previously been proposed, were reassigned for residential use.

**The New Development Area**

The first private development project, Constitution Quarters, involved the renovation of Building 42 into 367 apartments. The developer obtained a federally insured loan at 7.5% for 30 years to finance the project which cost a total of $28

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A major marketing campaign ensured that the property would lease up in 12 months. To address the issue of site access, Immobiliare ran private taxis for tenants to and from the downtown area. In late 1981, Immobiliare instituted their own shuttle services which made three trips in the morning and three trips in the evening to two downtown locations.

Although the project was a modest financial success, Boston’s economic climate made getting financing for a second project quite difficult. Immobiliare had planned the conversion of Building 197 into condominiums, but all bank loans for real estate had dried up in the 1982-84 recession. During this time, instead of focusing on building development, Immobiliare concentrated on site improvements to facilitate future development.

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208 Lois Levit Basilio, Redevelopment in the Charlestown Navy Yard (Boston: Boston Redevelopment Authority, January 1987).
development. This manifested itself in the 1982 development of a $4 million marina spanning Piers 4 and 6. The 150 slips located at the marina leased up quickly and suddenly wealthy boat owners had a stake in the future of the Yard.

The marina project gave banks some comfort as to the site’s development viability, and soon after its completion, Immobiliare was able to obtain financing for the development of 60 townhouse units on Pier 7. These townhouses were pre-sold privately from the site office with no advertising or brochures. Many of the buyers had their boats at the marina. These buildings were aesthetically unpopular as their “angular design jarred with the Navy Yard grid of nineteenth century brick and granite buildings.” Until 1983, guards were stationed outside the Navy Yard’s granite walls, making the development seem somewhat of a “gated community” for luxury residential units. This image would spur the second phase of Navy Yard planning in the mid-1980s.

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The Historic Monument Area

The BRA issued Request For Proposals (RFPs) for six buildings in the Historic Monument Area (HMA) in July of 1980. BRA review of these proposals took over a year and by the time lease negotiations were finally underway, the recession of the early 1980s had hit and neither tenants nor financing could be found. Many developers delayed negotiations until economic conditions improved. An RFP for Building 149 (now the home of Massachusetts General Hospital) was issued in August of 1981. Tentative developer designation was granted to the Congress Group in December of 1983, although they did not begin construction until 1986.

Not a single building was restored to new use in the HMA until after 1983. Incubator Associates was designated as the developer of Building 36 in May of 1984. With the aid of a $5.196 million bond issue obtained from the Massachusetts Investment Finance Company in August, they became the first company to start construction in the HMA. The first Navy Yard office tenants moved into Building 36 in July of 1985.

Figure 85 - Building 36 in Red, Shipyard Park in Green

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1983 - A Summary

In 1983, the BRA published a “state of the Navy Yard” report recapping redevelopment progress to that point, in which it stated:

“The Charlestown Navy Yard Project presents the City of Boston with a rare opportunity to weave an important section of the inner-harbor into the fabric of the city... We are fortunate to be able to guide the reuse of the Navy Yard in a way that meets the needs of Charlestown residents for jobs and for access to the waterfront; that allows the City to increase its tax base and infuse new vitality into the former military facility; and that makes possible the sensitive preservation of an architectural and historic resource of national significance... The development of the Charlestown Navy Yard is truly one of Boston’s great undertakings of the 1980s.”

Private Funds Invested (1978-1983) - $36 million
Public Capital Improvements (1978-1983) - $11 million
Total investment required - $200 million
Time Frame - 6 – 8 years
Annual Tax Dollars Generated - $3 million
Annual Construction Jobs Generated - 300
Permanent Jobs Created - 1700 to 3000

1983 – 1989 – The Market Goes Up, Affordable Housing Moves In:
A New Mayor and a New Economy

From approximately 1983 through to the stock market crash of 1987, the real estate market in Boston experienced an unprecedented boom. From 1984 to 1989 over 22 million square feet of new office space was built, exceeding the total built from 1900 to 1970. Housing growth was significant but less spectacular, increasing by approximately 15,000 units from 1984-89. This was a 68% gain over the previous six-year period. Despite increased attention to affordability, Boston’s average housing

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214 Charlestown Navy Yard (Boston: Boston Redevelopment Authority, 1983).
215 Ibid.
217 Ibid., p. 5-26.
price rose to become the highest in the nation by the end of 1987. Real housing prices increased 81% from 1974 to 1990 while real income increased by less than 5%.²¹⁸

The market at the Navy Yard had proven it could support luxury housing development due to its fine views and central location. In fact, costs associated with development there could not be supported without reasonably high cash returns. Housing policy in the original plan had focused on the creation of 1500 new luxury and middle-income units and permitted up to 10% of low-income senior housing. The limited housing potential identified in the original plan was likely due to the weak housing market in Boston during the 1970s and the poor industrial image of the site.

In 1984, in the midst of this economic growth, Mayor Raymond Flynn was elected. Flynn brought a new agenda to the Charlestown Navy Yard project which focused primarily on affordable housing development and public access to the shoreline. Flynn hired Stephen Coyle as new director of the BRA, and the Charlestown Navy Yard became Coyle’s favorite project.²¹⁹

At the Navy Yard, Coyle instituted Flynn’s new “linkage” program. Linkage was a way to obligate new market-rate commercial investment to subsidize affordable housing development. All commercial development constructed in the city was forced to contribute $5.00 PSF to an affordable housing fund and $1.00 PSF to job training.²²⁰ A program such as this could only have been developed in the midst of a real estate boom. Though the amount of PSF obligations have changed over the years, linkage remains a major funding source for affordable housing development in Boston. Flynn also

²¹⁹Ibid., p. 5-22.
²²⁰Ibid., p. 5-21.
supported a goal of 25% affordability for all housing created in the Navy Yard. This goal was taken seriously. From 1984-1991, 624 residential units were developed, 221 of which were affordable (35%).

**Harborpark Plan 1984**

In an attempt to increase public access to the waterfront, a new city planning initiative was undertaken in 1984 called Harborpark. The goal of Harborpark was to create an open accessible waterfront that included opportunities for recreation, industry and commerce, affordable housing, and jobs for Boston residents. The plan contained design guidelines requiring any new building project located on or near a pier or wharf to be designed in a manner compatible with the city’s historic waterfront context. Public access to the water’s edge was provided for by a mandatory 12-foot setback on the sides of piers and 35 feet elsewhere along the waterfront. New guidelines also preserved public views to and from the harbor.

In all 13 acres of new public parks were created as part of this plan, along with the Harborwalk, a water’s edge pedestrian way, that extended through all sites. Like linkage, at its heart the Harborpark plan used the economic attractions of waterfront development to service public benefits. This planning initiative would have a great impact on future developments in the New Development Area (NDA) of the Navy Yard requiring an additional level of public approvals.

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Transportation 1985

A 1985 study examined access issues at the Navy Yard in relation to the feasibility of retail development. The following observations were made:

"Routes 1 and 93 converge near the Navy Yard and a ramp from Route 1 leads to Chelsea Street, adjacent to the site...Local streets do not form a clear path to the Navy Yard...Automobile access appears to be difficult or confusing for some motorists... Public transit consists of two MBTA bus routes along Chelsea Street from Haymarket (downtown Boston) to Sullivan Street (Charlestown) via Bunker Hill Street and Main Street...A shuttle bus operates twice daily between the Navy Yard and downtown Boston...The service lacks the convenience, frequency, and speed of a rapid transit line...A watertaxi service from the Waterfront Park area to the Navy Yard might attract customers. Pedestrian access is hampered by the lack of entry points."  

Site access had not been enhanced to the degree necessary to facilitate large-scale retail investment at the site.

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Site Development
The Historic Monument Area (1983 – 1987)

In 1984, the BRA tried again, putting out a proposal call for the redevelopment of seven HMA buildings. Subsequently, an additional four structures were placed on the market in 1985. This time the selection process took over 18-months, and tentative developer designations did not take place until March 1986. Further negotiations regarding new city planning initiatives stalled construction starts and most of these deals fell through after the stock market crash of 1987. Projects completed before the crash had some success attracting institutional tenants such as the 1986 move of the Massachusetts General Hospital into Building 149.

Figure 87 - Building 149, Massachusetts General Hospital, 2002

New Development Area (1983 – 1987)

Increased concern about the level of waterfront development occurring in Boston in 1983 led the Massachusetts State Legislature to pass an amendment to the General Laws, Chapter 91, of 1886, promoting the public’s rights on filled tidelands. The new regulations strongly promoted public access to the water’s edge, supported water dependent uses such as marinas, and strongly discouraged non-water dependent uses such as housing and offices. Any development in the inter-tidal zone or on designated filled tidelands would in future require a state permit under Chapter 91. These new regulations came as a surprise to both Immobiliare and the BRA. When they signed the Land Disposition Agreement in 1979, Immobiliare believed that they would get unencumbered rights to the parcels in the NDA and intended to develop Piers 5 and 7 for residential use. No state approvals had been required during the construction of Building 42 in 1979 or the Shipways in 1982.227

By 1986, Immobiliare had completed one major project and had only 154 units and 13 townhouses under construction.228 Financing and initial planning for the Pier 7 townhouses had taken place soon after the construction of the 150-slip marina. The proposed development consisted of 3,000 SF of three-story townhouses with multiple decks and parking. This project was still under construction in 1986, when the Massachusetts Department of the Environment sued Immobiliare in Superior Court,

228 Ibid., p. 5-18
asserting that the project needed a license under Chapter 91. Massachusetts objected to the lack of public access to the pier.

The case was settled in May of 1986 when Immobiliare agreed to apply for a license and modify the design to create greater harbor access by removing two units planned for the end of the pier. Immobiliare would also be required to clean up the waters edge, build a public open space near the Shipways, provide a public easement to the end of Pier 7, build a watertaxi dock on Pier 6, and equip the dock with 12 boats. By the time that matter was settled, Immobiliare had begun a new project, the rehabilitation of Building 197, an existing warehouse north of the water’s edge. This project was also attacked by the Commonwealth as violating Chapter 91.

Concurrently to these court battles, Immobiliare’s rights to the New Development Area were bought out by Ted Raymond, an aggressive local developer. The Raymond Group settled with the state and stopped construction on Building 197, their only active

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project, in order to negotiate design changes with the BRA that would allow for a repositioning of the project into the super-luxury category.\textsuperscript{231} The project went bankrupt in 1990, having missed the peak of the market.

\begin{figure}[h]
\centering
\includegraphics[width=0.5\textwidth]{Building_197_2002.jpg}
\caption{Building 197, 2002}
\end{figure}

1987 – Massachusetts General Hospital and Biotech

The Raymond Group also bought out the Congress Group’s interest in Buildings 149 and 199 in 1987 and brought in the Massachusetts General Hospital Research Center as a lead tenant. The purchase price was $83.5 million, of which the BRA was entitled, by the terms in their lease, to 15%. Additionally, The Raymond Group refinanced the project at roughly $130 million, of which the BRA was entitled to an additional 15%.\textsuperscript{232}

\begin{footnotesize}
\begin{enumerate}
\item Lois Levit Basilio, \textit{Redevelopment in the Charlestown Navy Yard} (Boston: Boston Redevelopment Authority, January 1987).
\end{enumerate}
\end{footnotesize}
In the late 1980s, both the BRA and the Raymond Group began to think of the Navy Yard as a good site for biomedical research rather than light industry. Linkage applied to new Navy Yard projects resulted in payments of $1.475 million for affordable housing from the Massachusetts General Hospital research center alone. "After 15 years of poor leasing experience, the BRA repositioned the Charlestown Navy Yard from industrial and office uses to biomedical research as one of the keystones in its new economic development program."  

1987 – BRA – State of the Navy Yard  

By 1987, the Navy Yard master plan had been undergoing a process of continual evolution since the early 1980s. Negotiations with the Raymond Group over building 197 would allow the BRA to finish a new master plan in 1988, representing a culmination of these changes. A 1987 BRA progress report for the Charlestown Navy Yard describes the status of the planning process:

"There have been three master plans done for the Yard: a tentative plan devised by the BRA in 1975, another done for the BRA in 1978, and one is currently being worked out by the BRA. Current thinking has shifted towards all the building in the NDA being designated for housing with provisions for low and moderate income people, rather than reusing any for office or hotel use. The intention is that the variety of uses and the variety of residents will create a new neighborhood which is lively and safe at all times of the day as opposed to the deadening sterility of a single use or single income developer."  

In 1988, additional provisions were put into place to ensure the continuation of public waterfront open space. An extension of the Harborwalk was planned connecting

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all piers and Dry Dock Two. The total cost for the walkway, estimated at $4 million, would be funded by the master developer of the NDA.\textsuperscript{236} The developer would also be obligated to build a watertaxi terminal at Pier 11, which would operate in cooperation with the already established water taxi terminal at Pier 4. The BRA made commitments for nearly $2 million of public money to fund a "third phase of improvements including a promenade around Dry Dock 2, floating docks for Dry Dock 2, and the rehabilitation of Pier 3."\textsuperscript{237}

![Figure 90 - Promenade Around Dry Dock 2, 2002](image)

Plans for the HMA did not change substantially, focusing on office and retail uses. "Twelve buildings will be all or in part offices, seven, all or in part retail/service use, two residences, and one garage. There is currently one restaurant in operation in Building 34."\textsuperscript{238} Six of the area's twenty-two buildings had been completed by the end of 1986, and the completion of another eleven was anticipated, eight in 1987 and three in 1988. Due to a slowing economy, many of these anticipated developments did not occur.

