

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
REGULAR BOARD MEETING

Thursday, October 11, 2018

The Board of Trustees of the War Memorial of San Francisco met in regular session at 2:00 p.m. on Thursday, October 11, 2018, in the Trustees' Board Room, War Memorial Opera House, President Bechtle presiding.

ROLL CALL

Present: President Bechtle, Vice President Walker, Trustee Davis, Trustee Horn, Trustee Levin, Trustee Lui, Trustee Moscone, Trustee Myatt and Trustee Pelosi

Absent: Trustee Shultz and Trustee Wilsey

Staff Present: Elizabeth Murray, Managing Director, and Jennifer Norris, Assistant Managing Director

APPROVAL OF MINUTES

President Bechtle called for approval of the minutes of the September 13, 2018 regular meeting of the Board. On motion of Trustee Lui and seconded by Trustee Moscone, the minutes were unanimously approved.

MANAGING DIRECTOR'S REPORT

Rental Requests: Ms. Murray stated that rental requests mailed to Trustees are routine and requested their approval. On motion of Trustee Horn, seconded by Trustee Moscone, the following resolution was unanimously adopted:

RESOLUTION NO. 18-37

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that the October 11, 2018 rental requests are hereby approved.

Director's Report:

War Memorial Chief Financial Officer: Ms. Murray introduced Christopher Muyo, the War Memorial's new Chief Financial Officer, a new departmental position in the FY 2018-19 budget. Ms. Murray stated that Chris comes to the War Memorial from the Mayor's Office of Public Policy & Finance where he served as a budget analyst for a number of City departments including the War Memorial. Ms. Murray asked Trustees to take a moment to meet Chris after today's meeting.

Swords to Plowshares – Veterans Building Occupancy: Ms. Murray gave an update on Swords to Plowshares' plans to occupy space in the Veterans Building. She noted that at the August 10, 2017 meeting of the board, the Trustees approved the allocation of Veterans Building Suite 313, currently allocated to the American Legion Posts, to Swords to Plowshares pursuant to the Trustees' Policy Governing Allocation of Space in the Veterans Building to Patriotic Organizations; the Trustees also approved the allocation of Veterans Building Suite 310, currently an unassigned and unfinished space, to Swords to Plowshares. Since August 2017, Swords has been working with an architect on developing plans and specifications for tenant improvements to the Veterans Building space, and staff has drafted the occupancy agreement for Swords to Plowshares' use and occupancy of the 6,822 square feet of space in Veterans Building Suites 310 and 313. Ms. Murray stated that Swords to Plowshares is proposing to start tenant improvement construction in late November 2018, and to commence occupancy in April 2019. She asked that the Veterans Committee convene prior to the November 8, 2018

regular meeting of the board to consider and adopt recommendations on Swords to Plowshares' proposed tenant improvement plans as well as the occupancy agreement. President Bechtle referred this item to the Veterans Committee.

SECRETARY'S REPORT

Revenue, Appropriations and Housekeeping Expenditures Reports for September 2018: Ms. Norris stated that Revenue, Appropriations and Housekeeping Expenditures reports for September 2018 have been distributed to Trustees, and she requested approval of September 2018 housekeeping expenditures as submitted.

On motion of Trustee Moscone, seconded by Trustee Horn, the following resolution was unanimously adopted:

RESOLUTION NO. 18-38

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that Purchase Order Nos. PO222804 through PO231275 are hereby approved.

COMMITTEE REPORTS

Veterans Committee:

Renewal of Agreement with American Legion War Memorial Commission:

Trustee Myatt, Chair of the Veterans Committee, reported that the Committee met earlier today to consider the proposed renewal agreement between the War Memorial Board of Trustees and the American Legion War Memorial Commission under which an annual sum is paid by the War Memorial to the Commission.

Trustee Myatt stated that the renewal agreement stems from the 1977 transfer of management and control of what is now the Herbst Theatre and the Green Room from the Commission to the Trustees in exchange for a more assured source of income to help cover the Commission's office expenses related to administering Veterans Building space allocated for veterans' use. Each of the original 1977 agreement and 17 subsequent renewal agreements specified an annual sum to be paid by the Trustees to the Commission from Herbst Theatre rental revenues based on the Commission's needs and requirements at the time.

Trustee Myatt stated that the current renewal agreement covers the two-year period from January 1, 2017 to December 31, 2018, and in 2018, the Trustees will pay to the Commission a total of \$38,592. He noted that this direct support is in addition to annual in-kind support to the San Francisco American Legion Posts of approximately \$379,000 for building services and utilities.

Trustee Myatt reported that the Committee reviewed a number of documents including staff's report and worksheet for the Commission's 2019 and 2020 budgets. He noted there was no representative of the American Legion War Memorial Commission present at the Committee meeting.

Trustee Myatt stated that following discussion, the Veterans Committee voted unanimously to recommend approval of the draft renewal agreement with the American Legion War Memorial Commission for the two-year period from January 1, 2019 to December 31, 2020; and the payment by the Trustees to the Commission of \$40,828 in each of 2019 and 2020, with the 2020 amount reduced by the amount of any fund balance remaining from sums paid in 2019.

