

**MINUTES**  
**WAR MEMORIAL BOARD OF TRUSTEES**  
**SPECIAL MEETING**

**Thursday, February 16, 2017**

The Board of Trustees of the War Memorial of San Francisco met in a special session at 3:00 p.m. on Thursday, February 16, 2017, in the Trustees' Board Room, War Memorial Opera House, President Horn presiding.

**ROLL CALL**

Present: President Horn, Vice President Bechtle, Trustee Davis, Trustee Levin, Trustee Lui, Trustee Myatt, Trustee Pelosi, Trustee Shultz and Trustee Wilsey

Absent: Trustee Moscone, Trustee Walker

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

**APPROVAL OF MINUTES**

President Horn called for approval of the minutes of the January 12, 2017 meeting of the Building Committee. On motion of Trustee Shultz, seconded by Trustee Wilsey, the minutes were unanimously approved.

President Horn called for approval of the minutes of the January 12, 2017 regular meeting of the Board. On motion of Trustee Pelosi, seconded by Trustee Davis, the minutes were unanimously approved.

**PRESIDENT'S REPORT**

**Reappointments to War Memorial Board of Trustees:** President Horn stated he is very pleased to announce that Mayor Ed Lee has reappointed seven members of the War Memorial Board of Trustees to new four-year terms. President Horn congratulated Trustees Bechtle, Levin, Lui, Moscone, Pelosi, Shultz and Wilsey on their reappointments. The Mayor will swear-in the seven reappointees on Tuesday, February 28 at 2:30 p.m., in the Mayor's Office. All Trustees are welcome to attend.

**Comment on discussion at last month's Board meeting:** President Horn stated that after last month's meeting he received a couple calls from Trustees wanting a bit more explanation on the action taken by the Board concerning renewal of the Korean War Memorial Foundation occupancy agreement for Veterans Building space. He said that he perhaps moved discussion on this item too quickly and therefore would provide additional comments. President Horn noted that during last month's public comment on this item, the president of the Korean War Memorial Foundation stated his objection that the Board was imposing utility charges on the Foundation and that the Foundation was the only veterans' organization paying such charges. President Horn noted that the utility charges referenced by the president of the Foundation are charges called for in the War Memorial Trust Agreement to be paid by the American Legion Posts and patriotic organizations and are charges which the War Memorial has historically waived for the American Legion Posts and long-time veteran membership organizations who have occupied Veterans Building space, some going back to 1933.

President Horn noted that during the last few years the Board was in litigation with the American Legion War Memorial Commission, and the issue boiled down to a definition of what constitutes a "patriotic organization" under the Trust Agreement. The Trustees argued for the limited interpretation that has been historically applied and the Commission argued for a broader definition. And, after the litigation, the judge agreed with the Commission. Subsequently and in consultation with the Office of the City Attorney, the Trustees decided not to appeal the judge's decision and that we would develop and adopt a policy as to how to handle this new

expanded definition going forward and how to handle new patriotic organizations that would be coming into the Veterans Building.

President Horn stated that during the Board's policy formulation, one of the major issues was the fact that there would be increased costs for utilities and services as a result of increased utilization of the building by an increasing number of new patriotic organizations. The Board decided that the proper solution and our fiduciary responsibility was best served by keeping with the terms of the Trust Agreement and having the user – who pays no rent – pay for utility and service costs. The policy adopted by the Trustees provides that the War Memorial shall continue to waive utility and service fees for the beneficiaries of the Trust and the long-time veterans membership organizations that have been in the Veterans Building, and that new incoming patriotic organizations will be responsible for paying the utility and service fees called for under the Trust.

President Horn said it is true the Korean War Memorial Foundation is the only veterans' organization currently paying a utility/service fee for its Veterans Building space because they are the first patriotic organization to be installed in the Veterans Building under the Board's policy. He noted there are other patriotic organizations, such as Swords to Plowshares, that have expressed interest in coming into the Veterans Building, and those incoming patriotic organizations will be expected to pay the utility/service fee.

Trustee Levin stated that in the case of the Korean War Memorial Foundation he is of two minds as they are a very deserving organization which is actually using the building where other organizations which do not pay utility charges are not in fact using the building. Nevertheless he expressed concern about changing the policy relative to other incoming patriotic organizations.

Vice President Bechtle stated it is wise for the Board to have a policy and to follow that policy rather than to pick and choose those we feel may be more deserving than others. She said some of these incoming patriotic organizations, including the Korean War Memorial Foundation and Swords to Plowshares, have been paying rent elsewhere at a higher rate than that of utility and service fees.

President Horn stated that this discussion was to respond to Trustee questions and is not an action item. He called for any public comment on this discussion.

