

**CALIFORNIA CULTURAL AND HISTORICAL ENDOWMENT
BOARD MEETING
DRAFT MINUTES**

**Thursday, September 7, 2006
11:00 A.M.**

Location: Library and Courts II Building
 900 N Street, Room 501
 Sacramento, California

Members of the Board in attendance:

Ms. Susan Hildreth, Chairperson
Ms. Suzanne Deal Booth (Via teleconference)
Mr. Tom Campbell, represented by Vince Brown
Mr. Michael Chrisman, represented by Ms. Karen Scarborough
Ms. Georgette Imura
Mr. Bobby McDonald (via teleconference)
Mr. James Irvine Swinden (via teleconference)
Mr. John Vein (via teleconference)

Representing the Senate

Assemblymember Hector De La Torre, represented by Juan Torres

Staff in attendance:

Ms. Diane Matsuda, Executive Officer
Mr. Joseph Klun, Assistant Director (via teleconference)
Ms. Rachel Magana, Executive Secretary
Mr. Frank Ramirez, Research Program Specialist
Mr. Tony Planchon, Research Program Specialist
Mr. Bill Batts, Architectural Associate
Mr. Billy Cheung, Office Technician (via teleconference)
Ms. Christine Sproul, Deputy Attorney General

1. Roll Call

Chairperson Hildreth introduced new Board members Vince Brown serving on behalf of Anne Sheehan and Karen Scarborough representing Michael Chrisman.

Chairperson Hildreth called the meeting to order at 11:05 a.m. A quorum was established. Chairperson Hildreth asked Mr. Swinden to serve as Vice Chair at the Southern California site.

2. Chairperson's Report

Chairperson Hildreth reminded members of the public and the new Board members that this is a special meeting to accommodate projects that are ready to move forward. Normally this Board meets quarterly and the regularly scheduled meeting will be held in October.

There were no comments from the public.

3. Approval of Minutes for July 27, 2006 (action)

Ms. Imura moved approval of the July 27 minutes; seconded by Ms. Booth. With a roll call vote the motion carried unanimously.

There were no comments from the public.

4. Executive Officer's Report

Ms. Matsuda updated the Board on the following three items:

- She introduced new staff member Tony Planchon, Research Program Specialist.
- She received a copy of an interim audit performed by the Department of Finance on the San Diego Natural History Museum and the museum was in conformity with the generally accepted accounting principles.
- She has been informed that the Julia Morgan Center for the Arts, a project from Round 1, is currently undergoing an audit.
- CCHE staff would like to respectfully remove agenda item 5.4 from Board consideration at today's meeting. It will be placed on the agenda for October's meeting.
- Regarding projects involving the Department of Parks and Recreation, she has discussed with counsel a way to accommodate projects that were reserved for funding in Round 2, where the real property which is owned by the Department of Parks and Recreation, can be accommodated. In a meeting with the Department of Parks and Recreation there was a discussion on ways to resolve the needs and requirements of the Endowment, yet comply with the legislation and regulations of the Department of Parks and Recreation. It was mutually agreed upon that the Department of Parks and Recreation would create a contract that would be entered into with each of the projects that have received the reservation of funding from the Endowment, and this contract will require the Department of Parks and Recreation and the nonprofit entity to comply with specific provisions that will be enforceable by CCHE. This contract will also give CCHE the assurances that the terms we usually require of other grant applicants will also be met by these applicants as well. It should be noted that it will be up to each applicant to provide the information to show that they can comply with the contractual terms.
- In this last round, Round 3, it is important to consider a review process where various sections of the application are reviewed by

individuals or a team of experts who have a particular skill in that given area. Staff believes that more time is needed for applicants to prepare their grant applications and for CCHE to conduct a thorough review process. Staff will be submitting a revised timeline to reflect this issue at the next Board meeting.

Public Comment

There were no comments from the public.

5. Review of Round Two Project Grant Applications for action on approval of funding

Ms. Matsuda presented the following projects:

- 5.1: La Plaza de Cultura Y Artes

This Project, in the City of Los Angeles, County of Los Angeles with a reserved amount of \$2,500,000, will rehabilitate two deteriorating historic structures owned by the Los Angeles County, the Plaza House and the Vickrey-Brunswig Building, for adaptive reuse as a center for Mexican-American history, genealogy and culture.

Mr. Jonathan Yorba with the La Plaza de Cultura Y Artes thanked the Board and staff for working with them. This project has been a long time dream in the community and he looks forward to the Board's approval.

There were no questions or comments from the public.

Ms. Booth moved to approve Resolution 6b 1-8 on La Plaza de Cultura de Artes; seconded by Mr. Brown. With a roll call vote the motion carried unanimously.

- 5.2: City of Pasadena

This project, in the City of Pasadena, County of Los Angeles, with a reserved amount of \$800,000, is for the seismic retrofit and rehabilitation of the Pasadena City Hall. A Findings of Fact and Statement of Overriding considerations is attached as Exhibit A for the Board's review and approval.

There were no questions or comments from the public.

