

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
REGULAR BOARD MEETING
Thursday, November 9, 2023

The Board of Trustees of the War Memorial of San Francisco met in regular session on Thursday, November 9, 2023, at 2:00 p.m., in the Trustees' Board Room, War Memorial Opera House, President Horn presiding.

ROLL CALL

Present: President Horn, Vice President Lui, Trustee Fisher, Trustee Gatti, Trustee Kopp, Trustee Newstat, Trustee Pelosi, Trustee Rocco, Trustee Wilsey, and Trustee Wright

Absent: Trustee Muduroglu

Staff Present: Kate Sofis, Managing Director; Rob Levin, Assistant Managing Director; Francesca Cicero, Board Secretary

Board Secretary Cicero made an opening announcement related to remote public comment. She stated that due to the recent passing of San Francisco Board of Supervisors Rule 231020, on October 17, 2023, remote public comment, except as necessary for disability accommodations, has been discontinued. She noted that members of the public are invited to observe the meeting in-person or online, but only members of the public attending the meeting in-person will have an opportunity to provide public comment. She stated that no one online will be permitted to unmute themselves or present at the Board Meeting.

Requests for accommodation for remote public comment should be made at least 48 hours prior to the meeting, by email or voicemail (WarMemorialBoard@sfgov.org or 415-554-6377).

PRESIDENT'S REPORT

President Horn had no updates to report to the Board.

MANAGING DIRECTOR'S REPORT

Managing Director Kate Sofis began with brief remarks about the APEC conference. She noted that while there are no official events taking place on the campus, the banners approved at the previous meeting welcoming APEC members were currently hanging outside the Opera House. She also mentioned the Department has been working with the Mayor's office, DPW, and other City departments to understand how the conference, including road closures, may affect the licensees in the War Memorial buildings, although currently all events were moving forward as scheduled. She also reminded the Board of two Department of Human Resources-required trainings to complete by December 31, 2024: Bystander Intervention and Transgender 101. She also echoed earlier comments on the recent change to remote public comment, that due to the Board of Supervisors passing their rule change, there will no longer be remote public comment or other participation by presenters or Board members over zoom. She noted that in the interests of good and transparent government, the Department will continue to broadcast the Board meetings over zoom, noting that outside of requests in advance for disability accommodations, the zoom is for observation purposes only.

Managing Director Sofis reminded Trustees that 2024 will be an election year. She noted that there are certain ethics rules and regulations surrounding political activity for Board members, which have been previously

circulated to the Trustees. She noted that as a general rule, City officers and employees may support or oppose candidates and ballot measures in their personal capacities. Director Sofis stated that City officers and employees may not solicit political contributions from other City officers and employees, even while off duty. Deputy City Attorney Lauren Curry was invited to address the Board to answer questions. She reminded the Board that in addition to the prohibition on solicitation of political contributions from other City employees, Board members are not permitted to fundraise for their appointing authority. She noted that while individual contributions to a Mayoral candidate are permitted, City officials cannot fundraise for a candidate for Mayor. She also stated that the prohibition attaches to the office of the appointing authority and not a specific candidate. Ms. Curry also noted that City officials can support ballot measures in their individual capacities and the Board cannot take a position on any ballot measure as a City commission. Trustee Wright mentioned that she understood certain non-profits that receive funding from the City are not able to support the office of the Mayor. Director Sofis responded that if a non-profit is funded by a City department, it is sound practice that the organization stay clear of political activity that may be connected to their funding sources.

ASSISTANT MANAGING DIRECTOR'S REPORT

Approval of Consent Agenda: Assistant Managing Director Levin stated that items submitted on the Consent Agenda included: the minutes of the Regular Board Meeting of October 12, 2023; Rental Requests for November 9, 2023; and the Revenue, Appropriations and Housekeeping Expenditures reports for October 2023.

Following discussion, on motion of Trustee Kopp, seconded by Trustee Gatti, the following resolution was unanimously adopted:

RESOLUTION NO. 23-31

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco, the minutes of the Regular Board Meeting of October 12, 2023; Rental Requests for November 9, 2023; and the Revenue, Appropriations and Housekeeping Expenditures reports for October 2023, are hereby approved.