Paul Cox, Chair of the American Legion War Memorial Commission, stated that he feels the Board's policy should be revisited. He said there are two basic issues. One is the utility charge which some organizations such as Swords to Plowshares are happy to pay because it will reduce the amount they are paying elsewhere for rent. On the other hand, the Korean War Memorial Foundation would like to put all the money they raise into their education programs. Mr. Cox stated that when the Commission first submitted a list of patriotic organizations after settlement of the petition, there were 17 organizations that wanted to have space in the Veterans Building. He said only one of those organizations, the Korean War Memorial Foundation, has actually come into the building and only because they were under stress to find space. He said none of the other organizations are willing to pay the utility fee. Mr. Cox said a lot of these organizations do great work with veterans, but they are membership organizations that do not have any money or a budget for rent or utility fees.

Mr. Cox said the second part of the policy he feels should be addressed is the issue of space allocation. The policy states clearly that the War Memorial Board of Trustees must determine the American Legion Posts are fully utilizing their current space before they will consider allocating any additional space to the Posts. He said this puts Swords to Plowshares in a bind as they don't need second floor space currently allocated to the Posts, rather they need a substantial amount of space on the 3<sup>rd</sup> floor much of which is unused and some of it not even built-out. Mr. Cox said he has an appointment with Trustee Myatt at the beginning of next month and hopefully we can begin the conversation of modifying the policy.

### **MANAGING DIRECTOR'S REPORT**

**Rental Requests:** Ms. Murray stated that rental requests are routine and requested their approval. On motion of Trustee Shultz, seconded by Trustee Wilsey, the following resolution was unanimously adopted:

RESOLUTION NO. 17-06

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that the following rental requests are hereby approved:

WAR MEMORIAL OPERA HOUSE

Youth Speaks	July 22, 2017	\$2,500.00 vs 10%
Teen Poetry Slam		\$5,200.00 maximum

LOUISE M. DAVIES SYMPHONY HALL

San Francisco Symphony	June 1 – August 31, 2017	\$71,875.00 vs
2016-17 (partial) Season		\$74,575.00 max
Another Planet	August 5, 2017	\$2,500.00 vs 10%
Diana Krall		\$7,500.00 maximum

HERBST THEATRE

The Commonwealth Club of California	March 8, 2017	\$1,250.00
Madeleine Albright		
San Francisco Opera Guild	April 28, 29, 2017	\$1,950.00
How Andy Found His Voice		
TUTU School	June 18, 2017	\$1,250.00
Student Dance Recitals		
Another Planet Entertainment	June 25, 2017	\$2,500.00
Michael Che		
GAPA Foundation	August 26, 2017	\$1,250.00
Runway 2017		
Congregation Sha'ar Zahav	September 20, 21, 29, 30, 2017	\$5,000.00
2017 High Holidays		
Education Media Group	September 23, 2017	\$2,500.00
One Day University		
Philharmonia Baroque Orchestra	October 6, 2017	\$8,750.00
Concerts	November 11, 2017	
	December 8, 14, 2017	
	February 9, 2018	
	March 8, 2018	
	April 27, 2018	
Glasgow3 LLC	October 9, 10, 2017	\$4,875.00
TEDx San Francisco		

Earth Island Institute Brower Youth Awards	October 17, 2017	\$1,925.00
San Francisco Chamber Orchestra Concerts	October 27, 2017 December 30, 2017 February 23, 2018 April 20, 2018	\$5,000.00
Golden Gate Restaurant Association The Saucy Awards	November 6, 2017	\$1,250.00
SFJAZZ Javier Limon	November 8, 2017	\$1,250.00
Presidio Performing Arts Foundation In the Land of Sweets	December 2, 3, 2017	\$2,250.00
Urban School Concerts	December 10, 2017 April 14, 2018	\$2,500.00
African American Shakespeare Company Cinderella	December 18-24, 2017	\$8,500.00
Chamber Music San Francisco Concerts	February 11, 24, 2018 March 4, 11, 17, 2018 April 15, 22, 2018 May 13, 20, 2018 June 6, 12, 2018	\$13,750.00
Exem Entertainment Comedy Performance	May 18, 2018	\$2,500.00
Chinese American International School Graduation Ceremony	June 13, 2018	\$1,250.00

### **WILSEY CENTER FOR OPERA**

African American Shakespeare Company	May 31 – June 17, 2017 September 5 – October 1, 2017	\$14,800.00
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### **Director's Report:**

**SFMTA Van Ness Improvements Groundbreaking:** Ms. Murray stated that the SFMTA will hold a Van Ness Avenue Improvement Project Groundbreaking Ceremony on Wednesday, March 1 at 11:00 a.m. on the Van Ness Avenue sidewalk in front of the Memorial Court gates.