Ms. Imura moved to approve the City of Pasadena City Hall Seismic Retrofit Project; seconded by Mr. Brown. With a roll call vote the motion carried unanimously.

- 5.3: City of Auburn

This project, in the City of Auburn, County of Placer, with a reserved amount of \$388,189, is for the restoration of a WPA Cooper Amphitheater located in the Auburn School Park Reserve.

There were no questions or comments from the public.

Mr. Brown moved to approve the City of Auburn restoration project; seconded by Mr. Vein. With a roll call vote the motion carried unanimously.

- 5.4: City of Sunnyvale

This project will be moved to October's agenda.

- 5.5: City of Richmond

This project, in the City of Richmond, County of Contra Costa, with a reserved amount of \$2,181,800, is for the restoration of the Richmond Municipal Natatorium.

Mr. Brown questioned the reserved amount because on the face sheet the amount reads \$2,181,000 but in the resolution the amount reads \$2,181,800. Chairperson Hildreth asked staff to check on what the correct number is and she will bring it back later in the meeting for the Board to vote.

- 5.6: Museum of Tolerance

This project, in the City of Los Angeles, County of Los Angeles, with a reserved amount of \$2,600,000 is for the construction and design of the Simon Wiesenthal permanent exhibit and the renovation of the Museum of Tolerance. CCHE will serve as the lead agency for this project and it is exempt from the California Environmental Quality Act under Class 1, Section 15301 of the CEQA guidelines. The resolution directs staff to file a Notice of Exemption.

There were no questions or comments from the public.

Mr. Brown moved to approve the Museum of Tolerance project; seconded by Mr. Vein. With a roll call vote the motion carried unanimously.

- 5.7: The Outdoor Club, Inc.

This project, in the City of Mill Valley, County of Marin, with a reserved amount of \$44,489, is to replace the redwood wall shingles on a 1904 clubhouse designed by architect Bernard Maybeck. CCHE serves as the lead agency for CEQA. This project is exempt from the California Environmental Quality Act under Class 31 Section 15331 of the CEQA guidelines.

There were no questions or comments from the public.

Ms. Booth moved to approve the Outdoor Art Club project; seconded by Ms. Imura. With a roll call vote the motion carried unanimously.

- 5.8: California Department of Parks and Recreation-San Diego Coast

This project, in the City of San Diego, County of San Diego, with a reserved amount of \$1,808,120, is to restore the Cosmopolitan Hotel. This project is a project where the State Parks owns the land and is also the applicant, and therefore the tenure requirement is not an issue.

Ms. Scarborough recused herself from the meeting.

There were no questions or comments from the public.

Mr. Swinden moved to approve the San Diego Coast project; seconded by Mr. Brown. With a roll call vote the motion carried.

- 5.5: City of Richmond

Ms. Matsuda verified that the correct amount for the City of Richmond project is \$2,081,800. The number that is on the face sheet is incorrect.

There were no questions or comments from the public.

Mr. McDonald moved to approve the City of Richmond project; seconded by Mr. Brown. With a roll call vote the motion carried.

6. Review of Projects involving property owned by the Department of Parks and Recreation for the State of California; Consideration of modification of Grant Agreement Requirements for public agency projects

Ms. Matsuda said staff has been working closely with the Department of Parks and Recreation to support the Park-owned projects that the Endowment Board has reserved for funding. CCHE needs to ensure that the purpose and intent of the Department of Parks and Recreation's policies can be enforced. The motion before the Board provides for these assurances, and Ms. Matsuda asked the Board for their consideration in approving this agenda item.

Tara Todd, staff counsel for California State Parks, said she has been working closely with CCHE staff to come up with an agreement wherein the Department of Parks and Recreation will enter into an agreement with the nonprofit grantees that will ensure that all the requirements of the CCHE grant will be met, without specifically entering into a lease agreement with the nonprofit grantee.

Ms. Todd thanked the CCHE staff and the Board in moving this forward so quickly.

Ms. Scarborough asked Ms. Sproul whether she should recuse herself from discussions on this agenda item. Ms. Sproul said because this is a general policy matter it would not be necessary for her to recuse herself.

There were no questions or comments from the public.

Ms. Scarborough moved to approve the modification of Grant Agreement Requirements for public agency projects as recommended by staff and this should apply to Rounds 1, 2 and all future rounds; seconded by Mr. Brown.

Mr. Swinden stated his concern of Ms. Scarborough having a conflict of interest. After further discussion, it was decided that Ms. Scarborough should recuse herself from this agenda item.

Ms. Scarborough withdrew her motion and recused herself from the meeting.

Mr. Brown moved to approve the modification of Grant Agreement Requirements for public agency projects as recommended by staff and this should apply to Rounds 1, 2 and all future rounds; seconded by Mr. Vein. With a roll call vote the motion carried.

7. Review of Planning Grant Projects; Consideration of modification of Grant Agreement Requirements regarding land tenure

Chair Hildreth asked Ms. Matsuda to brief the new Board members on the Planning Grant Projects. Ms. Matsuda explained that in Round 1 CCHE had a grant application process where it only had the ability for applicants to apply for project grants, such as the rehabilitation or construction of a new facility.

