

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
REGULAR MONTHLY MEETING

Thursday, November 10, 2011

The Board of Trustees of the War Memorial of San Francisco met in regular session at 2:00 p.m. on Thursday, November 10, 2011, in the Trustees' Board Room, War Memorial Opera House, President Shultz presiding.

ROLL CALL

Present: President Shultz, Vice President Myatt, Trustee Bashford, Trustee Jarman, Trustee Moscone, Trustee Pelosi, Trustee Stafford, Trustee Wilsey;

Absent: Trustee Bechtle, Trustee Davis, Trustee Horn;

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

APPROVAL OF MINUTES

President Shultz called for approval of the minutes of the October 13, 2011 regular meeting of the Board. On motion of Vice President Myatt, seconded by Trustee Moscone, the minutes were unanimously approved.

MANAGING DIRECTOR'S REPORT

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

RESOLUTION NO. 11-38

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

San Francisco Ballet 2012 Repertory Season	January 9 – May 6, 2012	\$146,400.00
Presidio Performing Arts Foundation Dancing Across Cultures	April 30, 2012	\$2,500.00

LOUISE M. DAVIES SYMPHONY HALL

SFJAZZ 2012 Spring Season	February 21, 2012 April 6, 2012	\$5,000.00 vs 10% \$9,300.00 maximum
UCSF School of Nursing Graduation Ceremony	June 5, 2012	\$3,250.00
Finger Lakes Choral Festival Berlioz Requiem	August 4 & 5, 2012	\$4,600.00 vs. 10% \$6,750.00 maximum

HERBST THEATRE

California Academy of Sciences 2012 Series	January 31, 2012 February 13, 2012 March 5, 2012 April 3, 24, 2012 May 21, 2012	\$4,950.00
Merola Opera Program Merola Behind The Scenes	February 16, 2012	\$825.00
SFJAZZ 2012 Spring Season	February 17, 20, 2012 March 10, 23, 25, 2012 April 14, 19, 21, 22, 2012 May 5, 12, 26, 2012 June 9, 17, 2012	\$13,275.00
The Gospel Gators Concert	April 13, 2012	\$825.00

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

RESOLUTION NO. 11-39

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

LOUISE M. DAVIES SYMPHONY HALL

TechCrunch The 5 th Annual Crunchies Awards + Lobby Reception	January 31, 2012	\$8,750.00
Jason Michael Paul Productions, Inc. The Legend of Zelda – Symphony of the Goddesses	March 28, 2012	\$2,500.00 vs. 10% \$6,750.00 maximum

HERBST THEATRE

Pricewaterhouse Coopers LLP Town Hall Meeting	January 6, 2012	\$1,400.00
City Arts & Lectures 2012 Social Studies Series & Special Event	February 3, 21, 29, 2012 March 13, 2012 April 10, 2012 May 24, 2012 June 4, 2012	\$5,775.00

Final Report of Revenue and Expenditures for Fiscal Year 2010-11: Ms. Murray stated that in advance of today's meeting, Trustees received a copy of the War Memorial's Final Report of Revenue and Expenditures for Fiscal Year 2010-11, as well as the War Memorial FY 2010-11 Annual Report. Ms. Murray reported that FY 2010-11 earned revenues exceeded budgeted revenue by \$358,000, and actual expenditures were below budgeted expenditures by \$791,000. These budget savings totaling \$1,149,000 offset the FY 2010-11 budgeted use of War Memorial Fund balance of \$1.05 million and provided a net surplus of \$91,000 returned to the War Memorial Fund balance.

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

RESOLUTION NO. 11-40

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby approves the War Memorial Final Report of Revenue and Expenditures for Fiscal Year 2010-11.

SECRETARY'S REPORT

Revenue, Appropriations and Housekeeping Expenditures Reports for October 2011: Ms. Norris referred to the Revenue, Appropriations, and Housekeeping Expenditures Reports for October 2011, and requested approval of housekeeping expenditures as submitted. On motion of Trustee Moscone, seconded by Trustee Bashford, the following resolution was unanimously adopted:

RESOLUTION NO. 11-41

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that Purchase Order Nos. WM1200097 through WM1200118 and Interdepartmental Work Order No. RE12005 are hereby approved.