Director Levin updated the Board on some changes that have been taking place in the venues with the concessionaire of the buildings, Global Gourmet Catering. He stated that by request of the resident companies, there has been a task force convened that includes representatives of the resident companies, War Memorial staff, and Global Gourmet. He noted the team has been brainstorming ideas around topics such as utilization of space, food and beverage offerings, and pricing. He stated that these projects have been identified in phases from those that can be implemented very quickly in the short-term, all the way up to longer-term projects that may take more planning and investment. Director Levin described some of the changes that have already been implemented include restoration of table linens in the Opera House restaurants, hot food items in the North Box bar, and returning to having reservations available on OpenTable. He explained that they will present some of the next-phase projects to the Board in January 2024 for input. He also remarked that there already has been a lot of positive feedback on these changes from patrons.

Vice President Lui asked about whether the changes previously implemented to the pricing structure for events in The Green Room had made any impact to-date. Director Levin responded that staff has reported a strong uptick in inquiries: prior to the rate change, there were zero inquiries for weddings for next year, and since the rate change there have been at least sixteen new inquiries to rent the space.

REGULAR ITEMS

Update on War Memorial Departmental mid-year budget cuts: President Horn stated that as mentioned in the last meeting, the Mayor's Budget Office recently mandated that all City departments cut 3% from their General Fund budgets by October 26, 2023. He invited Director of Finance and Administration, Donna D'Cruz to update the Board on the details of the budget cuts and how the Department is set to be impacted by these mid-year budget cuts. Director D'Cruz noted that the Departmental budget for the upcoming fiscal year is \$39 million dollars, which is inclusive of our General Fund contribution of \$17 million dollars, as well as the \$8.3 million dollars for

capital projects received for the Opera House mansard roof and elevator projects. She explained that the 3% mid-year budget cut is to be taken from the \$17 million-dollar General Fund contribution, requiring \$510,000 dollars in cuts for the year. She reported that they closed out some older capital projects and deferred others, leading to \$235,000 dollars in savings. She also stated that \$48,000 was cut from the Facilities and Maintenance budget and \$100,000 dollars in salary savings due to positions that had not been filled. She noted that were approximately \$126,000 dollars cut from the Operating Budget, including Interdepartmental Services, management training, materials and supplies, and City Attorney fees. Director D’Cruz also responded to a question from Vice President Lui about the \$8.3 million dollars for capital projects, explaining that those budgeted funds are in Certificates of Participation, which will be requested as needed to complete the phases of the project. Ms. D’Cruz also remarked that the Department of Public Works has already begun working on the project and completed a walkthrough for both the Opera House roof and the elevator. She noted that the timeline for the project is currently three years, as determined to work around the resident companies’ schedules. Vice President Lui emphasized that the longer the wait for completion, the more expensive it will become to complete. Director Sofis noted that the department must use DPW as the project manager on the projects because they are City-owned properties. She emphasized that the current budget has been cut down as far as possible, without jeopardizing the long-term maintenance of the buildings for any short-term gains on deferring maintenance in the near term. Director Sofis explained that she believes that there will be requests for further budget cuts in the future, and that the Department needs to be firm on the things that cannot be cut while also being creative with new revenue-generating avenues.

Refer Budget to Budget & Finance Committee: President Horn stated that the War Memorial’s two-year budget for Fiscal Years 2024-25 and 2025-26 is due to the Mayor’s Office in February 2024. He referred this matter to the Budget and Finance Committee and requested that the Committee meet as required to review and consider budget recommendations.

MISCELLANEOUS CORRESPONDENCE

None.

GOOD AND WELFARE

There being no good and welfare, President Horn closed good and welfare.

PUBLIC COMMENT

There being no public comment, President Horn closed public comment.

ADJOURNMENT

There being no further business, Chair Horn adjourned the meeting at 2:31 p.m.



Francesca Cicero
Board Secretary