In Round 2, applicants had the ability to either apply for a planning or a project grant. Planning grants involved traditional types of plans that would be needed for the project to move ahead into the construction or the rehab stage.

In April, the Board reserved a certain amount of funding for planning grants. Thirty four planning grants were given a reservation of funding. The applicants were asked to supply certain types of documentation, and many of the applicants were not able to provide CCHE with the tenure requirement documentation needed.

The motion before the Board today is to ask the Board's consideration for a modification of the grant agreement for planning grant applicants. The tenure requirement, as it stands now, requires the applicant to have exclusive control over the premises for the next twenty years. Staff believes that because this is a planning grant document, such strenuous requirements are not needed. However, the planning grant applicants need the information stated in the proposed language of this particular motion, and

that is that they do need to have the written permission of the property owner to conduct the necessary plans, but not necessarily to have exclusive control over the next twenty years.

Mr. Brown stated, for the record, that if a planning grant is received, it does not obligate or indicate a commitment for an actual grant to do the capital work.

There were no questions or comments from the public.

Ms. Imura moved to adopt as policy, the language presented in the staff report and that this would apply to Round 2 and future rounds; seconded by Mr. Brown. With a roll call vote the motion carried.

8. Public Comments

Judith Brown, with Vallejo Music Theatre, asked if there might be some technical support meetings scheduled before the next application round. Ms. Matsuda said staff plans to hold informational meetings for both planning and project applicants for Round 3. She said these meetings will provide applicants with a clear understanding of what is expected in the application process.

Cath Prosehn, with Yolo County Historical Society, said she is pleased with the Board's decision regarding the review of the planning grant projects and consideration for the modification of the grant agreement requirements regarding land tenure. She did point out, however, that for future rounds this may be an issue for small programs that are asking for funding if part of their capital campaign is also meant to purchase land that the site would be located on. She said this is something that the Board may want to discuss at a future meeting.

Kathy Omachi, from Fresno, commended staff and the Board for their efforts of providing the service to the community as the proposition promised. She said that Fresno Chinatown did not know about the first two rounds. She let the Board know that Fresno Chinatown is very interested in applying and provided the Board with some background information.

Jennifer Ruffolo, with the California State Parks, thanked staff for helping resolve the issues with the State Park Projects in a timely fashion. Hopefully, this will help clear the way for future projects, both for planning and for capital projects. She said at an informational meeting held in May, it was stated that all the projects funded in this round would have to have all issues resolved by January 28. She asked if all the grant agreements would have to be signed by January 28, or would additional time be allowed for negotiation of grant agreements. Ms. Matsuda clarified that the Board has imposed a January 2007 deadline and if applicants cannot meet the deadline the project will come before the Board for further determination.

Ms. Ruffolo asked if the remaining projects will make it on to the next Board meeting agenda, and if they do, will staff begin to work with applicants to

sign grant agreements immediately thereafter, so that perhaps the November or December grant agreements might be produced and signed. Ms. Matsuda verified that staff will begin working with applicants to sign grant agreements with the possibility of grant agreements being produced and signed.

John Fowler, with Friends of Mission San Miguel, said the Mission's application was rejected by CCHE legal department based on the Attorney General's legal brief, specifying that if a mission is owned by a religious organization it would have difficulty meeting the separation of church and state issues. It did not say that CCHE could not accept an application from Friends of Mission San Miguel.

He asked the Board to: (1) give the mission a fighting chance to be considered for funding by letting staff actively ask the Attorney General's Office for a ruling on this matter; and (2) accept the Mission's application for Round 3. The Mission has raised \$1.1 million in a small community of 1400 people and reopened a gift shop. The mission grounds have been open to the public. He continues to find ways for the public to enjoy and visit this great mission as he waits needed funding.

Ms. Sproul said that Mr. Fowler's letter was forwarded to the Attorney General's Office for review. They responded by indicating that none of the points raised in Mr. Fowler's letter altered the conclusions they had given in their previous letter. She said Mr. Fowler was right, when he indicated that the Attorney General's opinion does not preclude anyone applying for grants if they can satisfy the constitutional restrictions that are enforced, and she encouraged anyone working with the Mission to seek to satisfy those requirements and find a way to apply within, and complying with, those constitutional provisions.

Jan Berckefeldt, Executive Director of the Maybeck Foundation, asked how the new land tenure policy that the CCHE Board adopted today, that involve numerous State Parks projects, affects the general policy that public entities can only submit one application for funding. Ms. Matsuda said the motion that was adopted today by the Board, not only deals with projects or real property owned by the Department of Parks and Recreation, but it deals with all state-owned properties as well as other publicly owned properties. Regarding the issue of the Board policy of only allowing one application by a public agency, this is something that the Board will need to consider for Round 3.

9. Administrative Matters

Chairperson Hildreth said the next CCHE Board meeting will be held on Thursday, October 26 at the Rancho Santiago Community College District, the Board of Trustees meeting room in Santa Ana, California.

10. Adjournment

The meeting was adjourned at 12:20 p.m.