Harassment Prevention Training 2011: Ms. Norris reminded Trustees that Harassment Prevention Training must be completed by all City supervisors, managers and members of Boards and Commissions by December 31, 2011. She noted that War Memorial staff is available to assist Trustees in using the online training program.

COMMITTEE REPORTS

Building Committee:

San Francisco Symphony request to modify plan for Davies Symphony Hall exterior display cases:

Trustee Pelosi, Chair of the Building Committee, reported that the Committee met earlier today to consider and adopt recommendations on the request from the San Francisco Symphony to modify its previously approved plan for installation of free-standing display cases on the exterior of Davies Symphony. He stated that in May 2011, the Trustees approved the Symphony's request to install five free-standing display cases, three on the Grove Street sidewalk and two on the Van Ness Avenue sidewalk. The three Grove Street display cases were installed in September 2011; however, the Symphony encountered resistance from Caltrans, which has jurisdiction over the Van Ness Avenue sidewalk, to grant the necessary permit to install the two display cases on Van Ness Avenue. As a result, the Symphony has now proposed to install the two display cases originally planned for the Van Ness Avenue sidewalk on the Grove Street sidewalk, at either end of the vehicle cut-out in front of the Davies Symphony Hall box office entrance.

Trustee Pelosi stated that the Committee viewed mock-ups of the additional display cases in the proposed alternative locations on Grove Street. He stated that following discussion, the Committee voted unanimously to recommend approval of the Symphony's request to modify its plan for Davies Symphony Hall exterior display cases.

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

RESOLUTION NO. 11-41

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 request of the San Francisco Symphony to modify its plan for installing free-standing display cases on the exterior of Davies Symphony Hall by relocating the two display cases previously approved for installation on Van Ness Avenue to Grove Street.

Veterans Committee:

Proposed Renewal of Agreement between War Memorial Board of Trustees and American Legion War Memorial Commission: Vice President Myatt, Chair of the Veterans Committee, reported that due to lack of a quorum, the Veterans Committee was unable to meet in official session at its meeting scheduled for November 9, 2011. He reported that in informal session, Trustee Stafford, War Memorial staff and he met with American Legion War Memorial Commission representatives, out-going Chair Roger Dong and incoming Vice Chair Paul Cox, to discuss the proposed renewal of the agreement between the War Memorial Board of Trustees and the American Legion War Memorial Commission.

Vice President Myatt reported that during this informal session they reviewed several documents including staff's report on the proposed renewal, staff summaries of the Commission's income and expenditures for 2010, 2011 and 2012, and a history of the annual sums paid by the Trustees to the Commission since the original 1977 agreement. He stated that Trustees have received copies of these documents which provide important and interesting background on this agreement, which was originally entered into in 1977, and which has been renewed for 14 subsequent two-year periods.

Vice President Myatt stated that the current two-year renewal agreement is due to expire on December 31, 2011. Under the current agreement, an annual sum of \$37,200 has been paid to the Commission for calendar years 2010 and 2011, which amount includes a \$6,000 annual contribution from the San Francisco Museum of Modern Art and monthly payments from the Trustees from Herbst Theatre rental revenues totaling \$31,200 annually.

