

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
BUILDING COMMITTEE / SPECIAL MEETING

Thursday, April 13, 2023

The Building Committee of the Board of Trustees of the War Memorial of San Francisco met in-person at 1:36 p.m. on Thursday, April 13, 2023, in the in the Trustees' Board Room, War Memorial Opera House, Chair Pelosi presiding.

ROLL CALL

Committee Members Present: Chair Pelosi, President Horn, Vice President Lui, Trustee Gatti, Trustee Rocco, and Trustee Wilsey

Committee Members Absent: Trustee Muduroglu

Non-Committee Members:
Present Trustee Newstat

Staff Present: Rob Levin, Acting Managing Director/Executive Secretary

Proposed Borrower's Agreement Governing SFMoMA Sculptures: Chair Pelosi opened the meeting reminding Trustees that prior to the meeting, Trustees received a Proposed Borrower's Agreement between the San Francisco Museum of Modern Art (SFMoMA) and the War Memorial regarding the ongoing loan of two artworks: Fletcher Benton's *Balanced - Unbalanced T* and Peter Voulkos's *Hiro II* sculptures on display on the War Memorial campus. He stated that the Borrower's Agreement was negotiated with the SFMoMA through the City Attorney's office to provide a formal governing contract for the care and maintenance of the works that are on the premises but owned by the museum. He noted that the proposed SFMoMA Borrower's Agreement governs the War Memorial's responsibilities for the general conditions, care of loaned works, environment and security, damages and repairs, and annual maintenance of these works. Chair Pelosi pointed out the loan would start on April 13, 2023, and ends on January 31, 2024, and would automatically renew for subsequent one-term terms unless terminated.

Chair Pelosi invited Deputy City Attorney Lauren Curry, SFMoMA's Associate Registrar, Kelly Parady, and Mei Li, Assistant General Counsel to the SFMoMA, to take questions from the Trustees. Trustee Gatti inquired about the end-date of the contract. Ms. Li stated that these works have been on display at the War Memorial since the early 1980s, but the loan was never properly documented, and this agreement represents a new effort to document and establish the loan. She noted that the parties had to start the term somewhere, and so it is being signed in April, but will renew every January. Chair Pelosi also noted that since the contract will continue to auto-renew each year until terminated, it may not matter what month contract actually "ends" on each year.

Vice President Lui asked about how often appraisals of the artwork are done, with regard to the cost of insuring the pieces. Acting Managing Director Levin stated he believed that the SFMoMA provided the War Memorial with the dollar value. Ms. Li stated that previously the SFMoMA had insured the sculptures, but one of the changes from that practice that this contract covers, is that the insurance will now fall under the City's insurance, and the City has agreed to insure the works moving forward. Ms. Parady stated that their office tends to re-appraise work every 5-6 years and her office will track the insurance values. President Horn asked about why the City was choosing to insure the works. Ms. Li noted that in the historical documentation she found, the SFMoMA had chosen to insure the works that were installed offsite in-and-around San Francisco, but with changes to how artistic works are insured in today's world, it is now the practice to have the borrower's insure the works. She noted that the limitations on liability in the original insurance agreement from 1981, would likely not create an obligation on the museum's part, due to the fact it is not in the control of the SFMoMA being off-site, and the City would likely have to be brought into any case involving damage regardless, due to it being

displayed on City property. Trustee Gatti and Trustee Wilsey asked about whether the SFMoMA would still continue to hold insurance on it, and Ms. Li stated that she believes that the museum does maintain supplemental insurance on all their works. Ms. Parady agreed that that was correct. Trustee Wilsey stated that the standard is if it's in a City-owned building, the City will insure it. She gave the example that the Fine Arts Museums have federal indemnity insurance, but once it leaves the premises, the insurance would be the responsibility of the next venue. Trustee Gatti stated that for example, when the Art Commission loans a painting out, the place where it is being displayed is the party who must take out insurance on the artwork.

Following discussion, and on motion of Trustee Wilsey, seconded by Trustee Gatti, the following recommendation was unanimously adopted:

RECOMMENDED, To the Board of Trustees of the War Memorial of San Francisco that it approve the Proposed Borrower's Agreement between the San Francisco Museum of Modern Art and the War Memorial, for the care and maintenance of the Fletcher Benton's *Balanced - Unbalanced T* and Peter Voulkos's *Hiro II* sculptures, currently on display on the War Memorial's campus.

PUBLIC COMMENT

Public comment is an opportunity for members of the public to directly address the Committee on items within the subject matter jurisdiction of the Budget and Finance Committee, but not on the agenda.

There being no public comment, Chair Pelosi closed public comment.

ADJOURNMENT

There being no further business to come before the Board, Chair Pelosi adjourned the meeting at 1:54 p.m.



Rob Levin
Executive Secretary