

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

**Thursday, February 15, 2007
10:00 A.M.**

Location: Hiram Johnson State Building
455 Golden Gate Avenue, Room 225
San Francisco, California

Members of the Board in attendance:

Ms. Susan Hildreth, Chairperson
Mr. Michael Chrisman, represented by Mr. Bryan Cash
Mr. Michael Genest, represented by Ms. Anne Sheehan
Ms. Georgette Imura
Ms. Carmen Martinez
Mr. Bobby McDonald
Ms. Betsy Reeves
Mr. James Irvine Swinden
Mr. Jon Vein

Representing the Senate

Senator Christine Kehoe, represented by Ms. Deanna Spehn

Staff in attendance:

Ms. Diane Matsuda, Executive Officer
Ms. Rachel Magana, Executive Secretary
Ms. Marian Moe, Deputy Attorney General
Mr. Joseph Klun, Assistant Director
Mr. Clarence Caesar, Research Analyst
Mr. Frank Ramirez, Program Research Specialist
Ms. Francelle Phillips, Research Analyst
Mr. Tony Planchon, Research Analyst
Mr. Marc Pigeon, Office Technician
Mr. Bill Batts, Architectural Associate

1. Roll Call

Chairperson Hildreth called the California Cultural and Historical Endowment meeting to order at 10:00 a.m. A quorum was established.

2. Chairperson's Report

Chairperson Hildreth noted that the focus of today's meeting will be to review projects from Round One and Round Two.

After the business portion of this meeting, it is planned to visit two sites (South Windmill and the Old Mint building) after which time the meeting will be officially adjourned.

There were no comments from the public.

3. Approval of Minutes for October 26, 2006 (action)

Ms. Sheehan moved approval of the October 26, 2006 minutes; seconded by Ms. Reeves. The motion carried unanimously.

There were no comments from the public.

4. Executive Officer's Report

Ms. Matsuda updated the Board on the following items:

- Announced that the new staff members of the Endowment are Francelle Phillips, Project Manager, Tony Planchon, Project Manager, and Marc Pigeon, Office Technician.
- Grant applications for Round Three were made available to the public on the Endowment's website in November. In addition, Informational Meetings were conducted in January. The "Frequently Asked Questions" has been updated to reflect comments that were received at the Informational Meetings.
- Board members, as well as many members of the public, were concerned about the review process used for the last round of funding. In order to more adequately reflect and evaluate certain areas of the grant application, a Request for Proposal is posted on the CCHE website to (1) request individuals who have particular expertise, experience, and knowledge to apply as a panelist to review grant applications for the project thread section of the grant application, and; (2) an advertisement for bids for individuals and organizations who can provide necessary services to review the section of the grant application dealing with capacity, and the sustainability of an application. The deadline date for the bid process is February 23, 2007.
- Some projects have a reservation of funding are requesting a revision in their work plan that differs from the work plan originally submitted. She asked the Board for guidance and clarification as to how they wish to proceed with these types of challenges. She asked if the Board would like to adopt a formal policy to specifically discuss this topic, and then to possibly approve it at the next scheduled meeting in April.

Public Comment

There were no comments from the public.

5. Review of Round One Projects (Action)

Ms. Matsuda presented the following projects:

- 5.1: Knight Foundry Corporation located in Sutter Creek, California was awarded a reservation of funding in the amount of \$50,000 to conduct an environmental study and minor remediations. The Foundry requested from the landowner a long-term lease of 20 years with exclusive control. The landowner was unwilling to do this. The City of Sutter Creek was able to approve a purchase agreement just last week and will enter into negotiations with the Foundry for a long-term lease.

Staff recommends allowing time for legal counsel to review the terms of the purchase agreement and lease provisions for the Foundry, and then reporting the findings back to the Board at the April meeting.

There were no questions or comments from the public.

Ms. Sheehan moved to continue to reserve funding for this project; seconded by Ms. Reeves. The motion carried.

- 5.2: City of Watsonville located in Watsonville, California was awarded a reservation of funding in the amount of \$300,074 to create a California Agricultural Workers Center.