\textsuperscript{236} Lois Levit Basilio, \textit{Redevelopment in the Charlestown Navy Yard} (Boston: Boston Redevelopment Authority, January 1987).
\textsuperscript{237} \textit{Ibid.}
\textsuperscript{238} \textit{Ibid.}
Additional plans in the New Development Area (NDA) called for the development of Parcel 5, which included Pier 11, for the site of “a complex comprising apartments, shops, a garage, a restaurant of yacht club that will cost around $200 million.” In 1987, Immobiliare had submitted to the BRA proposals for eleven projects “of varying size and scope, nine of which will involve mixed developments of housing, office and retail space and parking for an undetermined development cost.” Like the planned HMA developments, few of these plans were immediately, if ever, implemented.

“As a means of making the yard more attractive to developers, $6 million was spent by the BRA between 1978 and 1982 on repairing streets, sidewalks and utilities and removing minor buildings which had destroyed the sense of Alexander Parris’ grid of streets. An additional $1,600,000 has been spent since the spring of 1986, and in a third

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240 Ibid.
phase $2.1 million will be spent in 1987." Real estate development is a highly leveraged activity, and when financial institutions stop lending money, few projects proceed. The BRA developed infrastructure to maintain some momentum during recessions.

Summary End of 1986

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Investment to Date (1978-1986)</td>
<td>$240 million</td>
</tr>
<tr>
<td>Total Investment Required</td>
<td>$700 million</td>
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<tr>
<td>Lease Payments to the BRA Annually</td>
<td>$1,171,782</td>
</tr>
<tr>
<td>Annual Tax Dollars Generated</td>
<td>$4,390,200</td>
</tr>
<tr>
<td>Linkage Funds Generated</td>
<td>$3,813,700</td>
</tr>
<tr>
<td>Annual Construction Jobs Generated</td>
<td>3,502</td>
</tr>
<tr>
<td>Anticipated Permanent Jobs</td>
<td>5,400</td>
</tr>
<tr>
<td>Anticipated Number of Residents</td>
<td>7000</td>
</tr>
</tbody>
</table>

Massachusetts Housing Market

![Image of the Massachusetts Housing Market graph]

Figure 92 - Boston Housing Market 1969-1992, Implementing Urban Waterfront Redevelopment, David Gordon, 1994

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241 Lois Levit Basilio, Redevelopment in the Charlestown Navy Yard (Boston: Boston Redevelopment Authority, January 1987).

Site Development by 1989

By 1989, over 2,000,000 SF of space in new and rehabilitated buildings had been completed within the Navy Yard. Ten historic buildings in the HMA had been meticulously restored and four more were nearing completion including the architecturally significant Munster House (an octagonal building), which had been converted into 6,000 SF of office space and the Parris Building (Building 34), the only building in the HMA for which compatible additions had been designed (for a full list of buildings completed in the HMA and NDA to 1989, see Appendix 4). The Second Avenue Pedestrian Mall and 8,000 linear feet of Harborwalk were available for public use.\textsuperscript{243}

Summary End of 1989

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private Funds Invested (1978-1986)</td>
<td>$496 million</td>
</tr>
<tr>
<td>Public Investment</td>
<td>$25,000,000</td>
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<tr>
<td>Total Investment Required</td>
<td>$800 million</td>
</tr>
<tr>
<td>Year Completed</td>
<td>2000</td>
</tr>
<tr>
<td>Number of Residential Units Completed</td>
<td>941</td>
</tr>
<tr>
<td>Number of Affordable Units</td>
<td>171</td>
</tr>
</tbody>
</table>

1990 – A Plan for the Yard’s End

As the boom of the late 1980s progressed, the BRA began to envision a more grandiose plan for the east end of the site including a major aquarium and a biomedical research complex. A new planning process directed specifically towards this last undeveloped sector of the Yard began in 1988. The Charlestown community, through its Neighborhood Council, obtained a high level of involvement in this planning process.

The Charlestown Navy Yard Master Plan for the Yard’s End was finally approved in 1991, in the trough of the next recession.

The 1990 Plan for the Yard’s End addressed a 20-acre section of the Yard at its easternmost end, which consisted largely of vacant land and underutilized historic buildings (see map below). For the first time since 1978, the needs of the immediate neighborhood seem to have been taken into consideration, as the document proclaims the greatest planning challenge to be “shaping a master plan that meets both the neighborhood’s and city’s needs, while also targeting the economic trends of the 1990s.”

The Navy Yard reuse was declared “the largest preservation and reuse effort in the country.”

“The master plan seeks to build mixed-income housing, provide growth in new economic endeavors, preserve historic buildings, establish neighborhood business opportunities, protect and create open space, and improve local transportation systems...In the 1990s the Navy Yard’s vacant parcels of land and underutilized buildings can be redeveloped to provide a large amount of space for the city’s medical research industries and become host to one of the city’s most popular attractions: the New England Aquarium.”

The development program would include medical research, cultural, and hotel uses to be completed between 1990 and 2000. The plan anticipated that, “By the year 2000, the Navy Yard will be a well-known destination for residents, workers, and visitors alike and a model for waterfront redevelopment.”

Seven new uses were planned for the site including (uses are in bold):

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246 Ibid., p. 8.
247 Ibid., p. 19.
248 Ibid. p. 23.
249 All quotes in the list of seven uses are located within Charlestown Navy Yard Master Plan for the Yard’s End A Framework for Discussion (Boston: Boston Redevelopment Authority, January 1990).
1. **The New England Aquarium at Dry Dock 5 / Parcel 5** - The Navy Yard was identified as a potential new home for the Aquarium in September of 1988. “A dynamic not unlike that between two anchor stores in a shopping mall will be established between the aquarium at Dry Dock 5 and the USS Constitution.”

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**Figure 96** - The Navy Yard in 1990, Red Square Around the Yard's End, *Plan for the Yard's End*, Boston Redevelopment Authority, 1990

**Figure 97** - Rendering of New England Aquarium, *Plan for the Yard's End*, Boston Redevelopment Authority, 1990
2. **A medical research center totaling up to 1.1 million SF** - Development of 1,100,000 SF of biomedical research and laboratory space was to occur in 2 phases. A 550,000 SF building constructed between 1990 and 1993 with an additional 350,000 SF to be occupied after January 1, 1994. Heights were limited to 155 feet in order to preserve streetscapes, view corridors, and the unique character of the Navy Yard.

3. **A 390-room hotel/conference center with 175 parking spaces** - A 390-room hotel and conference center was planned for Parcel 4. This 98,000 SF building would be located between the Aquarium and the Bricklayers and Laborers affordable housing development. A height of 155 feet was established for the 1st and 2nd Avenue elevations with the height stepping down to 125 feet near 16th Street. The building was to be set back 50 feet from the water's edge. Underground parking for 175 cars was also planned.

4. **The relocation of Building 75 adjacent to the new aquarium to serve as a festival marketplace run by neighborhood businesses** - Building 75 was to be moved to a portion of the site between the New England Aquarium and the Medical Research Center resulting in an extension of the historic Navy Yard character to the Yard's End area.

5. **An 1,100 car parking garage** - An 1,100 car parking garage was to be constructed on the current site of Building 75.

6. **Ground level retail** - Ground level retail was to be encouraged in all structures to help animate public spaces.

7. **Over 5-acres of new public space** - More than 5 acres of new public space was to be developed.

By the time development completed in the year 2000, 1201 housing units, 398,000 SF of office space, 56,000 SF of retail, and 2,045,000 SF of industrial / research space would be completed at the Navy Yard.
The above stated use areas would be designed utilizing the following land use strategies:

1. "Create housing affordable to all sectors of the community, with a priority Charleston residents, and maximize the opportunities for the creation of all new housing.
2. Create a quality public environment on the waterfront through Harborwalk by providing new open spaces and continuous public access to the water.
3. Establish a land use plan which links economic activities, job and business opportunities, affordable housing opportunities, and active recreational activities for the Charlestown Community.
4. Manage growth so that appropriately designed, mixed-use development occurs on the waterfront with benefits that are shared by all Boston residents.
5. Balance economic growth in the new industries with environmental and quality of life considerations to provide a diverse economic base.
6. Direct the future economy from back office uses toward lower impact uses such as research and development."

The Plan envisioned a mixed-use community at the Navy Yard that could bridge the gap between Greater Charlestown and the Navy Yard by “providing affordable housing, neighborhood opportunities, and job and recreation opportunities.” Plans focused on affordable housing creation and open space. Interestingly, the 1990 Plan reintroduced an emphasis on job creation for Charlestown residents that had not been seen since the Base was set to close in 1973. Job training programs for support positions in the bio-medical research field would be provided to local residents. These goals were to be achieved through the implementation of the following program at the Yard’s End:

1. “Provide economic opportunity and a diversified economic base at the Yard’s End with a research center and major public educational facilities, by building a new Aquarium, creating 900,000 SF of medical research space in new buildings and constructing a 390-room hotel and conference center.
2. Meet Charlestown’s needs by using the linkage money from new Navy Yard research and commercial buildings to find affordable housing for Charlestown residents.
3. Increase housing in the Charlestown community to be more than 300 units of new housing 180 of them affordable including 50 units of affordable housing in building 104.
4. Expand job opportunities for Charlestown and Boston residents to build an active mixed-use area that will be home to 3,000 people and employ more than twice that including a job training and placement center for Charlestown residents in the secure, well-paying research field.
5. Make the Navy Yard’s transportation system more efficient by upgrading water transit facilities, creating a new Gate 6 to create better vehicular access and circulation and building new parking for 1275 cars.
6. Complete the rehabilitation of the Navy Yard’s historic buildings with a particular focus on their potential for residential, cultural, and neighborhood business reuse.
7. Upgrade and maintain the Navy Yard’s open space network with $750,000 of improvements to Shipyards Park, a new 5-acre park at the Yard’s End.

extended Pier 3, landscaped pedestrian ways, and a completed Harborwalk (3.3 miles of continuous walkway along the water’s edge)."\textsuperscript{252}

The Yard’s End development would total 1,725,000 SF, 250,000 SF more than the 1,475,000 proposed by the BRA in its May 10, 1988 Master Plan, and would be developed in two phases, 1990-1995 and 1995-2000. The first phase would include 550,000 SF of additional medical research space, a 300-room hotel with conference facilities, and an aquarium on Dry Dock 5.\textsuperscript{253}

“From 1995-2000, the Navy Yard will be completed. By the year 2000, 7,000 people will work in the Navy Yard and upwards of 3000 people will live there...A minimum of 70% of the affordable housing built in the Navy Yard will be available to Charlestown residents and 25% of new jobs will be filled by Charlestown residents.”\textsuperscript{254}

Open Space

The 1990 Plan also included provisions for public access and enjoyment requiring that at least 45% of the piers and 50% of the total land area of the Navy Yard outside of the HMA be devoted to open space “including garden spaces, sitting areas, and play spaces.”\textsuperscript{255} Streetscapes within the Navy Yard would be tree-lined with appropriately designed lighting and seating. Walkways would be paved with brick and granite. “Development of a series of courtyards and plazas will create formal entities as well as

\textsuperscript{252}Charlestown Navy Yard Master Plan for the Yard’s End A Framework for Discussion (Boston: Boston Redevelopment Authority, January 1990), p. 22.
\textsuperscript{253}Ibid., p. 26.
\textsuperscript{254}Ibid., p. 29.
\textsuperscript{255}Ibid., p. 43.
activity areas for residential and commercial buildings while adding significant amounts of open space."

The Plan also called for improvements to the city's street network adjacent to the Navy Yard, the creation of a new Gate 6, and the widening of Gate 5. A new water shuttle docking facility was planned to facilitate visitation to the aquarium in the summer months. The establishment of a bus shuttle service that would run between the Navy Yard and an MBTA subway and commuter rail station was also envisioned.

**Aquarium**

In 1988, a proposal was made to move the New England Aquarium to Dry Dock 2 in Shipyard Park. The New England Aquarium had outgrown its 13-year-old building on Central Wharf and proposed to sell the valuable site and use the proceeds to build the

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world’s largest aquarium at the Charlestown Navy Yard. Dry Dock 2 in Shipyard Park was to be utilized as the main tank. Community opposition began immediately, focusing initially on traffic congestion and then on the loss of the park.

The land transfer agreement for the Shipyard Park, adjacent to Dry Dock 2, prohibited the sale of the land to a private enterprise like the Aquarium. An alternative plan was agreed upon in late 1989, when the Aquarium agreed to move to Dry Dock 5 instead. Unfortunately, by that time 14 months had been eaten up by controversy, and all project momentum had been lost. As the Boston real estate market collapsed in the early 1990s, the value of the Central Wharf site shrank and the general recession dried up all hopes for private fundraising. The New England Aquarium withdrew its proposal in the Fall of 1991 and the BRA was left to pick up the pieces with a plan for a biomedical research center at the Yard’s End.\textsuperscript{257}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{yard_end}
\caption{View of the Yard's End, 2002}
\end{figure}

Development Progress to 1993

By 1993, approximately half of the site had been redeveloped with 990 housing units\(^{258}\) and 2.5 million SF of civilian mixed-use development including biotechnology research facilities, housing, and tourist attractions. Fifty percent of the site was devoted to publicly accessible open space and 30% of the waterfront housing was affordable. More than 22 acres of open space had been completed including Shipyard Park, the Second Avenue Pedestrian Mall, and 1.5 miles of Harborwalk.\(^{259}\) "The Charlestown Navy Yard had become a highly visible component of Boston’s Waterfront, the anchor of the City’s Harbordark Plan, and the last stop on the Freedom Trail."\(^{260}\)

Progress to 2001 - Nearing Completion?

