

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
REGULAR MONTHLY MEETING

Thursday, January 14, 2010

The Board of Trustees of the War Memorial of San Francisco met in regular session at 2:00 p.m. on Thursday, January 14, 2010, in the Trustees' Board Room, War Memorial Opera House, President Bechtle presiding.

ROLL CALL

Present: President Bechtle, Vice President Shultz, Trustee Bashford, Trustee Davis, Trustee Farrow, Trustee Horn, Trustee Jarman, Trustee Moscone, Trustee Myatt;

Absent: Trustee Pelosi.

Staff Present: Elizabeth Murray, Managing Director
Jennifer Norris, Assistant Managing Director/Executive Secretary

APPROVAL OF MINUTES

President Bechtle called for approval of the minutes of the December 10, 2009 regular meeting of the Board. On motion of Trustee Jarman, seconded by Trustee Myatt, the minutes were unanimously approved.

PRESIDENT'S REPORT

Trustee Tsakopoulos-Kounalakis: President Bechtle reported that since the December meeting, Trustee Tsakopoulos-Kounalakis was confirmed by the U.S. Senate to the post of United States Ambassador to Hungary. President Bechtle stated that Trustee Tsakopoulos-Kounalakis has submitted her resignation from the War Memorial Board of Trustees to Mayor Newsom, due to her acceptance of this appointment.

Committee Assignments for 2010: President Bechtle reported that a list of Committee assignments for 2010 has been distributed to Trustees. She noted that Committee assignments have been slightly revised to reflect the resignation of Trustee Tsakopoulos-Kounalakis. President Bechtle stated that Trustee Davis has agreed to serve as chair of the Budget and Finance Committee, which will be scheduling a meeting during the next month to consider and adopt recommendations on the War Memorial's budget request for Fiscal Year 2010-11. President Bechtle invited Trustees to contact her if they wish to serve on alternate or additional committees and noted that all Trustees are welcome and encouraged to attend all Committee meetings.

San Francisco Ballet Season: President Bechtle reported that the Ballet will open its 2010 Repertory Season on January 20, with a special performance at the Opera House and opening night festivities at City Hall. On behalf of the Board, President Bechtle extended best wishes to the Ballet for a successful Repertory Season.

MANAGING DIRECTOR'S REPORT

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

RESOLUTION NO. 10-01

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

HERBST THEATRE

Anne Thull Fine Art Designs Energy by Design	February 19, 2010	\$1,250.00
New Century Chamber Orchestra Open Rehearsal	March 3, 2010	\$750.00
San Francisco Sinfonietta Family Concert	March 14, 2010	\$750.00
City Arts & Lectures Lectures	April 13, 20, 2010 May 10, 11, 13, 2010	\$3,750.00
World Affairs Council Myaan Hirsi Ali	May 26, 2010	\$750.00
School of the Arts Graduation Ceremony	June 3, 2010	\$525.00

Additional Rental Requests: Ms. Murray requested approval of additional rental requests as submitted. On motion of Vice President Shultz, seconded by Trustee Horn, the following resolution was unanimously adopted:

RESOLUTION NO.10-02

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

HERBST THEATRE

Geographic Expeditions Kim MacQuarrie	February 23, 2010	\$750.00
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SECRETARY'S REPORT

Revenue, Appropriations and Housekeeping Expenditures Reports for December 2009: Ms. Norris referred to the Revenue, Appropriations, and Housekeeping Expenditures Reports for December 2009, and requested approval of housekeeping expenditures as submitted. On motion of Trustee Horn, seconded by Trustee Moscone, the following resolution was unanimously adopted:

RESOLUTION NO. 10-03

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that Purchase Order Nos. WM10124 through WM10143, and Interdepartmental Work Order No. WM10013, are hereby approved.

COMMITTEE REPORTS**Veterans Building Committee:**

Trustee Horn reported the Veterans Building Project Committee held its fourth meeting on January 12, 2010, to continue its hearing and discussion on proposals and plans for future Veterans Building space programming and utilization. He stated the Committee has been meeting since February 2008, to provide opportunity for public

participation and focused consideration on planning for the Veterans Building Seismic Upgrade and Improvement Project.

Trustee Horn reported the Committee had previously met in November 2008, and reviewed updated conceptual schematics for the Opera's proposed annex at the west end of the Veterans Building as well as for Herbst Theatre backstage support space and a proposed 4th floor performance venue. The Committee was adjourned to the call of the Chair, pending further review of historic preservation criteria applicable to the proposed annex and to provide the American Legion Posts additional time to develop and submit space utilization and programming information. Subsequent to that meeting, and in May 2009, the War Memorial engaged Mark Cavagnero Associates for pre-design architectural services to include reviewing prior space utilization studies, developing space planning scenarios, and reviewing program improvement proposals relative to applicable historic preservation standards and requirements. And, since mid 2009, the Opera—also working with Cavagnero Associates—further developed design concepts for the proposed annex.

Trustee Horn reported on two items considered by the Veterans Building Project Committee at its January 12, 2010 meeting:

1. San Francisco Opera Proposal for the addition of an annex to the Veterans Building:

Trustee Horn reported that a presentation was made to the Committee by the San Francisco Opera on its proposal to add an “annex” or “bustle” at the west end of the Veterans Building to accommodate various needs of the Opera company. David Gockley, San Francisco Opera General Director, reviewed the Opera's goal to consolidate its various functions—currently housed in eight locations across the City—into a new annex at the west end of the Veterans Building. Architect Mark Cavagnero presented schematics of two potential annex structures and reviewed the interior layout of the proposed annex, which would include Opera scene shop, costume shop, rehearsal spaces, office space and storage.