Vice President Myatt stated that following review of related documents and hearing from authorized representatives of the American Legion War Memorial Commission, he and Trustee Stafford concurred to forward staff's recommendation to the full Board of Trustees as follows:

- To renew the agreement for a period of 18-months, from January 1, 2012 through June 30, 2013. This reduced renewal period reflects the planned closure of the Veterans Building for a two-year construction period commencing on 7/1/13, during which period the War Memorial will receive no rental revenues from Herbst Theatre or from other Veterans Building facilities.
- An annual sum to be paid to the Commission of \$37,200, the same annual sum paid under the current renewal agreement, which includes the \$6,000 annual contribution from the Museum of Modern Art. It is noted that should any portion of the contribution from the Museum be discontinued during the 18-month renewal term – anticipating the Museum's move-out from its Veterans Building basement storage space prior to the July 1, 2013 building closure – the War Memorial will be responsible for increasing its payment to reach the total \$37,200 annual sum.
- That other conditions of the renewal agreement pertaining to Legion Reports remain the same as the current renewal agreement.
- That the word "permanently," which appears in two locations in Recital B of the current renewal agreement be removed as it is superfluous and such change does not change the fact that the transfer of space was indeed permanent.
- And, as we continue the planning process for closing the Veterans Building effective July 1, 2013, should additional information or circumstances arise that impact terms of the agreement, that we reconsider such impacted terms at that time.

Following discussion, on motion of Vice President Myatt, seconded by Trustee Stafford, the following resolution was unanimously adopted:

RESOLUTION NO. 11-42

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby approves the renewal of the agreement between the War Memorial Board of Trustees and the American Legion War Memorial Commission in accordance with the War Memorial staff recommendation.

REGULAR ITEMS**San Francisco Symphony request for temporary décor change of the Loge Lobby of Davies Symphony**

Hall: President Shultz stated that Trustees have received the letter from the San Francisco Symphony requesting to temporarily change the décor in the loge lobby of Davies Symphony Hall to feature their new official airline, Emirates. She said that the temporary change would be for a four-day period from November 17-20, 2011, during which there are four Symphony concerts. She stated the proposed décor changes include replacing existing furnishings with rental furnishings; two free-standing illuminated image panels with “Emirates” branding; wrapping loge lobby columns with images of clouds and the Emirates logo; branded throw pillows on couches and possible coffee table branding; and an “enter-to-win” contest with co-branded survey card giving away a business class round-trip package from San Francisco to Dubai.

Ms. Kathleen Nicely, Associate Director of Development for the San Francisco Symphony, addressed the Trustees on this special request, and noted that should the request be approved, it will be subject to the War Memorial’s commercial display policy and fee of \$1,500 per day.

Following discussion, and on motion of Trustee Bashford, seconded by Vice President Myatt, the following resolution was unanimously adopted:

RESOLUTION NO. 11-43

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco that it hereby approves the request of the San Francisco Symphony to temporarily change the décor in the loge lobby of Davies Symphony Hall to feature the Symphony’s official airline, “Emirates,” for a four-day period from November 17 – 20, 2011, subject to the War Memorial’s commercial display policy and fee schedule.

Request from San Francisco Opera and San Francisco Ballet to begin the process of investigating replacement of Opera House auditorium seats to be funded by a per ticket facility fee:

President Shultz stated that Trustees have received the letter from the San Francisco Opera and the San Francisco Ballet requesting to begin the process of investigating replacement of Opera House auditorium seats to be funded by a per ticket facility fee. As noted in their letter, the Opera and Ballet are looking to expedite such a project that is outside of the current capital planning cycle of the War Memorial, and they are proposing that funding for the project be generated from an Opera/Ballet facility fee that would be applied to each ticket sold by the Opera and Ballet.

President Shultz referred this request to the Board’s Building Committee, and asked the Committee to work with the Opera and Ballet in considering this request, including questions such as:

- Whether a new replacement seat would be possible that respects the historic integrity of the Opera House while providing greater patron comfort; and
- Whether it would be appropriate for the Opera and Ballet to institute a temporary facility fee to fund a seating project.

GOOD AND WELFARE

Vice President Myatt, in honor of today being the birthday of the United States Marine Corps, invited Trustees and attendees to join him immediately after the Board meeting in the Opera House main lobby to recognize the Marine Corps birthday with a cake.

ADJOURNMENT

There being no further business, President Shultz adjourned the meeting at 2:30 p.m.

Jennifer E. Norris
Executive Secretary