In 2001, it was reported that the conditions at the Navy Yard had not progressed much since the mid-1990s. "Buildings fronting Shipyard Park are fully restored and occupied while those at the Yard’s End, a half mile to the east, are still vacant and deteriorated.\(^{261}\) Over 2.5 million SF of private mixed-use development had been completed; another 2.3 million SF was programmed to be completed in the next 10 years (2011). Redevelopment of the last phase was estimated to cost $6 million and included plans for street improvements with matching funds from the Economic Development Administration and environmental remediation funded by the U.S. Army

\(^{259}\) "The 1993 ULI Awards for Excellence,” Urban Land (December 1993).
Corps of Engineers.\textsuperscript{262} The ratio of private investment leveraged by public funds was expected to be around 25:1 at the completion of the two projects.\textsuperscript{263}

**Summary End of 2000**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
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</tr>
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<td>Private Funds Invested – NDA</td>
<td>$200 million</td>
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<td>Private Funds Invested – HMA</td>
<td>$270 million</td>
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<td>Public Funds Invested (1978-2000)</td>
<td>$60 million</td>
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<td>Total Investment Required</td>
<td>$1.8 billion</td>
</tr>
<tr>
<td>Time to Completion</td>
<td>10 years\textsuperscript{264}</td>
</tr>
</tbody>
</table>

After more than twenty-five years, the process of redevelopment at the Charlestown Navy Yard continues into 2002. Three goal project completion dates have come and gone and the anticipated “Total Investment Required” for redevelopment continues to rise. On the other hand, development at the Yard has continued steadily since 1978, in an orderly progression, leaving only the Yard’s End to future developers.


\textsuperscript{263} Ibid., p. 4.

\textsuperscript{264} Ibid., p. 8-9.
Chapter 6 – Growing Pains / The Re-Planning Process – Presidio of San Francisco

Development Progress 1996-1999

By 1996, approximately 30% of the Presidio’s 4.5 million SF inventory had been leased. An article in the *Urban Land Institute* noted, “At the Presidio, housing units that range from standard issue 1960s apartments to historic brick houses with magnificent views of the San Francisco Bay have attracted substantial interest from developers.”

Marketing efforts led by the NPS at the Presidio had resulted in leases to the Fort Mason Foundation (Herbst International Exhibit Hall), San Francisco’s popular Exploratorium, and the Thoreau Center of Sustainability. Additionally, the Park Service had selected the Arnold Palmer Golf Management Company to operate the Presidio Golf Course, the San Francisco Unified School District to run a child care center, and the YMCA to manage the Park’s gyms, tennis courts, and other sports facilities.

Both the Trust and the NPS considered FY 1998 and FY 1999 as transitional years and negotiated a budgetary split that reflected each organization’s operational responsibilities during that time. The NPS continued to perform some functions in Area B through fiscal year 1999 with directly appropriated funding. By FY 2000, the Trust would directly request the appropriated funds necessary to support Area B functions, while the NPS would request a separate set of funds for Area A. Specific goals for the 1998 fiscal year included:

1. The development of a Financial Management Plan
2. The complete transfer of the Presidio’s Area B properties to the Trust

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266 Ibid.

3. A continuation of FY1997 programs
4. A senior staff hiring campaign
5. The adoption of operating procedures and regulations
6. The complete remodeling of permanent Trust office space
7. The creation of leasing procedures
8. A negotiated agreement with the U.S. Army regarding remediation programs
9. Intense redevelopment planning for the Letterman and Public Health Services Hospital areas
10. Initiation of a process allowing for the leasing of housing on an interim basis
11. The development of a plan for major capital improvements designed to complement the Presidio’s leasing programs

The completion of these goals would advance broader Presidio development themes including:

1. "Preserving historic buildings, renewing natural areas and ecosystems, and enhancing recreational opportunities.
2. Initiating residential and non-residential leasing programs that create a dynamic Presidio community and generate revenues to support Trust operations.
3. Building an innovative, action-orientated organization.
4. Beginning the next stage of planning for the future of the Presidio."

The Trust completed the process of becoming a fully functioning federal government corporation on October 1, 1998. Congress appropriated $14.9 million to the Trust that year and authorized Treasury borrowing of an additional $20 million. The Trust assumed property management responsibilities for the Post’s thirty-one existing tenants who held leases totaling 625,000 SF. Significant progress was made in the rehabilitation and leasing of additional properties that year, as fourteen historic Main Post buildings and the Officer’s Club were made available for non-residential reuse; 150 units

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270 Ibid.
of Wherry apartments were made tenant-ready; and the Trust negotiated leases with the San Francisco film institute for two Main Post buildings.\(^\text{271}\)

Additionally, the Trust announced a leasing opportunity at the Letterman Complex. The RFP, sent out in August, sought tenants who would be interested in ground leasing the 23 acre site and building 900,000 SF of low to mid-rise, campus style, replacement construction. Selection was slated for 1999, as was the development of an RFQ for the Public Health Services Complex.

In 1998, the goals of the GMPA acted as the primary guide for Trust leasing agents who worked to find tenants “whose work is consistent with park goals, such as art, education, philanthropy, environmental studies, technology and science, and international relations.”\(^\text{272}\) It was hoped that by the end of 1999 the Trust would have leased-up, or made available for lease almost three-fourths of the Presidio’s non-residential space. The Trust possessed 1,119 housing units and expected that number to increase as dormitories and barracks were converted to housing units and non-historic apartments were replaced with more efficient housing.\(^\text{273}\) The Presidio Trust advocated the idea that all Presidio housing would eventually be occupied by Presidio-based employees and their families, and projections indicated that by the end of 1999 two-thirds of Presidio’s housing would be leased.

Goals for 1999 included the development of a “one-stop” compliance and permitting process to speed up development approvals. Additionally, an effort would be

\(^{271}\) Preserving the Presidio as a Sustainable National Park A Year of Progress 1998, Year-End Report (San Francisco: The Presidio Trust, 1999).

\(^{272}\) Ibid.

\(^{273}\) Ibid.
made to renew planning efforts for the development and management of open space, NPS partnerships, and transportation:

**Planning Initiatives for Open Space and Activity Areas:**
1. "Letterman Complex site planning including 900,000 SF of lower profile, architecturally compatible replacement space on the current site of Letterman Army Medical Center and Letterman Army Institute of Research.
2. Site-specific planning for areas of the Main Post including planning for restoration of the main parade ground.
3. Planning assistance for the Public Health Services Complex
4. Site-specific planning for Fort Scott

**NPS Partnership Plans:**
1. "Completion of a vegetation management plan
2. Creation of a Presidio site trails plan
3. Final design and connection of the Presidio segment of the Bay Area Ridge Trail.
4. Planning for the Mountain Lake restoration project which is being managed by the Golden Gate National Parks Association.
5. Design and construction of information and directional kiosks to enhance visitor experience."

**Transportation Projects:**
1. "Establishing a cross-town shuttle that carries riders between the Presidio and downtown San Francisco.
2. Commencing a Doyle Drive redesign
3. Creating a parking and circulation plan for the Main Post and areas throughout the Presidio.
4. Improving the park’s internal circulation system and making it friendlier to pedestrians and bikers.
5. Encouraging alternative modes of transit."

**Redevelopment Progress - 2000**

**Environmental Remediation**

In FY 2000, action was taken to improve the health of the Presidio’s forest, revitalize the Presidio’s only freshwater lake, and protect threatened species. The

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Presidio Trust allocated one million dollars towards pilot re-vegetation projects. In FY 1999, the Trust, the Department of Defense, and the Department of the Interior signed a landmark environmental remediation agreement under which the Trust assumed control of all environmental clean-up at the Presidio beginning in FY 2000. Funding for these efforts would continue to be provided by the Army. The Army agreed to retain responsibility for all unknown contaminants and to step back into the process if costs were to exceed by $10 million the $100 million received from the Army plus Trust insurance proceeds. This agreement was considered essential in that “only by controlling the pace, quality, and direction of the cleanup could the Trust be assured that remediation activities coincide with leasing and reuse priorities.”

Rehabilitation and Leasing Progress

In order to develop a sustained stream of revenue to support the Park, the Trust began to aggressively lease the Presidio’s historic and non-historic buildings. According to the 2000 Year-End Report, “Essential capital improvements to these buildings are funded either directly by Trust funds and borrowing or indirectly through the use of third-party capital investment secured by long-term leases.”

278 Ibid.
Leasing revenues in 2000 nearly doubled those of 1999. In the year 2000, more than 250,000 SF of historic non-residential buildings and 211 housing units were rehabilitated and occupied, bringing the total number of rented units to 831. Using public and private funds, three major Main Post buildings were rehabilitated and occupied by more than two-dozen for and non-profit organizations. The San Francisco Film Center financed a $10 million rehabilitation of the former 6th Army Headquarters, now a home for film arts organizations. Residential leases generated $13 million, a 243% increase over FY 1999. Short-term (less than 5 years) leases were encouraged as a way to prevent the deterioration of historic buildings and raise revenue without committing space that might be re-planned for alternative long-term uses.²⁷⁹

Twenty-percent of the Presidio’s infrastructure, including utilities, roads, grounds and telecommunications systems, was modernized in 2000. By completing most of the work in-house, savings of 30% were achieved. The Trust also decided to work with the Letterman Digital Arts, a subsidiary of Lucasfilm, to redevelop the Letterman Complex as a center for digital innovation. Total revenue generated in 2000 equaled $24 million and the number of Trust employees had grown to 440.

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In July 2000, the Presidio Trust began a process to update the Presidio’s GMPA for areas preserved and protected by the Presidio Trust (the interior 80% of parklands). This process was considered necessary because “significant changes have occurred since it was published in 1994, most notably the creation of the Presidio Trust and the federal requirements that by 2013 the Trust raise sufficient revenue to operate without federal appropriations.”

In establishing the Presidio Trust, Congress had “created an organization that could operate in the marketplace, make real time decisions, and reinvest revenues into the park.” A new plan was necessary, one that would take advantage of the Trust’s congressionally authorized powers.

Redevelopment Progress - 2001

In 2001, the General Accounting Office (GAO) completed a Congressionally mandated examination of the Presidio’s financial progress. Conclusions indicated that the Presidio Trust had “made significant progress toward preserving, protecting, and improving the Presidio” and had transformed about half of the former military buildings into useable residential and commercial space. According to the GAO, “The Trust should meet its legal obligation of financial self-sufficiency by 2013, according to financial projections prepared by the Trust in conjunction with its current planning

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Baseline financial assumptions were examined and judged to be reasonable and conservative.

Since July of 1998, Trust capital improvement expenditures had amounted to $38 million, including $15.4 million for the repair and replacement of Presidio infrastructure. Over the same period, private entities had spent over $40.8 million on the rehabilitation of office space. In FY 2000, the Trust generated $13.3 million in residential leases and $6.3 million in commercial leases. By January of 2001, 896 residential housing units in 247 buildings had been leased. There were still some 300 residential housing units to be repaired and almost 2.2 million SF of commercial space available for development (out of a total 3.86 million SF).  

"Leasing programs have been successful. Currently more than 52% of the occupied residential units are leased at market rental rates averaging about $2910 per month. The remaining occupied units are rented under several discounted rental programs whereby tenants such as public safety personnel, Presidio employees and students pay less than market rental rates (average $1375 per month). By the end of FY 2001, the Trust expects to have available for rent an additional 140 residential housing units. It anticipates that it will generate about $21 million in revenue in fiscal year 2001 from residential housing."  

Leases for commercial space averaged less than $10 PSF with nearly 79% of the total square footage leases averaging only slightly more than $3 PSF. Many of these leases were to tenants who financed the cost of restoring buildings in exchange for rental offsets and tax credits. Community organizations negotiated discounted leases requiring only a pro rata payment of common area, infrastructure, and security costs. On August 14, 2001, an agreement was signed with Lucasfilm for the creation of a 900,000 SF

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286 Ibid., pg. 6-10.
287 Ibid., p. 12.
Digital Arts Center at the Letterman Hospital site. This project was expected to generate $5.8 million in rent annually plus an annual service district charge.\textsuperscript{288}

The primary funding sources for the Presidio in 2002 continued to be annual appropriations and Treasury borrowing. By the end of 2001, total leasing revenues had grown to $32.3 million, helping to support a total investment in building rehabilitation of $45.9 million, including 872 housing units and 446,000 SF of non-residential space.\textsuperscript{289} Leasing revenue had grown to equal more than half of the Trust's annual cash flow. Estimated total capital improvement figures stood at $588 million with annual operating expenses of $38 to $51 million.\textsuperscript{290}

**Presidio Trust Implementation Plan (PTIP)**

A Draft Presidio Trust Implementation Plan (PTIP) was presented to the public on July 25, 2001. The Trust described the plan as a modified version of the GMPA, which would "ensure its financial viability." Basic concepts included:

1. The expansion of open space
2. No reduction in the number of housing units
3. Development of a variety of cultural and educational programs for visitors

A 90-day public comment period concluded on October 25, 2001. Public response to this Plan was largely negative as the new plan seemed to allow for too much private development and rejected the idealistic principles of the "beloved" GMPA. In terms of actual numbers the PTIP advocated approximately 500,000 SF less in demolition,


\textsuperscript{290} Ibid.