Don Young, project consultant for the Opera, presented an overview of project costs and implementation. Opera costs for construction of the annex are estimated at \$60 million. Mr. Young discussed that combining the Opera annex project with the City's Veterans Building seismic retrofit project—for which the City is scheduled to provide \$130 million—provides potential savings in construction costs. Further cost savings can be achieved by implementing the project in a public/private partnership with the War Memorial Board of Trustees as “project sponsor” and the Opera as “development manager,” similar to how the recent Academy of Sciences project was implemented. Such savings could be redirected to cover the costs of additional Veterans Building upgrades desired by the Trustees but not included in the City's project funds.

Trustee Horn stated that Trustees have received a summary packet of the Opera's presentation made at the Committee meeting, and Opera representatives are present to answer any additional questions.

Trustee Horn reported that following discussion, the Committee voted unanimously to recommend to the full Board of Trustees that the San Francisco Opera's proposal to add an ‘annex’ at the west end of the Veterans Building be approved in concept, and that Opera and War Memorial staff be authorized to develop terms and conditions of a potential Memorandum of Understanding between the Opera and War Memorial regarding implementation of a combined project.

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

RESOLUTION NO. 10-04

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby approves in concept the San Francisco Opera's proposal to add an ‘annex’ at the west end of the Veterans Building; and that it hereby authorizes War Memorial and Opera staffs to develop terms and conditions of a potential Memorandum of Understanding between the War Memorial and Opera identifying the roles and responsibilities of the parties under a scenario whereby the Opera would act as develop manager for the combined project on behalf of the War Memorial as project sponsor, and identifying terms and conditions under which the

War Memorial would lease the Veterans Building annex, once completed, to the Opera for use as an Opera production and learning center.

2. Veterans Building Space Programming:

Trustee Horn reported that the Committee reviewed and discussed preliminary Veterans Building space planning diagrams prepared for the War Memorial by Cavagnero Associates. Beth Murray noted that in preparing these preliminary diagrams, Cavagnero Associates evaluated prior space planning studies prepared by Tom Eliot Fisch in 2001 and Auerbach Associates in 2008, and gathered input on current and projected building utilization. She also noted that the diagrams reflect public programming goals previously identified by the Trustees including new and expanded public programming on the first and fourth floors such as galleries, performance space, ticket services, café, and expanded and accessible support space for Herbst Theatre.

Trustee Horn stated that the Trustees have received copies of these preliminary diagrams, and again noted that Veterans Building space planning is a work in progress and will continue to be updated over the next few months. Trustee Horn reported that no action was taken by the Committee on this item and Committee members and interested parties were asked to take time subsequent to the meeting to review the diagrams and provide comments to War Memorial staff. Trustee Horn stated that the Committee will meet again in the next few months to further consider Veterans Building space planning, and will ultimately adopt space planning recommendations later this year.

REGULAR ITEMS

Update on Symphony/Ballet/Opera Wine Partnership with E&J Gallo Winery: President Bechtle stated that at the June 2008 meeting, the Board approved the request of the San Francisco Symphony, Opera and Ballet, to offer as part of their Wine Sales Opportunity Proposal, exclusive pourage rights of red, white and sparkling wines at intermission bars in the Opera House, Davies Symphony Hall and Herbst Theatre, subject to certain conditions.

President Bechtle reported to the Board that the Symphony, Opera and Ballet have now entered into a wine partnership arrangement with E&J Gallo Winery. President Bechtle asked Katie Nicely, Associate Director of Development for the San Francisco Symphony, to provide an update to the Trustees on the new wine partnership.

Katie Nicely stated that as part of the wine partnership arrangement, the Symphony, Opera and Ballet are now receiving in-kind wine donations from E&J Gallo for all their events where complimentary wine is served. She stated that Gallo has an extensive portfolio of wines allowing for a variety of products to be offered, and that Gallo has worked with Patina Catering to feature brands at all intermission bars. Development staff from each of the Symphony, Opera and Ballet thanked the Trustees and Patina for making this unique partnership possible.

Ms. Murray stated that the wine partnership has significant and worthwhile benefits to the Symphony, Opera and Ballet, however, it does reduce Patina's revenue and the War Memorial's commissions from wine sales for special events.

GOOD AND WELFARE

President Bechtle, who also serves on the Presidio Trust, stated that she wanted to communicate to veterans organizations presently utilizing space in the Veterans Building that the Presidio Trust would welcome them at the Presidio during the closure of the Veterans Building.

Trustee Myatt reported that the working group discussing a Veterans' Memorial for the Memorial Court has continued to meet and make progress on their plans to unveil a new monument on November 11, 2011. He stated that the San Francisco Arts Commission is now involved as they have experience in conducting public

design competitions similar to the process being discussed by the working group. Trustee Myatt stated that he will continue to update the Trustees on this project as the planning process proceeds.

ADJOURNMENT

There being no further business, President Bechtle adjourned the meeting at 2:40 p.m.

Jennifer E. Norris
Executive Secretary