### **SECRETARY'S REPORT**

**Revenue, Appropriations and Housekeeping Expenditures Reports for January 2017:** Ms. Norris stated that Revenue, Appropriations and Housekeeping Expenditures reports for January 2017 have been distributed to Trustees, and she requested approval of January 2017 housekeeping expenditures as submitted.

On motion of Vice President Bechtle, seconded by Lui, the following resolution was unanimously adopted:

RESOLUTION NO. 17-07

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that Purchase Order Nos. WM17187 through WM17201 and Revenue Transfer 17007 are hereby approved.

Ms. Norris stated that the Trustees must complete and electronically submit their annual Statement of Economic Interest by April 3, 2017. She added that Annual Sunshine Declaration forms must be filed in hard copy with the Ethics Commission no later than April 1. Ms. Norris stated the mandatory one-hour Sunshine Training video is available on the website of the Office of the City Attorney and that she will be sending information and reminders to the Trustees in the coming week.

COMMITTEE REPORTS**Building Committee:****San Francisco Symphony request to initiate a per ticket "Hall Improvement Fee" for ticketed Symphony events in Davies Symphony Hall:**

Trustee Pelosi, Chair of the Building Committee, stated that the Committee met earlier today to consider the request of the San Francisco Symphony to initiate a per ticket "Hall Improvement Fee" for ticketed Symphony events in Davies Symphony Hall effective with the sale of 2017-18 Symphony Season tickets. He stated that the Symphony proposes to charge \$3.00 per ticket for orchestra and loge sections and \$2.00 per ticket for all other sections. Chair Pelosi stated that the Symphony reviewed a list of specific improvement projects which the Symphony would like to implement from the Hall Improvement Fee. These improvements are focused on enhancing the patron experience before and after concerts, particularly in the lobby areas.

Chair Pelosi reported that following discussion, the Committee voted unanimously to recommend approval of the Symphony's request subject to the same conditions as those attached to the San Francisco Opera's and San Francisco Ballet's Opera House Facility Fee.

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

RESOLUTION NO. 17-08

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby adopts the report and recommendation of its Building Committee and approves the San Francisco Symphony's request to initiate a per ticket "Hall Improvement Fee" effective with the sale of the 2017-18 Symphony Season tickets subject to the following conditions:

- The Symphony shall provide quarterly reports to the War Memorial on Hall Improvement Fee income and expenditures;
- Any change in the amount of the Hall Improvement Fee is subject to consideration and approval by the War Memorial Board of Trustees;
- The War Memorial Board of Trustees must approve in advance all projects to be funded by the Hall Improvement Fee; and
- Design and development of projects funded by the Hall Improvement Fee remain under the purview of, and must be approved by, the War Memorial Board of Trustees.

**Budget and Finance Committee:**

Trustee Lui, Chair of the Budget and Finance Committee, reported that the Committee met earlier today to review staff's proposed budgets for Fiscal Years 2017-18 and 2018-19, including revenues and expenditures for operating, debt service, facilities maintenance and capital budgets.

Trustee Lui stated that following discussion, the Committee voted unanimously to recommend approval of staff's proposed budgets for Fiscal Years 2017-18 and 2018-19. Following discussion and on motion of Trustee Myatt, seconded by Trustee Davis, the following resolution was unanimously adopted:

**RESOLUTION NO. 17-09**

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby adopts the report and recommendation of its Budget and Finance Committee and approves staff's proposed Departmental Budgets for Fiscal Years 2017-18 and 2018-19.

**GOOD AND WELFARE**

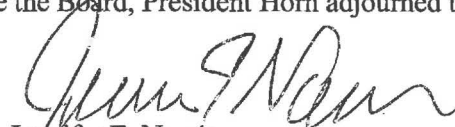
Trustee Levin stated that he wanted to thank the San Francisco Arts Commission for the current exhibit which is by and for veterans. He noted that the exhibit started during Veterans Day weekend and it was supposed to end March 4, but has now been extended. He encouraged everyone to see this exhibit.

**PUBLIC COMMENT**

Paul Cox, Chair of the American Legion War Memorial Commission, stated that they have been keeping a record of visits to the Veterans Success Center, and visits have been gradually increasing to a total of 154 visits during the month of January. He added that the Veterans Success Center found full-time jobs for three veterans and part-time jobs for three others. Mr. Cox also stated that the War Memorial Commission is in the process of assembling a committee to work on the 100<sup>th</sup> Anniversary of the centennial of World War I. He said that during the next year, they are going to try and come up with programs for that, and they are thinking of proposing a stained glass window in the stairway of the Veterans Building.

**ADJOURNMENT**

There being no further business to come before the Board, President Horn adjourned the meeting at 3:30 p.m.

  
Jennifer E. Norris  
Executive Secretary