\textsuperscript{291} Ibid.
500,000 SF more in new construction, 500,000 more in overall building space, and 200 acres less of open space than did the 1994 GMPA (see Appendix 5 - Differences Between the GMPA and the Trust's Draft Plan). In a Park featuring 1,480 acres of land and 6.3 million SF of building space, these numbers did not represent truly significant changes.

The community was less frightened by the numbers than they were by the change in document tone, which downplayed the GMPA vision and emphasized financial realities. Changes made to the Plan based on public responses included a change in name from the Presidio Trust Implementation Plan to the Presidio Trust Management Plan (PTMP). It was believed that the new name would “more clearly expressed its role as a general planning or policy framework.”292 On May 21, 2002, the final Presidio Trust Management Plan and Final Environmental Impact Statement were released for public comment. Final approval of the Plan was obtained in July.

Presidio Trust Management Plan (PTMP)

The Presidio Trust Management Plan opens with a discussion as to why a planning update was considered necessary:

“The activities of leasing and real estate management lie at the crux of the passionate debate over the Presidio...The GMPA proposed that the former military post should not simply be preserved, but should become a global center dedicated to addressing the world’s most critical environmental, social, and cultural challenges...This gave the Presidio a noble purpose and captured the imagination of the local public...Because it relied on ongoing taxpayer support, the GMPA was ultimately deemed by Congress to be unrealistic...The Trust's financial requirement and its mandate to preserve and protect the park cannot be separated.”293

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293 Ibid.
According to the Trust, the PTMP proposed a more focused and realistic vision "the preservation of the Presidio's cultural, natural, scenic, and recreational resources for the American people."\(^{294}\)

"While the PTMP owes much to the GMPA that proceeded it, the Trust cannot share the vision that the Presidio should be preserved for a purpose beyond itself. The Trust's vision is the one that was directed by Congress: to preserve the Presidio as a park for the American public. The Trust will neither limit the potential tenant pool to those of a particular business or purpose, nor set quotas related to organizational or business structure."\(^{295}\)

**Financial Analysis**

The purpose of developing a new Presidio Trust Management Plan was to ensure that the Trust would reach its goal of financial self-sufficiency by 2013. In order to determine what combination of development activities could achieve that goal, seven planning alternatives were created, modeled, and tested to determine their financial feasibility in the face of unforeseen circumstances such as falling rents and longer vacancies. Sensitivities were designed to compare general land use activities and give a rough estimate of the income-generating potential of each scenario. Financial performance was evaluated over a 30-year period by estimating how long it would take the Presidio Trust to complete all capital improvements and fully fund a replacement reserve account.\(^{296}\)

The alternative chosen (discussed below) displayed the greatest financial resiliency over time in all tested scenarios. That is not to say that the other options could

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\(^{295}\) *Presidio Trust Management Plan* (San Francisco: The Presidio Trust, 2002).

\(^{296}\) *Presidio Trust Management Plan Environmental Impact Statement* (San Francisco: The Presidio Trust, 2000).
not be successful, in fact, all seven displayed financial self-sufficiency in 2013 in the base case scenario. The plan notes, “The Trust could achieve financial, self-sufficiency in any number of ways, but if it does so without establishing a financial base that is strong enough to ensure the rehabilitation of the Presidio’s historic buildings and landscapes, the restoration of its natural resources and the preservation of its historic character into the indefinite future, the Trust will not have accomplished its mandated purpose.”

The PTMP alternative proved to be extremely controversial and hard to defend as no plan presented had completely failed the stated financial tests. The Trust argued that the alternative chosen would give the Presidio the strongest foundation possible in the face of future economic downturns or other unforeseen occurrences.

A disclaimer was made as to the accuracy of any long-term financial modeling:

“The PTMP financial model was not designed to accurately or precisely predict long-term Trust operating costs, actual future revenues, future budgets, building-specific implementation decision, planned project phasing or other future financial decisions of the Trust. Further it does not reflect business cycles. It reflects hypothetical financial conditions based on conservatives assumptions at a point in time and carries those hypothetical financial conditions out into the future. The model was not designed to forecast actual expected cash flows as too little can actually be predicted over a 30-year time span or to reflect actual implementation decisions.”

The following list briefly describes test results for each alternative:

1. **The Final Plan Alternative (Preferred)** - The final plan alternative would be financially self-sufficient in 2013 and financially sustainable over the long term. The $589 million capital program, second largest amongst the PTMP planning alternatives, was estimated to be complete in 2025. By 2013, about $21.5 million would be available to fund capital projects and more than 55% ($334 million) of the Presidio’s capital program would be complete.

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2. **Final Plan Variant (Sierra Club)** - This alternative, sponsored by the Sierra Club was determined to be financially self-sufficient in 2013 and sustainable over the long term. Its $614 million capital program would be completed by approximately 2035. This alternative features a land use plan in which more than 60% of the available office space at the Presidio is dedicated to program related, mission-enhancing (i.e. non-profit) tenants ($9 PSF rents).

3. **GMPA 2000 Alternative** - The GMPA 2000 alternative was designed as an updated version of the 1994 GMPA. According to financial modeling, GMPA 2000 would be financially self-sufficient in 2013 and financially sustainable over the long term. Its $519 million capital program would be completed by approximately 2040. While meeting the self-sufficiency criteria, the alternative was considered vulnerable to significant negative economic shifts or other unforeseen events because in the year 2013, only $3.3 million would be available to fund capital projects (a marginal operating margin). “If revenues experience any sort of a decline, this alternative becomes neither financially self-sufficient nor financially sustainable.”

4. **Resource Consolidation Alternative** - This alternative was determined to be financially self-sufficient in 2013 and financially sustainable over the long-term. It included $494 million in capital improvements completed by 2030. This alternative featured a substantial level of demolition, park-wide infrastructure improvements, and new construction. By 2013, approximately $11.7 million in excess cash would be available to fund capital projects.

5. **Sustainable Community Alternative** - The sustainable community alternative was also financially self-sufficient in 2013 and financially sustainable over the long-term. It included $525 in capital programs completed by 2023. This alternative emphasized the reuse of existing housing units. High levels of residential revenue generated in early years made possible the rehabilitation of a majority of the non-residential space by 2013.

6. **Cultural Destination Alternative** - The cultural destination alternative was financially self-sufficient in 2013 and financially sustainable over the long-term. It included $562 million in capital improvements to be completed between approximately 2030 and 2035. Residential rehabilitation in this alternative is moderate.

7. **Minimum Management Alternative** - This alternative was financially self-sufficient in 2013 and financially sustainable over the long-term. It contained the highest amount of total square footage and the lowest amount of capital improvements at $479 million. The plan advocated minimal demolition, minimal enhancements to

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open space, and no residential conversions. Capital improvements were estimated to be completed by 2016.300

Sensitivity Analysis

The seven alternatives were subjected to the following six “what-if” sensitivities (see Appendix Two - Sensitivity Analysis):

1. A 10% drop in non-residential PSF rents and a 5% decline in residential PSF rents - This sensitivity dramatically impacted the Final Plan Variant (Sierra Club) whose operating margins became marginal between 2013 and 2030. The Resource Consolidation Alternative was negatively impacted as it now had insufficient cash available to rehabilitate non-residential buildings. The GMPA 2000 and Cultural Destination alternatives were no longer financially self-sufficient in 2013. The Sustainable Community and Final Plan Alternatives were only moderately impacted and the Minimum Management Plan was only minimally impacted.

2. Capital costs increase by 15% - This sensitivity significantly impacted the GMPA 2000 alternative, which was no longer able to meet its goal for financial self-sufficiency, and the Cultural Destination Alternative, which was not able to generate enough early residential revenues to support later capital improvements. The Final Plan Alternative and the Final Plan Variant are only moderately impacted.

3. Class B office rents fall from $30 to $25 PSF. Industrial rents fall from $12 to $7.50 PSF. The vacancy rate increases from 5% to 10%. – The Cultural Destination Alternative was significantly negatively affected in this scenario. The impact on the Final Plan Alternative, the Final Plan Variant, and the GMPA 2000 was negligible. “A sustained downturn in the economy will likely have a greater impact on alternatives that rely heavily on market rate office space to generate revenue. More diversified uses were less impacted."301

4. The above mentioned rent updates and increased capital costs were combined along with a delay in the demolition of Wherry housing stock - Although this alternative increased initial revenues to the GMPA 2000 and Cultural Destination Alternatives, the combined impact of the rent updates and the increased capital improvements nets a minimal or negative impact. The Final Plan Alternative is able to remain financially self-sufficient as is the Final Plan Variant.

5. Letterman Digital Arts Center – “Public comment suggested that the Letterman Digital Arts Center was not needed to achieve financial self-sufficiency for either the

301 Ibid.
Trust's preferred plan or for the GMPA 2000 alternative." The LDAC agreement generates substantial revenue for the Presidio Trust (about $8.7 million a year for the Presidio Trust or about $215 million over 30 years). Eliminating these revenues and the costs associated with development had a significant negative impact on all of the alternatives. The Final Plan Alternative is financially self-sufficient in 2013, but performs at marginal self-sufficiency between 2015 and 2029. In 2013 its operating margin is only $3.1 million. Neither the Final Plan Variant nor the GMPA 2000 are self-sufficient by 2013 under this scenario.

6. **Program Capital Costs** – Public comment on the draft plan suggested that the GMPA 2000 alternative was unfairly burdened by an increased level of program costs compared to the final alternative. Therefore a program cost sensitivity was run wherein only $2 million in program related capital costs were allocated annually in the GMPA 2000 plan. This sensitivity had virtually no impact on the performance of the GMPA 2000 alternative.

The Final Presidio Trust Management Plan was based on the financial and development options that composed the Final Plan Alternative. Its basic principles included:

1. **More Open Space** – The plan increases open space by 100 acres. Approximately 75% of the Presidio (A and B) will be open space.
2. **Less Building Space** – The plan eliminates 360,000 SF or more of building space over time.
3. **Balanced Use of Building Space** – Buildings that contribute to the Presidio’s National Historic Landmark District and their rehabilitation will generate revenues that support the Park. One third of the Presidio’s building space will be residential, one third office, and one third reserved for public uses including cultural and educational use, recreation, small-scale lodging and visitor amenities.
4. **Sustainable Transportation and Infrastructure Systems** – The Presidio Trust will adhere to sustainable practices and environmentally sound technologies. The Plan includes strategies to minimize automobile use, such as more options for public transit and pedestrian and bike travel, parking management, and housing in the park for Presidio based employees.

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5. **Opportunities for Public Participation** – In conformance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) the Presidio Trust is committed to ongoing public participation.⁴

The Presidio Trust Management Plan (PTMP) used as its guide the thirteen planning districts described in the GMPA. The new plan would focus on seven revised Area B districts, specifying land use and activity plans for each. Land use planning maps and conceptual renderings were used to help the public envision future uses. The following is a brief summary of these revised districts and a description of planning goals.

![Map of Revised Planning Districts](image)

**Figure 107 - Map of Revised Planning Districts, The Presidio Trust Management Plan, 2002**

1. **The Main Post (Heart of the Presidio)** – The Main Post would continue to be “a focal point for visitor orientation as well as a community center.” The district’s historic buildings and planned outdoor space would be rehabilitated.

2. **Crissy Field (Bayfront Recreation and Cultural Destination)** – The Trust would install public and visitor amenities in Crissy Field (Area B) that would compliment the spectacular bayfront park of Area A. Important open space would be retained, natural resources protected, and historic buildings rehabilitated. Non-historic buildings might also be retained and reused.
3. **Letterman (Residential and Working Campus)** – The Letterman district would house the Letterman Digital Arts Center, “occupied by one of the country’s most creative and innovative enterprises.”\(^ {305} \) The district would blend new construction with rehabilitated buildings and continue to offer a mix of office and residential uses. Rehabilitation of open spaces would reinforce a campus-like feeling.

![Figure 112](image1.png) **Figure 112** (Above) - Conceptual Rendering of The Letterman Complex, *Presidio Trust Management Plan, 2002*

![Figure 113](image2.png) **Figure 113** (Right) - Planning Map of the Letterman Complex, *Presidio Trust Management Plan, 2002*

4. **Fort Scott (Contemplative Retreat)** – The Trust would preserve Fort Scott’s rich collection of historic buildings and landscapes and retain the district’s contemplative setting. Preferred uses would include educational and conference facilities as well as lodging, housing, and support services.

![Figure 114](image3.png) **Figure 114** (Above) - Conceptual Rendering of Fort Scott, *Presidio Trust Management Plan, 2002*

![Figure 115](image4.png) **Figure 115** (Right) - Planning Map of Fort Scott, *Presidio Trust Management Plan, 2002*

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5. Public Health Service Hospital (Residential and Educational Community) – Residential and educational uses would be sought for historic buildings in the Public Health Service Hospital district. Habitat for rare and unique plant and wildlife species would be protected and enhanced.

Figure 116 (Above) - Public Health Services Hospital, Presidio Trust Management Plan, 2002

Figure 117 (Right) - Planning Map of The Public Health Services Hospital District, Presidio Trust Management Plan, 2002

6. East Housing (Residential Neighborhood and Nature’s Refuge) – The East Housing planning district would continue to be primarily residential. The Tennessee Hollow riparian corridor would be restored, and some non-historic housing would be removed if necessary for the restoration of natural systems. Open space and forested areas would be preserved to provide wildlife habitat and a refuge for visitors.

Figure 118 (Above) - Conceptual Rendering of The East Housing District, Presidio Trust Management Plan, 2002

Figure 119 (Right) - Planning Map of the East Housing District, Presidio Trust Management Plan, 2002
7. **South Hills (Outdoor Recreation and Woodland Retreat)** – A significant amount of non-historic housing and associated streets in the district were slated for future removal allowing for the restoration of open space and natural systems. A limited amount of housing would be allowed to remain.  