During public comment Paul Cox, Chair of the American Legion War Memorial Commission, apologized for his absence at the Committee meeting due to a flat tire. He stated that he did a spending analysis and concluded that the Commission's spending is within a percentage point of the funding provided by the Trustees and the annual \$2,400 payment from the American Legion Auxiliary, so he believes they are receiving sufficient funds to cover current expenses. Mr. Cox said that for the future, the Commission would like an additional \$20,000 to hire a second part-time employee. Mr. Cox expressed his appreciation for the Trustees' continuation of the agreement.

Following discussion, and on motion of Trustee Levin and seconded by Trustee Horn, the following resolution was unanimously adopted:

RESOLUTION NO. 18-39

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby adopts the report and recommendation of its Veterans Committee and approves the proposed renewal agreement between the War Memorial Board of Trustees and American Legion War Memorial Commission effective January 1, 2019.

Presentors Liaison Committee:

San Francisco Symphony request to replace Davies Symphony Hall lobby furnishings:

Trustee Horn, Chair of the Presentors Liaison Committee, reported that the Committee met earlier today to consider the Symphony's request to replace Davies Symphony Hall lobby furnishings. He stated that the Symphony presented floor plans showing locations and depictions of proposed new lobby furnishings which they hope to install in February 2019. He noted that the Symphony plans to begin development of a second phase of this project, to replace furnishings related to food and beverage services, next month.

Trustee Horn reported that following discussion, the Committee voted unanimously to recommend approval of the Symphony's proposed Phase 1 lobby furniture selections for Davies Symphony Hall subject to further review of club chair and fabric selections by President Bechtle and Trustee Shultz; the Committee also voted unanimously to recommend approval of the Symphony's proposal to use \$235,000 from the Symphony Facility Enhancement Fee Fund for the purchase and installation of the Phase 1 Davies Symphony Hall lobby furnishings.

Following discussion, and on motion of Trustee Horn and seconded by Trustee Pelosi, the following resolution was unanimously adopted.

RESOLUTION NO. 18-40

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby adopts the report and recommendations of its Presentors Liaison Committee and approves the San Francisco Symphony's proposed Phase 1 lobby furniture selections for Davies Symphony Hall subject to final review of the Loge club chair and fabric selections by President Bechtle and Trustee Shultz.

Further resolved that the Trustees hereby approve the Symphony's proposal to use \$235,000 from the Symphony Facility Enhancement Fee Fund for the purchase and installation of the Phase 1 replacement of Davies Symphony Hall lobby furnishings.

REGULAR ITEMS

City Box Office Agreement – Two-year extension option: President Bechtle stated that under agreement with the War Memorial, City Box Office provides Box Office and Ticket Sales Services to licensees of the Herbst Theatre. She stated that the current agreement with City Box Office is for a three-year term from October 1, 2015 to September 30, 2018, with an option at the discretion of the War Memorial for a two-year extension. President Bechtle stated that Trustees have received the letter from City Box Office requesting approval of the two-year extension option through September 30, 2020; Trustees have also received the City Box Office Schedule of Services and Fees.

Ms. Lauren McQuade, President of City Box Office, addressed the trustees expressing City Box Office's ongoing commitment to providing professional ticket sales services to licensees of the Herbst Theatre. She stated that City Box Office is requesting approval of the two-year agreement extension under the current agreement's terms and conditions and with no changes to the current fee structure to presenting organizations.

In discussion, Ms. Murray stated that City Box Office has been an important partner of the War Memorial for over 20 years and she stated the staff's full support for approval of the proposed two-year extension.

Following discussion, and on motion of Trustee Pelosi and seconded by Trustee Lui, the following resolution was unanimously adopted:

RESOLUTION NO. 18-41

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby approves the request of City Box Office to enact the two-year extension option in their agreement from October 1, 2018 to September 30, 2020 for provision of Herbst Theatre Box Office and Ticket Sales Services.

Opera request for "Tosca" exhibit: President Bechtle stated that Trustees have received a letter from the San Francisco Opera requesting to install an exhibit in the Opera House main lobby on Puccini's opera "Tosca" from October 3 to November 5, 2018. She noted this request was only received September 26, so the exhibit is already in place at this time and the Trustees are being asked to approve it retroactively.

Following discussion, and on motion of Trustee Horn and seconded by Trustee Moscone, the following resolution was unanimously adopted:

RESOLUTION NO. 18-42

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby approves retroactively the request of the San Francisco Opera to install an exhibit in the Opera House main lobby on Puccini's "Tosca" from October 3 to November 5, 2018.

GOOD AND WELFARE

Trustee Myatt reported that the World War I Armistice Commemoration Committee continues to develop exhibits and event activities related to the Armistice Centennial.

Trustee Myatt said that Fleet Week, from October 2 through October 8, 2018, was a great success. He noted that on October 2, there were a number of Fleet Week related activities held in the Veterans Building including a veteran's resource seminar, a luncheon for service personnel, and a special sale of the newly released WWI commemorative stamp and unique themed cachet envelopes.

Trustee Levin stated that the traditional Veterans Day parade will take place on Sunday, November 11, 2018 from 11:00 a.m. to 1:00 p.m. at Fisherman's Wharf.

ADJOURNMENT

There being no further business to come before the Board, President Bechtle adjourned the meeting at 2:25 p.m.



Jennifer E. Norris
Executive Secretary