![Diagram](Figure 120 - Planning Map of the South Hills District, Presidio Trust Management Plan, 2002)

**Open Space / New Construction**

The PTMP called for total building square footage in the Park to be reduced by 360,000 SF or more to 5.6 million SF or less. New construction would be limited to developed areas and would be designed so as to be compatible with existing structures. Up to 400,000 SF of new residential construction would be allowable in already developed areas to replace demolished housing, while up to 310,000 SF of non-residential construction, would be allowed, “primarily to support the rehabilitation of historic buildings.”

New construction would have to be limited in scale, balanced by open space expansion, and commensurate with the character of the Presidio. Square footages thresholds were developed for each planning district. Any new construction, other than minor building additions, would be subject to further planning, environmental analysis, and public input. Planned use of building space is described as follows:

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Public Uses - 1.58 million SF - 28%
Housing - 1.96 million SF - 35%
Office - 1.82 million SF - 33%
Other - 0.24 million SF - 4%  

Figure 121 - The Historic Presidio Forest (In Green), *Presidio Trust Management Plan*, 2002

Figure 122 - Planned Demolition and Replacement Construction (Sites to be demolished in Yellow), *Presidio Trust Management Plan*, 2002

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308 The Presidio Trust, *Summary of the Final Presidio Trust Management Plan*.  
**Office Use / Tenant Selection**

One third of all building space, or 1.8 million SF, would be used as office space. Of this, 1.5 million SF was already occupied or obligated including 840,000 SF in Letterman. The remaining 333,000 SF was located predominantly in the Main Post, the Letterman Complex, and Fort Scott. “Most of this space is historic and may pose leasing challenges due to the complexity associated with its rehabilitation.”

Presidio tenants would be selected according to “their ability to enhance the Presidio’s financial viability, their contribution to the implementation of the general objectives of GMPA, and their conformance with PTMP planning principles.” The difference between this statement and the one made in the GMPA is that, here, the financial aspect is placed above the need to conform with GMPA goals. The PTMP emphasized that a variety of office uses would be sought, and stated that “The Trust’s openness to tenant diversity is financially prudent, more encompassing, and more likely to succeed than a vision of a global center.” Long-term leases (greater than five years) would be offered to tenants who could help fund the rehabilitation of historic buildings. Long-term leases would allow tenants to amortize the cost of building rehabilitation and take advantage of the Federal Historic Tax Credit. They will be critical in order to generate revenue both to offset declining appropriations and fund capital improvements.

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Housing

“People have always lived at the Presidio and the Park’s homes are an essential feature of its landscapes and critical to its character.”  
Residential development has proved, at the Presidio, to be a cost-effective way to preserve historic buildings and the most reliable source of funds over the long-term in good economic times and in bad.

“Today (2002) the Presidio contains 1,116 conventional dwellings and 538 group quarters (barracks and dormitories). That makes a total of 1,654 existing units. Eighty percent of the dwellings and 25% of the group quarters have been occupied within the last year.”

The PTMP contains plans to eliminate approximately 565 non-historic housing units in order to restore critical natural habitats. Some historic houses would be reused as lodging or even offices. The PTMP estimates a final total of 1,400 to 1,654 residential units. Units removed from the Park will be replaced by dividing larger residential units into smaller ones, by converting non-residential buildings into housing, and by constructing approximately 200-400 units of new housing. By 2005, the complete rehabilitation of the Presidio’s historic and non-historic housing will be completed with tenant preference being given to employees of the park.

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312 The Presidio Trust, *Summary of the Final Presidio Trust Management Plan*.

313 Ibid.

314 Ibid.
The Final Presidio Trust Management Plan was adopted, amidst much controversy, in July of 2002, as the primary planning document for the Presidio. Many believed that not enough public comment had been allowed and that the Presidio Trust had been given too much freedom by Congress to chart its own course. The Plan was determined based upon the probability of financial success, which many could not reconcile with the planning of a successful National Park.
Chapter 7 – Analysis / Conclusion

Redevelopment initiatives at the Charlestown Navy Yard and the Presidio of San Francisco illustrate the evolution of large-scale urban redevelopment planning techniques over the past 25 years. Plans for redevelopment at the Charlestown Navy Yard, created in the mid-1970s, represent one of the first attempts by a city to deal on a large-scale with the reuse of a former industrial site containing functionally obsolete buildings. Between 1974 and 1994, redevelopment projects such as the one in Charlestown were carried out in cities across the nation as manufacturing technologies changed, requiring a new more horizontally based infrastructure. In 1994, Presidio planners were able to take advantage of almost twenty years of advancements in large-scale planning, the most important of which was the creation of the public/private partner, an efficient management entity designed to guide the redevelopment process. This chapter will focus on comparing the two sites in terms of management structure, site division, funding structures, and timing issues, set against the backdrop of their individual political and economic environments.

Management Structure / Land Division

The 1975 Plan for the Charlestown Navy Yard divided the site into four development areas: the New Development Area, Shipyard Park, the Historic Monument Area, and the National Historical Park. Boundary lines for each of these sections were developed based upon each parcel’s level of historic significance, and varying degrees of resource protection were assigned.
The most historic 30 acres of the site would be preserved intact as National Park land and the home of the USS Constitution. This site would become a part of the Boston National Historical Park, preserved in the purest sense of the word, and interpreted to the public with no private market concerns influencing preservation decisions. Problematically, no federal appropriations were immediately forthcoming for maintenance, rehabilitation, or program development, and the Park was initially forced to make due with an extremely limited budget and minimal site improvements. Ironically, the buildings located here were probably given less care than historic structures in some other areas of the yard due to a lack of federal funds for rehabilitation.

The land transfer agreement under which the Historic Monument Area was acquired by the BRA required the preservation and adaptive reuse of the 22 historic
buildings located within its boundaries. This transfer was contingent upon the creation of a set of design guidelines that specifically addressed the rehabilitation needs of each HMA structure, with the National Park Service aiding in the review of proposed projects. The Secretary of the Interior’s Standards for the Rehabilitation of Historic Structures might not be interpreted as strictly here as it would be in a National Park setting (unless Historic Tax Credits were utilized), but, at least in the HMA, private sector investment would ensure that rehabilitation could take place.

The New Development Area (NDA) was originally planned as an area virtually free of design guideline regulations. It was hard enough to find developers interested in the site in the mid-1970s, let alone developers who were interested in the site and also willing to deal with the perceived added costs associated with building rehabilitation and design guidelines. The 58-acre NDA housed buildings judged to be of marginal historic significance where demolition and new construction could take place without causing permanent harm to important historic resources. In order to borrow the money necessary to purchase the site, the BRA gave up their development rights and a large portion of their control in the NDA to the appointed master developer, Immobiliare New England.

Development of each parcel in the NDA would have to be approved by the BRA and found to be in conformance with the land use goals set forth in the Navy Yard’s Master Plan. Additionally, the NDA’s most historic buildings were protected from demolition as noted in the Navy Yard’s design guidelines. As the Navy Yard developed, new regulations would be introduced from the city and the state in the form of Chapter 91 waterfront access regulations and the city’s Harborpark plan, which introduced design
guidelines for development projects located along the city’s waterfront including setbacks, massing, scale, and contextual design.

The fourth and final area, and the centerpiece of open space planning at the Navy Yard, would be Shipyard Park, a 16 acre site transferred from the federal government to the BRA for a nominal sum with the stipulation that it be used as public open space in perpetuity. This park would be used as a catalyst to spark private residential development. Other areas of planned open space included “Flirtation Walk,” a historic walkway along the perimeter of the Ropewalk (yet to be completed), and the re-landscaping of the Second Avenue pedestrian way. Throughout the years, parks and gardens were planned for a variety of sites, but very few of these plans became reality as they were all dependent on private funds. Because the BRA has never had full control over any of the designated use areas within the Navy Yard, the development of open space has tended to be implemented one parcel at a time in accordance with individual private development projects.

Planning and implementation at the Presidio was able to proceed in a much more comprehensive fashion as all management, planning, and development control was brought together under the auspices of one entity, the Presidio Trust. Physical “carving up” of the property did not occur to the same degree as at the Navy Yard. Within the park, separate planning districts were established, but each was planned in relation to how its development would affect the whole. For instance, if additional open space was desired in one district then new housing might be developed in another. Open space planning would not take place on a parcel by parcel basis, but would be integrated into an overarching plan and funded by appropriations and leasing revenues.
At the Presidio, outside review mechanisms would be limited to annual year-end Congressional reports and required public input. Historic Section 106 design compliance was brought virtually in-house with the signing of a Programmatic Agreement that placed the determination of adverse affect with a Trust Historic Compliance Officer having at least 5 years of preservation experience. Additionally, environmental remediation was taken over by the Trust from the Army, with the stipulation that the Army continue to fund clean-up efforts.

By bringing finance, planning, real estate, preservation, and environmental experts together, the Trust was able to create a redevelopment plan that could be much more efficiently implemented. Indeed, a lack of efficiency in public planning had been the stimulus for the development of public/private partnerships in the 1970s and 1980s, the evolution of which drew upon experiences such as those seen at the Navy Yard, where approval negotiations could take up to 18 months, causing development projects to miss their window of opportunity in the real estate cycle and developers to back out of or delay anticipated construction starts.

Ironically, the Trust has been most criticized because of its efficient structure. Many worry that the Trust has been given too much decision-making freedom, freedom that should not be allowed to a body protecting a public resource that is not directly answerable to the public. The integrated plan allows for private development throughout the site. There is no “pure National Park” land such as the space defined at the Navy Yard. The presence of private entities throughout, has been a great concern to those who feel that the National Park is being privatized and commercialized, and that the maximization of profit has been placed above the betterment of the Park.
Although the Presidio Trust Management Plan (PTMP) 2002 and the General Management Plan Amendment (GMPA) 1994 do not differ as much as one might believe in terms of land use and activity planning, they are miles apart in terms of how they are presented. The GMPA overlays its plans with a shroud of respectability by limiting the tenant mix to those businesses and organizations which best reflect the ideals of a National Park, while the PTMP blatantly states, “The Trust’s openness to tenant diversity is financially prudent, more encompassing, and more likely to succeed than a vision of a global center.” It is phrases like these that have made the PTMP so unpopular.

Although the actual amount of space assigned to office space, housing, and open space, does not change substantially from document to document, the wording of park objectives is changed to a degree that filled people with fear of park privatization and over-development.

Redevelopment efforts at the Charlestown Navy Yard and the Presidio of San Francisco represent two basic forms of land use planning. At Charlestown, the land was “carved” or divided into sections, each with its own redevelopment plan. This has resulted in a rather disjointed redevelopment effort. The introduction of an over-arching managing entity, the Presidio Trust, at the Presidio has allowed for a much more comprehensive approach to planning and development.

The Influence of Funding

Although they differ largely in both size and resources, the Presidio of San Francisco and the Boston National Historical Park both have the dubious distinction of

being National Parks located within major metropolitan areas. Urban National Parks have a set of development issues that differ from those encountered at more traditional, natural National Parks. Typically they require an unusually high level of start-up capital for infrastructure improvements, environmental clean-up, and building rehabilitation. Additionally, and perhaps less visibly, they must often wage a battle to prove their national importance both to those within the NPS and to the appropriations committee in Congress. These sites are typically perceived to be more expensive to administer than natural or wilderness parks such as Yellowstone or Yosimite, and can require management skills not always found within the Park Service, such as real estate development, finance, and general contracting.

In the division of the Charlestown Navy Yard, the Boston National Historical Park site was the only sector eligible to receive federal appropriations. Despite this, the site received no federal appropriations during the first twelve years of its operation. Early Park visions of rehabilitating and preserving historically significant buildings located within the HMA, such as the Ropewalk and the Chain Forge, were taken out the Park’s 1987 revised GMPA due to a lack of funds. These one-of-a-kind facilities are not easily converted to commercial use and still stand vacant today. It is buildings like these, which cannot be readily adapted to private use, but which have obvious historic merit, that the public has an obligation to protect and preserve. It was experiences with buildings like these that helped stimulate the creation of public/private managing entities for redevelopment in the 1970s and 1980s. If such an entity were in charge at the Navy Yard, revenues collected from ground leasing at the HMA might have been used to fund the rehabilitation of such structures into public museum space.
The economic recession facing the nation in the mid-1970s, and its effect on the local real estate market in Boston, had a great impact on Navy Yard redevelopment plans. The City of Boston had no money with which to acquire the property from the GSA, and thus had to rely on negotiated land transfer agreements which placed serious limitations on the planning and development authority of the BRA. For instance, the buildings in the HMA were required to be preserved to the extent specified by design guidelines and developed through the use of land leases; Shipyard Park would have to be used as open space in perpetuity; and land rights to the NDA were given to an outside master developer.

With additional up-front investment capital, the BRA might have been able to better consolidate its planning and development powers without having to answer to outside federal regulators and private developers. Theoretically, this could have meant a more comprehensive redevelopment effort wherein all sectors of the Yard were developed in relation to each other and the whole. As it was, redevelopment has occurred largely on a parcel-by-parcel basis. A more centralized management entity might also have helped stream-line the approval process at the Yard, the length of which forced many deals to fall through as the economics of the real estate market changed. Additionally, the ability to offer up-front subsidies to developers might have put the BRA in a position to negotiate some sort of future profit-sharing agreement; making the agency a stakeholder in the development of the site and giving them an incentive for successful and fast paced redevelopment.

At the Presidio of San Francisco, the Presidio Trust has been given total management control of the interior 80% of the site. The creation of the Trust was a
Congressional compromise between those who wanted to sell off parts of the Presidio to fund the remainder of the site and those who wanted to keep the entire area as a National Park. Learning from earlier large-scale urban redevelopment efforts, the Presidio was granted an adequate amount of start-up capital for initial site improvements, with an accompanying expectation that federal appropriations are to decline every year until the Park is completely financially self-sufficient in 2013. Theoretically, these base year appropriations will fund capital improvements, which in turn will entice private entities to invest in the rehabilitation of commercial buildings at the site. Presidio revenues will increase proportionally to declines in federal funding.

The Presidio’s centralized management system has allowed for more strategic site wide planning. For instance, the PTMP calls for the Park’s more easily renovated wood-frame residential structures to be renovated early, allowing for a quick turnover of revenue, which can be used to fund those structures that pose greater structural challenges. The plan is dependent upon these stable residential funds to pull the Park through any declines in the San Francisco commercial real estate market. Multi-family housing demand in the current recession has been relatively stable compared to other commercial sectors.

The availability of start-up capital may be the most important planning factor in any large-scale urban redevelopment project. At the Charlestown Navy Yard, very little money was available for initial site improvements, causing a delay in the city’s ability to transform the image of the site and attract outside investment. Additionally, a lack of money for land acquisition forced the BRA to make “deals” with both the federal government and outside developers, reducing the control they had over the re-planning
process. At the Presidio, Congress supplied the Trust with funds sufficient for initial capital improvements and placed all management power for Area B with the Presidio Trust, consolidating the Trust’s hold on the site.

**Timing**

At the Presidio, funding issues have been directly tied to timing goals; in exchange for early appropriations, the Presidio Trust has been given a deadline for financial self-sufficiency. If this deadline is not met, the Park will revert back to the Department of Defense for disposal. Critics say that this type of straight-line plan for declining appropriations cannot work because it does not allow for the cyclical nature of the real estate market. Appropriations continue to decline in good investment times and bad. The Presidio Trust has attempted to address these issues in its approach to planning at the site.

The 2002 Final Presidio Trust Management Plan (PTMP) is based on one of seven planning alternatives financially modeled to determine financial self-sufficiency in 2013 based on a number of predetermined assumptions. These models were tested to determine their relative sensitivity to changes in the marketplace such as decreased rental rates, increased vacancy allowances, and increased capital costs. Although all of the models proved to be financially self-sufficient in 2013 based upon “core” assumptions, the Presidio Trust chose to base their Final Plan on the model that could withstand the highest number of unforeseen economic uncertainties. It seems likely that, because of the advanced level of economic forecasting utilized, the Trust will be able to meet its 2013 deadline. It can at least be said that the Park was on track through to Year-End 2001.
The true test of whether or not the Presidio Trust has been able to develop a plan which will be able to meet its Congressionally mandated deadline may be the current economic downturn. With the end of the “Tech boom,” office vacancies in San Francisco sky-rocketed while rents plummeted. In the third quarter of 2002, office vacancies in San Francisco had risen to 17.2%, while rents for class B office space fell to $20.26 PSF. Planning sensitivities only took into account a fall in Class B rents from the core $30 PSF assumption to $25 PSF. If the Trust’s strategic plan, based largely on early residential revenues pulls them through this market downturn, then some optimism can be generated for the future financial success of the Park.

Deadlines for redevelopment projects are a relatively new concept that were developed as a way to try to speed up what sometimes seems to be a never-ending process. Deadlines force planners to limit their visions for the future to those that can be feasibly obtained within a certain span of time. This may be a positive step in redevelopment planning as it creates a sense of urgency that keeps projects on track. On the other hand, it may be dangerous to threaten the project with too harsh of a penalty if deadlines are not met, as idealism is an important part of the planning process making people want something better than what they have. An overly realistic plan would eliminate the need for a special management body, as the ultimate practical answer is to leave the space to the market to do with as it will. It would not take into account the restoration and maintenance of public goods such as open space and historic buildings. The PTMP presents a plan that is a good compromise between worldly practicality and public responsibility.

316 CB Richard Ellis, Office Market San Francisco, Third Quarter 2002.
Deadlines placed on redevelopment projects of the 1980s and 1990s are the direct result of lessons learned in the 1970s on projects such as the Charlestown Navy Yard, which is still “under construction” 28 years after its closing. Original plans called for completion in 8 – 10 years, while plans in the 1980s gave 1990 as a deadline. The 1990 Plan for the Yard’s End called for site completion by the year 2000. As time went on, the BRA continuously updated projected completion dates and the amount of total capital investment necessary for completion. Instead of urgently fighting against the marketplace, projects at the Navy Yard seemed to leisurely follow market trends, never gaining momentum until just before the marketplace peaked leaving bankrupt or delayed projects in its wake. The BRA was not able to support continued site improvements to carry the project forward through economic recessions.

When the Navy left the Charlestown Navy Yard in 1974, the economy was in the midst of a massive recession and no developer could be found to invest in the site. A land transfer agreement with Immobiliare New England was signed in 1978 at the peak of the market cycle, just before the recession of the early 1980s. The real estate market in Boston would not show signs of life again until around 1983, the beginning of one of the biggest real estate booms in Boston’s history. This was abruptly halted by the stock market crash of 1987. Another recession would hit the area in the early 1990s. Each market cycle seemed to bring a re-planning effort for the Navy Yard as the BRA struggled to keep up with marketplace trends.

The master developer, Immobiliare New England was not especially aggressive, pursuing only one project at a time even in boom times. The BRA was not much more successful as no development took place in the Historic Monument Area (HMA) before
1983, and many of the deals negotiated at that time fell through, after protracted negotiations, with the stock market crash of 1987. Development is a "time is money" activity, and developers will not proceed if the market is not there to support the deal. In 1990, a plan was published describing future development at the Yard's End. This plan was partially dependent upon the relocation of the New England Aquarium to Dry Dock Five. By the time negotiations for that project were complete, another recession had hit, the Aquarium could no longer get the money it was expecting from the sale of its original site, and the idea had to be abandoned.

To date, completed development at the Navy Yard has been quite successful, due in part to the BRA's carefully phased plan that predetermined which parcels would be developed and in which order. Parcels were developed to play off each other and designed around publicly provided open space. These sections are not dependent on the whole for their individual success. The incomplete sectors of the Yard are more isolated and do not negatively impact other areas of the site.

For the Presidio Congress did not want to fund an "on-going" redevelopment project such as the one at the Navy Yard, and they placed a time limit on appropriations. Presidio redevelopment might not be "completed" by its deadline, but the Park would at least be financially self-sufficient. This type of deadline could not work at the Navy Yard because revenues from the project are not required to be placed back into the site. The Congressional authors of the Presidio Trust Act took into consideration problems such as the ones encountered at the Navy Yard when they sat down to create the funding structure of the Presidio Trust.
Conclusions

It is possible to examine the entire redevelopment history of the Charlestown Navy Yard in terms of the effect that the BRA’s decided lack of start-up funding had on planning initiatives at the site. The Navy Yard was developed in parcels, the vision for its future ever evolving as changes took place within Boston’s economic and political environments. There was no deadline for redevelopment and thus no real incentive for the development of a quicker or more efficient approval process for potential projects. The Navy Yard redevelopment has been most hindered by a lack of respect for and understanding of the cyclical nature of the real estate market. No plans were made to deal with the advancement of the site during periods of limited investment. Although the BRA and the NPS were never in direct competition or aggressively at odds with each other, they did not work together to share their distinctive expertise, a process that might have aided in the development of a more coherent Navy Yard redevelopment plan.

Plans for the Presidio directly addressed many of these earlier large-scale public planning redevelopment issues. The site would remain a National Park, which would eventually be completely reliant on private funds for the maintenance and development of public goods such as open space and historic preservation. A public/private partnership was developed in order to bring all necessary management and administrative functions into one highly-efficient entity. In this way, building selection could be coordinated with tenant selection, and both could be coordinated with plans for building rehabilitation and design approvals. With all of these working together, scales of efficiency could be achieved.
Importantly, adequate start-up funding was provided to the Trust in the form of federal appropriations and Treasury borrowing. These funds enabled the Trust to gain and maintain a firm grasp on all aspects of site development. Additionally, centralized management allowed for the development of a more comprehensive plan wherein each individual parcel within the Presidio was being developed to advance park wide goals. Financial modeling allowed for the selection of a plan that was most likely to make the Park financially self-sufficient by 2013 in spite of unforeseen economic downturns. Interestingly, lessons learned from major redevelopment projects in the 1970s and 1980s, including the creation of public/private partnerships and the greater streamlining of approval processes, are now causing a backlash at the Presidio. Many feel that not enough voices are being heard in redevelopment plans.

It has to be acknowledged that redevelopment projects of this scale are extremely expensive, and that federal, state, and city governments have not historically been willing to fund these projects. A new way of dealing with these sites has to be developed which balances the advancement of public goods with innovative funding strategies such as the private leasing of public structures. It is better to give a little on historic integrity in order to keep the building in use, maintained, and rehabilitated. Otherwise we as a country will be stuck with a heritage of underutilized historic buildings that we have destroyed in the pursuit of our ideals.
## Revised Budget for Fiscal Year 1999

### THE PRESIDIO TRUST

#### COMPARISON SUMMARY CASH FLOW FOR FISCAL YEAR 1999

<table>
<thead>
<tr>
<th>ORIGINAL BUDGET</th>
<th>REVISED BUDGET</th>
<th>AMOUNT OF CHANGE</th>
</tr>
</thead>
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<tr>
<td><strong>INFLOWS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential (No DOD)</td>
<td>$6,698,587</td>
<td>$5,331,878</td>
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<tr>
<td>Non-Residential</td>
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<td>2,696,534</td>
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<tr>
<td>SDC (includes DOD)</td>
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<tr>
<td>Utilities &amp; Telephone</td>
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<td>Other</td>
<td>1,330,000</td>
<td>651,000</td>
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<tr>
<td><strong>Subtotal - Trust Activities</strong></td>
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<td>$14,140,412</td>
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<tr>
<td>Appropriation</td>
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<td>14,900,000</td>
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<td><strong>Subtotal</strong></td>
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<td><strong>NET FROM TRUST ACTIVITIES</strong></td>
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<td><strong>OTHER INFLOWS</strong></td>
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<tr>
<td>Utility Upgrades Funded by Army</td>
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<td>1,993,000</td>
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<tr>
<td>Environmental Remediation</td>
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<td>5,852,180</td>
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<tr>
<td>Borrowing</td>
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<td><strong>Subtotal</strong></td>
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<tr>
<td>Utility Upgrades Funded by Army</td>
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<td>1,993,000</td>
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<tr>
<td>Capital Projects Funded Internally</td>
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<td>Environmental Remediation</td>
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<td>5,852,180</td>
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<td>Contingency</td>
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<td><strong>NET CASH FLOW</strong></td>
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<td>$255,110</td>
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# The Presidio Trust

## Comparison Summary Cash Flow

**Revised Fiscal Year 1999 vs Fiscal Year 2000**

<table>
<thead>
<tr>
<th></th>
<th><strong>Revised Year 1999</strong></th>
<th><strong>Fiscal Year 2000</strong></th>
<th><strong>Difference</strong></th>
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<td>1,551,318</td>
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<td>171,990</td>
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<td><strong>Other Inflows</strong></td>
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<td>Utility Upgrades Funded by Army</td>
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<td>(1,993,000)</td>
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<td>Dept of Energy Funds for Utility</td>
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<td>2,000,000</td>
<td>2,000,000</td>
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<td>Environmental Remediation</td>
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<td>12,924,155</td>
<td>7,071,975</td>
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<tr>
<td>Borrowing</td>
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<td>7,150,572</td>
<td>(998,428)</td>
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<tr>
<td><strong>Subtotal - Other Inflows</strong></td>
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<td><strong>$22,074,727</strong></td>
<td><strong>$5,080,547</strong></td>
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<td><strong>Other Outflows</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utility Upgrades Funded by Army</td>
<td>1,993,000</td>
<td>(1,993,000)</td>
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<tr>
<td>Capital Projects Funded Internally</td>
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<td>4,201,595</td>
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<td>Capital Projects Funded by Borrowing</td>
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<td>7,150,572</td>
<td>(998,428)</td>
</tr>
<tr>
<td>Environmental Remediation</td>
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<td>12,924,155</td>
<td>7,071,975</td>
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<tr>
<td>Finance &amp; Insurance Costs</td>
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<td>2,965,250</td>
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<td>Contingency</td>
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<td>2,200,000</td>
<td>1,825,000</td>
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<td><strong>Total Outflows</strong></td>
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<td><strong>$31,730,390</strong></td>
<td><strong>$13,072,392</strong></td>
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<td><strong>Net Cash Flow</strong></td>
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<td><strong>$266,098</strong></td>
<td><strong>$10,988</strong></td>
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<td>INFLows</td>
<td>Revised Fiscal Year 2000 Total</td>
<td>Fiscal Year 2001 Total</td>
<td>Amount of Change</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>-------------------------------</td>
<td>------------------------</td>
<td>------------------</td>
</tr>
<tr>
<td>Residential - Net of John Stewart Exp</td>
<td>13,141,138</td>
<td>20,041,810</td>
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<tr>
<td>Current Non-Residential Tenants</td>
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<td>2,170,800</td>
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<td>101,750</td>
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<td>1,050,000</td>
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<td>Special Events Revenue</td>
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<td>279,670</td>
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<td>Demolition of Lettermore</td>
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<td>8,000,000</td>
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<tr>
<td>Reimbursable Contracts/Parking</td>
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<tr>
<td>Subtotal - Trust Activities</td>
<td>23,006,777</td>
<td>46,956,380</td>
<td>23,949,603</td>
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<tr>
<td>Appropriation</td>
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<td>23,400,000</td>
<td>(833,000)</td>
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<tr>
<td>Subtotal</td>
<td>47,239,777</td>
<td>70,356,380</td>
<td>23,116,603</td>
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<table>
<thead>
<tr>
<th>OUTFlows</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditures</td>
<td>FTE</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>General Counsel</td>
<td>2,153,109</td>
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<td>5,950,000</td>
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<td>273,529,936</td>
<td>14,347,746</td>
<td>5.23%</td>
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</tbody>
</table>

| NET FROM TRUST ACTIVITIES                   | 8,620,563                     | 17,358,220             | 8,737,627        | 101.36%          |

| OTHER INFLOWS                               |                               |                        |                  |                  |
| Dept of Energy Funding for Utility Improvements | 0                             | 1,300,000             | 1,300,000        | 100.00%          |
| DOD Funding for Housing Improvements        | 1,000,000                     | 1,000,000              | 0                | 0.00%            |
| Environmental Remediation                   | 12,924,155                    | 20,079,982             | 7,155,827        | 55.37%           |
| Interest on Investments                     | 550,000                       | 750,000                | 200,000          | 36.36%           |
| Borrowing                                   | 6,000,000                     | 22,500,000             | 16,500,000       | 275.00%          |
| Subtotal                                    | 20,474,155                    | 45,629,982             | 25,155,827       | 122.87%          |

| OTHER OUTFlows                              |                               |                        |                  |                  |
| Capital Projects                            | 104,249,343                   | 21,911,014             | 36,600,514       | 189.11%          |
| Environmental Remediation                   | 9,12,924,155                  | 20,079,982             | 7,155,827        | 55.37%           |
| Finance & Insurance Costs                   | 1,835,250                     | 1,735,250              | 100,000          | 6.12%            |
| Contingency /Unknown Projects               | 2,045,000                     | 4,055,000              | 2,010,000        | 98.29%           |
| Subtotal                                    | 113,29,94,748                 | 1,79,921,280           | 33,396,532       | 114.75%          |

<p>| NET CASH FLOW                               | 372                           | 0                      | 506,922          | 506,922          |</p>
<table>
<thead>
<tr>
<th>FISCAL YEAR 2002 TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INFLows</strong></td>
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<td><strong>REVENUE</strong></td>
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<td>Residential - Net of John Stewart Exp</td>
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<td>Non-Residential</td>
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<td>Finance &amp; Business Management</td>
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<td>Finance &amp; Insurance Costs</td>
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<td>Contingency /Unknown Projects</td>
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<td>Finance &amp; Insurance Costs</td>
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<tr>
<td>Contingency /Unknown Projects</td>
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<td><strong>Subtotal</strong></td>
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<td><strong>NET CASH FLOW</strong></td>
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Appendix Two – Sensitivity Analysis – Presidio Trust Management Plan Final Environmental Impact Statement, 2002

Baseline Analysis, pg. 1 of 2

<table>
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<th>TABLE E-1</th>
<th>PTMP Planning Financial Model 2013 Snapshot</th>
<th>Baseline Analysis</th>
<th>Page 1 of 1</th>
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<td>Final Plan Variant</td>
<td>GMPA 2000</td>
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<td>$(47.7)</td>
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<td>$21.5</td>
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<td>Financially Self-Sufficient?</td>
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<td>YES</td>
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<td>Funds Available for Capital Projects</td>
<td>$21.5</td>
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<td>$234</td>
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Notes:
(1) Financial self-sufficiency, as required by congressional mandate, is defined for the purposes of this analysis as FY 2013 total annual revenues in excess of FY 2013 total annual operating expenses.
(2) Capital replacement set-asides begin after the implementation phase has ended.
(3) If the alternative is self-sufficient, annual negative cash flow in any given year is covered by excess cash flow available from prior years.
TABLE E-2
PTMP PLANNING FINANCIAL MODEL PROJECT SUMMARY
BASELINE ANALYSIS
PAGE 1 OF 1

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<thead>
<tr>
<th>Data in Years or Millions</th>
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<th>Final Plan Variant</th>
<th>GMPA 2000</th>
<th>Resource Consolodation</th>
<th>Sustainable Commmunity</th>
<th>Cultural Destination</th>
<th>Minimum Management</th>
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<td>Total Square Feet (millions)</td>
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<td>47</td>
<td>50</td>
<td>5.3</td>
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<tr>
<td>Total Capital Costs</td>
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<td>$236</td>
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<td>approx. 2040</td>
<td>2030</td>
<td>2023</td>
<td>approx. 2030 to 2033</td>
<td>2016</td>
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<td>approx. 2015</td>
<td>approx. 2050 to 2055</td>
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<td>2029</td>
<td>approx. 2040</td>
<td>2018</td>
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<td>($52.0)</td>
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<td>($8.0)</td>
<td>($8.0)</td>
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</table>

Notes:
(1) Completion years that fall beyond the 30-year timeframe of the financial model are approximations.
(2) The implementation phase is terminated after the completion of all capital projects and the funding of all capital replacement reserves.
(3) Stabilized annual program expenses (at 2020).

These models have been prepared to compare different planning alternatives. They represent an illustration of what the financial results of the planning alternatives could look like based upon specific market, timing, financing, and operational assumptions. The results should not be relied upon or interpreted as a budgetary or accounting report or as controlling future implementation plans, decisions, or actions of the Presidio Trust.
### Percentage Decrease in Rents, pg. 1 of 2

#### Table F-1

**PTMP Planning Financial Model FY 2013 Snapshot**  
**Sensitivity - 5% Residential & 10% Non-Residential Decrease in Per-Unit Revenues**  
**Page 1 of 1**

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<thead>
<tr>
<th>Data (in Millions)</th>
<th>Final Plan</th>
<th>Final Plan Variant</th>
<th>GMFA 2000</th>
<th>Resource Consolidation</th>
<th>Sustainable Community</th>
<th>Cultural Destinatn</th>
<th>Minimum Management</th>
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<tr>
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<td>5.6</td>
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<td>YES</td>
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<td>YES</td>
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# TABLE F.2
PTMP PLANNING FINANCIAL MODEL PROJECT SUMMARY
SENSITIVITY - 5% RESIDENTIAL & 10% NON-RESIDENTIAL DECREASE IN PER-UNIT REVENUES

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<th>Final Plan Varietal</th>
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<th>Cultural Destination</th>
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<td>Total Square Feet (millions)</td>
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<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
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<td>$614</td>
<td>$519</td>
<td>$494</td>
<td>$525</td>
<td>$562</td>
<td>$470</td>
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<td>$236</td>
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<td>$295</td>
<td>$251</td>
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<td>approx. 2045</td>
<td>2028</td>
<td>approx. 2045</td>
<td>2017</td>
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<td>approx. 2060</td>
<td>Not Completed</td>
<td>approx. 2060 to 2065</td>
<td>approx. 2035</td>
<td>approx. 2060</td>
<td>2020</td>
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<td>($2.0)</td>
<td>($8.0)</td>
<td>($8.0)</td>
<td>($10.0)</td>
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Notes:
(1) Completion years that fall beyond the 30-year timeframe of the financial model are approximations.
(2) The implementation phase is terminated after the completion of all capital projects and the funding of all capital replacement reserves.
(3) Stabilized annual program expenses (at 2020).

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### TABLE G-1

PTMP PLANNING FINANCIAL MODEL FY 2013 SNAPSHOT
SENSITIVITY - CAPITAL COSTS INCREASED BY 15 PERCENT

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#### Cash Flow Summary

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<th>GMPA 2000</th>
<th>Cultural Destination</th>
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<td>Total Annual Revenue</td>
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<td>$57.6</td>
<td>$49.3</td>
<td>$60.5</td>
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<td>($43.9)</td>
<td>($43.8)</td>
<td>($42.7)</td>
<td>($43.8)</td>
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<tr>
<td>Less: Programs</td>
<td>($3.5)</td>
<td>($2.0)</td>
<td>($2.0)</td>
<td>($5.0)</td>
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<td>Less: Financing</td>
<td>($3.0)</td>
<td>($3.0)</td>
<td>($3.0)</td>
<td>($3.0)</td>
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<tr>
<td>Total Annual Operating Expenses</td>
<td>($50.4)</td>
<td>($48.8)</td>
<td>($47.7)</td>
<td>($52.8)</td>
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<td>Total Annual Revenues Less Total Annual Operating Expenses (1)</td>
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<td>$8.8</td>
<td>$1.6</td>
<td>$7.7</td>
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<td>YES (4)</td>
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#### Capital Projects

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<th>Final Plan Variant</th>
<th>GMPA 2000</th>
<th>Cultural Destination</th>
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<td>$588</td>
<td>$639</td>
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### TABLE G-2
PLANNING FINANCIAL MODEL PROJECT SUMMARY
SENSITIVITY - CAPITAL COSTS INCREASED BY 15 PERCENT

<table>
<thead>
<tr>
<th>Data in Years or Millions</th>
<th>Final Plan</th>
<th>Final Plan Variant</th>
<th>GMPA 2000</th>
<th>Cultural Destination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Square Feet (millions)</td>
<td>5.6</td>
<td>4.7</td>
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<td>6.0</td>
</tr>
<tr>
<td>Capital Projects</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Capital Costs</td>
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<td>$694</td>
<td>$588</td>
<td>$639</td>
</tr>
<tr>
<td>Funded Projects as of 2013</td>
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<td>approx. 2045 to 2050</td>
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<td>approx. 2055</td>
<td>approx. 2060 to 2065</td>
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Class B Office Rents Fall From $30 to $25, Industrial Rents Fall From $12 to $7.50, Pg. 1 of 2

<table>
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<th>TABLE I-1</th>
<th>PTMP PLANNING FINANCIAL MODEL FY 2013 SNAPSHOT SENSITIVITY - RENT UPDATES (8-YEAR AVERAGE) PAGE 1 OF 1</th>
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<td><strong>Data in Millions</strong></td>
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### TABLE 1-2

**PTMP FINANCIAL PLANNING MODEL PROJECT SUMMARY**  
**SENSITIVITY - RENT UPDATES (8-YEAR AVERAGE)**  
**PAGE 1 OF 1**

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<td>Annual Program Expenditures (3)</td>
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**Notes:**  
(1) Completion years that fall beyond the 30-year timeframe of the financial model are approximations.  
(2) The implementation phase is terminated after the completion of all capital projects and the funding of all capital replacement reserves.  
(3) Stabilized annual program expenses (at 2020).

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Rent Updates, Increased Capital Costs, and Delayed Wherry Housing Demolition, pg. 1 of 2

**TABLE K-I**

**PTMP PLANNING FINANCIAL MODEL FY 2013 SNAPSHOT**

**SENSITIVITY - RENT UPDATES & INCREASED CAPITAL COSTS & WHERRY DEMO PHASED 1/3 IN 2012, 1/3 IN 2020, 1/3 IN 2030**

**PAGE 1 OF 1**

<table>
<thead>
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<td>YES</td>
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### TABLE K-2

**FTMP PLANNING FINANCIAL MODEL PROJECT SUMMARY**

**SENSITIVITY - RENT UPDATES & INCREASED CAPITAL COSTS & WHERRY DEMO PHASED 1/3 IN 2012, 1/3 IN 2020, 1/3 IN 2030**

#### PAGE 1 OF 1

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**Notes:**

(1) Completion years that fall beyond the 30-year timeframe of the financial model are approximations.

(2) The implementation phase is terminated after the completion of all capital projects and the funding of all capital replacement reserves.

(3) Stabilized annual program expenses at 2020.

These models have been prepared to compare different planning alternatives. They represent an illustration of what the financial results of the planning alternatives could look like based upon specific market, timing, financing, and operational assumptions. The results should not be relied upon or interpreted as a budgetary or accounting report or as controlling future implementation plans, decisions, or actions of the Presidio Trust.
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<td>4.1</td>
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<td>Less: Financing</td>
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# TABLE L-2
PTMP PLANNING FINANCIAL MODEL PROJECT SUMMARY
SENSITIVITY - NO LDAC

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<td><strong>Capital Projects</strong></td>
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</tr>
<tr>
<td>Total Capital Costs</td>
<td>$583</td>
</tr>
<tr>
<td>Funded Projects as of 2013</td>
<td>$215</td>
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<tr>
<td>Unfunded Projects as of 2013</td>
<td>$368</td>
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<tr>
<td>Year Capital Program Completed</td>
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<tr>
<td>Year Implementation Phase is Completed</td>
<td>approx. 2070 to 2075</td>
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<tr>
<td>Annual Program Expenditures</td>
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Notes:
(1) Completion years that fall beyond the 30-year timeframe of the financial model are approximations.
(2) The implementation phase is terminated after the completion of all capital projects and the funding of all capital replacement reserves.
(3) Stabilized annual program expenses (at 2020).
<table>
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<th>Wherry Demo in 2012, 2020, &amp; 2030</th>
<th>Program Capital Costs at $1M</th>
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<td>5.0</td>
<td>5.0</td>
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</tbody>
</table>

**Cash Flow Summary**

- Total Annual Revenues: $51.0, $50.5, $51.7
- Less: Operating Expenses: ($42.7), ($43.8), ($42.7)
- Less: Programs: ($2.0), ($2.0), ($2.0)
- Less: Financing: ($3.0), ($3.0), ($3.0)
- Total Annual Operating Expenses: ($47.7), ($48.8), ($47.7)
- Total Annual Revenues Less Total Annual Operating Expenses (1): $3.3, $9.7, $4.0
- Financially Self-Sufficient?: YES, YES, YES
- Funds Available for Capital Projects: $3.3, $9.7, $4.0
  - Less: Capital Costs: ($3.4), ($11.9), ($7.4)
  - Less: Capital Replacement Set-Asides (3): $0.0, $0.0, $0.0
  - 2013 Net Cash Flow (3): ($0.1), ($2.2), ($3.4)
  - Capital Projects Total Capital Projects: $519, $519, $519
    - Funded Capital Projects (as of 2013): $255, $267, $258
    - Unfunded Projects (as of 2013): $264, $252, $261
### TABLE N-2
PTMP PLANNING FINANCIAL MODEL PROJECT SUMMARY
GMPA 2000 ALTERNATIVE - BASE CASE AND SENSITIVITIES
PAGE 1 OF 1

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<td>Wherry Demo In 2012, 2020, &amp; 2030</td>
<td>Program Capital Costs at $2M</td>
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<td>5.0</td>
<td>5.0</td>
<td>5.0</td>
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</tbody>
</table>

**Capital Projects**

- Total Capital Costs: $519
- Funded Projects as of 2013: $519
- Unfunded Projects as of 2013: $255
- Year Capital Program Completed (1): approx. 2040
- Year Implementation Phase is Completed (1, 2): approx. 2050 to 2055

**Programs**

- Annual Program Expenditures (3): ($2.0)

**Notes:**

1. Completion years that fall beyond the 30-year timeframe of the financial model are approximations.
2. The implementation phase is terminated after the completion of all capital projects and the funding of all capital replacement reserves.
3. Stabilized annual program expenses (at 2020).

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Appendix Three – Commonly Used Acronyms

ACHP – Advisory Council on Historic Preservation
BNHP – Boston National Historical Park
BRA – Boston Redevelopment Authority
BRAC – Base Closure and Realignment Act
FMP – Financial Management Plan
GAO – General Accounting Office
GGNRA – Golden Gate National Recreation Area
GMPA – General Management Plan Amendment 1994
GSA – General Services Administration
HMA – Historic Monument Area
INE – Immobiliare New England
NDA – New Development Area
NPS – National Park Service
PA – Programmatic Agreement
PTIP – Presidio Trust Implementation Plan 2001
PTMP – Presidio Trust Management Plan 2002
SHPO – State Historic Preservation Office
Appendix 4 – Development Completed to 1989

Projects completed in the HMA:317

1. **Building 31** – The Munster House – Built in 1852 – Redeveloped as the headquarters for the Courageous Sailing Center with 6,000 SF of office space.

2. **Building 33** – The Billings Building – Built in 1852 – Redeveloped with a new interior gallery linking 2nd and 3rd Avenues; a ground floor dedicated to a health club; and upper floors which hold 34,000 SF of office space.

3. **Building 34** – The Parris Building – Built in 1838 – Two new wings were added in the conversion of this building to 40,000 SF of office space and 10,000 SF of ground floor retail. The cost was $4.5 million.

4. **Building 36** – Ironsides Place – Built in 1886 – The building contains 56,000 SF of office space and 9,000 SF dedicated to ground floor retail and a day care center.

5. **Building 39** – The Carriage Building – Built in 1886 – The building contains 22,000 SF of ground floor retail and 72,000 SF of upper floor office space with an arched passage through the building.

---

317 All figures for Projects Completed in the HMA are located within the *Charlestown Navy Yard Master Plan for the Yard’s End A Framework for Discussion* (Boston: Boston Redevelopment Authority, January 1990), p. 57-58.

7. **Building 106** – The Basilica – Built in 1903 – This 119,100 SF structure contains 92 units of rental housing (originally planned for condo units at a cost of $9.5 million). In 1975, this building was slated to be used by the Society for the Preservation of New England Antiquities for a museum with a section reserved for restoration workshop space.

8. **Building 120** – John Paul Jones House – Built in 1905 – This building contains 16,000 SF of office space and is the headquarters for two insurance companies.

9. **Building 149** – Constitution Park – Built in WWI – This building is now occupied by Massachusetts General Hospital and contains 20,000 SF of ground floor retail, a restaurant, a drycleaners, and 630,000 SF of office and research facilities (Buildings 149 and 199 = $61 million). Basic renovation was completed towards the end of 1986.

10. **Building 199** – Navy Yard Parking Facility – Built in WWII – Building 199 acts as a 1386 space parking garage. It is connected to Building 149 by four glassed-in bridges.

11. **Building 266** – Captain’s Quarters – Built in 1826-29 – These row houses have been converted to 22,000 SF of office space and are used by small professional law and architecture firms.
Buildings Under Construction in the HMA:

1. **Building 38** – The Cooper Building – Built in 1854 – Nearing completion, this building will provide 24,000 SF of office space and 8,000 SF of retail.

2. **Building 79** – The Boiler House – Built in 1857 – This 15,000 SF building is under construction and is scheduled for commercial use.

3. **Building 96** – The Power House Substation – This 5,430 SF structure is under construction and is planned for commercial use as a restaurant.

Buildings Completed in the NDA:

1. **Building 103** – The Anchorage – Built in 1903 – Renovation of this 90,300 SF building, for use as senior apartments, was completed in 1985. The joint venture development partners obtained a UDAG for $1.6 million supplemented by a grant of $175,270 from the State Housing Rental Partnership program. The Massachusetts Housing Finance Agency provided low interest rate loans for redevelopment and the developer placed $450,000 in escrow as a rent moderation fund. These four elements in combination have kept the rents at moderate levels.

2. **Building 40** – Building 40 was converted into a 367-car parking garage at a cost of $2 million.

3. **Building 42** – This building is really an assemblage of buildings built in the decade prior to the Civil War. It has been converted to 367 rental apartments known as Constitution Quarters. It was one of the first projects completed at the site in June 1982 at a cost of $28 million.

4. **Building 197** – The building was converted to into 154 condominiums, 13 of which are newly constructed townhouses. The building also contains a garage with room for 165 cars plus outside parking for 20 more. It cost an estimated $25 million.

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318 All figures listed in Buildings Under Construction in the HMA are located within the Charlestown Navy Yard Master Plan for the Yard’s End A Framework for Discussion (Boston: Boston Redevelopment Authority, January 1990), p. 57-58.

319 All figures listed in Buildings Completed in the HNA are located within, Jeffrey Brown and Lois Levit Basilio, Redevelopment of the Charlestown Navy Yard (Boston: Boston Redevelopment Authority, February 1987), unless otherwise specified.

320 Lois Levit Basilio, Redevelopment in the Charlestown Navy Yard (Boston: Boston Redevelopment Authority, January 1987).
5. **The Shipways** - The Shipways is a complex of twenty-one condominium units built in 1984. Twenty-seven more condo units and nine offices were added in 1986 along with a 92-car garage (Phase I cost = $3 million, Phase II cost = $5 million, garage = $1.2 million).

6. **Pier 6** – Pier Six was refurbished into the Shipyard Quarters Marina I with slips for 150 boats in 1982 at a cost of $3.5 million.

7. **Pier 8** – A $4 million rehabilitation for a second marina including slips for 200 boats was finished in 1985.

8. **Pier 7** – Pier 7 is the site of 64 townhouse condos with parking spaces for 110 cars completed in early 1987 at a cost of $19 million.

9. **Parcel 4A** – Parcel 4A is the site of 39 below market rate condos with outdoor space for 39 cars completed in 1987 at a cost of $3.7 million. The below market rate condos in Parcel 4A were financed with the help of a donation of land development rights by Immobiliare and the BRA and a contribution of $500,000 by Immobiliare. Units sold at moderate prices ($70-80,000). Project costs totaled $3.7 million.

![Figure 129 - Building 103, 2002](image1.png)  
![Figure 130 - Building 40, 2002](image2.png)
**Appendix Five - Differences Between the General Management Plan Amendment (1994) and the Presidio Trust Management Plan (2002)**

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<tbody>
<tr>
<td><strong>Focus of Vision Implementation</strong></td>
<td>National Park and Environmental Studies; Preserving the Resource; Park to the People (GGNRA); Swords into Plowshares (NPS)</td>
<td>National Park and Environmental Studies; Preserving the Resource; Park to the People (GGNRA); Swords into Plowshares (NPS)</td>
<td>Financial &amp; Functional; Resource Preservation, Leasing, Sustainability, Community Services, Program Themes</td>
</tr>
<tr>
<td><strong>Funding Assumptions</strong></td>
<td>Continued Federal subsidy</td>
<td>Diminishing Federal subsidy ending in 2013</td>
<td>Diminishing Federal subsidy ending in 2013</td>
</tr>
<tr>
<td><strong>Finanically Self-Sufficient?</strong></td>
<td>N/A</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td><strong>Tenant Selection</strong></td>
<td>Develop Framework for Mission-Related Tenants (For-profit, Non-profit, and governmental)</td>
<td>Develop Framework for Mission-Related Tenants (For-profit, Non-profit, and governmental)</td>
<td>Prefer non-mission related tenants to fund improvements and to improve visitor experience</td>
</tr>
<tr>
<td><strong>Program Development &amp; Oversight in Area B</strong></td>
<td>NPS &amp; federal agency in charge of leasing, etc.</td>
<td>NPS &amp; Presidio Trust</td>
<td>Presidio Trust</td>
</tr>
<tr>
<td><strong>Annual Program Costs</strong></td>
<td>approx. 1 million</td>
<td>2 million</td>
<td>19-22 million</td>
</tr>
<tr>
<td><strong>Demolition apart from Letterman</strong></td>
<td>1,500,000 bsf</td>
<td>1,120,000 bsf</td>
<td>1,070,000 bsf</td>
</tr>
<tr>
<td><strong>New Construction apart from Letterman</strong></td>
<td>215,000 bsf</td>
<td>170,000 bsf</td>
<td>710,000 bsf</td>
</tr>
<tr>
<td><strong>Demolition and New Construction at Letterman</strong></td>
<td>503,000 bsf (allowed but not mandated)</td>
<td>900,000 bsf [+500,000 bsf garage]</td>
<td>1,000,000 bsf [+500,000 bsf garage]</td>
</tr>
<tr>
<td><strong>Total New Replacement Construction including Letterman</strong></td>
<td>718,000 bsf</td>
<td>1,070,000 bsf [+500,000 bsf garage]</td>
<td>1,710,000 bsf [+500,000 bsf garage]</td>
</tr>
<tr>
<td><strong>Total Overall Building</strong></td>
<td>5,100,000 bsf (areas A+B)</td>
<td>5,010,000 bsf (area B)</td>
<td>5,600,000 bsf (area B)</td>
</tr>
<tr>
<td><strong>Total Open Space</strong></td>
<td>978 acres (A+B)</td>
<td>794 acres (area B)</td>
<td>793 acres (area B)</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>4,800 employees</td>
<td>6,734 employees</td>
<td>7,190 employees</td>
</tr>
<tr>
<td><strong>units / dorms</strong></td>
<td>602 units / 938 beds</td>
<td>510 units / 260 units</td>
<td>1240 units / 410 S10s</td>
</tr>
<tr>
<td><strong>residents / guests</strong></td>
<td>2,000 / 720</td>
<td>1600 / N/A</td>
<td>3,720 / N/A</td>
</tr>
<tr>
<td><strong>Parking Spaces</strong></td>
<td>8,386 (A+B)</td>
<td>7,777 (B)</td>
<td>9,529 (B)</td>
</tr>
<tr>
<td><strong>Projected Visitation per Day</strong></td>
<td>22,000 (A+B)</td>
<td>13,500 (B)</td>
<td>25,100 (B)</td>
</tr>
<tr>
<td><strong>Projected Visitation per Year</strong></td>
<td>8.4 million (A+B)</td>
<td>5.1 million (B)</td>
<td>9.2 million (B)</td>
</tr>
<tr>
<td><strong>Park Planning</strong></td>
<td>13 Planning Areas with specific land uses</td>
<td>Conceptual</td>
<td>Conceptual with 7 Planning Areas</td>
</tr>
</tbody>
</table>

*Provided by the Friends of the Presidio National Park, 2002*

2002
- Demolish Letterman Hospital and Letterman Army Institute Research Facility
- Construct 900,000 SF Letterman Digital Arts Center
- Rehabilitate existing non-residential buildings for reuse
- Demolish miscellaneous non-historic, non-residential space
- Consider miscellaneous new construction to facilitate adaptive reuse and historic building preservation
- Demolish 66 dwelling units for the Tennessee Hollow restoration
- Invest in natural resource restoration
- Invest in subdivision/conversion of existing buildings to replace lost housing units

2010
- Demolish 1/3 of Wherry Housing for habitat restoration
- Allow new construction of replacement housing if required to achieve financial goals
- Demolish selected units in West Washington for habitat restoration

2020
- Demolition of 1/3 of Wherry Housing for habitat restoration
- Demolish selected units in East Washington for additional open space

2030
- Demolish 1/3 of Wherry Housing for habitat restoration

*Timeline published in the Presidio Trust Management Plan, 2002*
Bibliography

Primary Sources – Presidio of San Francisco


Secondary Sources – Presidio of San Francisco


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**Primary Sources - Charlestown Navy Yard**


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