Staff has had difficulty obtaining the necessary information from the applicant to complete the terms of the grant agreement. Last week a letter from the city manager was received indicating that the necessary information will be available for review.

Staff requested that the time be allowed to review the information and report back the findings at the next Board meeting in April. If the information has not been received in time for the April meeting posting, staff will ask the Board to reconsider this project and possibly entertain a motion to remove the funding for this project.

There were no questions or comments from the public.

Ms. Sheehan moved to continue to reserve funding for the City of Watsonville project, and if they submit all the needed information, the Executive Officer should continue the grant agreement; seconded by Ms. Reeves. The motion carried.

- 5.3: Capital Unity Council located in Sacramento, California was awarded a reservation of funding in the amount of \$2,200,000 to create a center of diverse communities.

Upon 100 percent completion of the project design development phase, it was found that the original plans to renovate the existing structure from the Sacramento Unified School District, was not cost effective or feasible, and therefore, their contractor recommended the

facility be demolished and a new facility to be built. This building project is on the agenda as a request to build a new facility and is not the same project the Board approved for reservation of funding.

This project presents the Board with a challenge that it has not faced before, in that it has gone through the first part of the planning stage and was ready to enter into the capital stage when they found out that their original plans were no longer feasible. The original grant application and the grant agreement all relate to information that speaks to the renovation rather than a new facility.

Ms. Sheehan asked what the language was in Round Two for a material change. Ms. Moe explained that the Material Change policy does not prescribe the requirements for dealing with projects that have already entered into the grant agreement stage.

Mr. Vein asked if there were previous minutes that might specify if preservation was one of the prime considerations. Chair Hildreth said she will have staff get past minutes to the new Board members, but in this particular project, the thread was the key. It was not about the particular structure they were going to be using.

Public Comment

Dr. Harris, CEO for the Capital Unity Council, explained that the Council went through the design development process at around the 50 percent stage when it was discovered that the building would need to be demolished and a new building needed to be built. The reason this building has to go through the State Architects Office is because it is an educational facility. It must go through the DSA process which is very laborious. Carl Otto was hired to provide an independent analysis of costs, renovation versus new. His analysis showed that a new building was needed. He noted that there is no additional cost in this project.

He received a fax this morning of the environmental report showing exemption. The City is very supportive of a new building versus a renovation of the existing building.

DSA is backlogged; therefore the completion date for this project will be extended by eight months. So instead of March 1, 2008 for the completion it will now be December 1, 2008.

The City of Sacramento has provided two million dollars for this undertaking. He reiterated that this project is about the program and not the building. The total cost of the project is \$22.3 million. Fundraising efforts are underway and he plans to submit for additional funds in Round Three. To date \$6.2 million has been raised, of which \$2 million is private funding.

Chair Hildreth asked if the lease was for the land or structure. Mr. Harris said he has a 50 year lease with exclusive use to the property. The school district is the owner.

Chair Hildreth said one of the criteria the Board may want to include in the material change is that a change of CEQA will be triggered by any changes, and this is a key factor in what a material change would be.

Ms. Moe noted that this project does not require action at this time. At the next meeting, the Board will be asked to look at a more refined policy. The Board will act on the policy before a decision is made on this project.

6. Review of Round Two Projects (Action)

Ms. Matsuda presented the following projects:

- 6.1: Angel Island Immigration Foundation located in the City of San Francisco for the amount of \$622,842 to create an interpretive exhibit in the barracks..
- Staff recommends funding in the amount of \$622,842 for this project.

Public Comment

Daphne Kwok, Executive Director of the Angel Island Immigration Station Foundation, said this will be the last piece of the first phase which will allow the opening of the barracks building to the public. It is hoped that the building will be open to the public in one year.

Mr. Cash moved approval of Angel Island Project 7-B2-04 in the amount of \$622,842; seconded by Ms. Reeves. Motion carried.

- 6.2: Arte Americas located in Fresno in the amount of \$500,000 for the addition of existing structure and landscape.

There was no public comment.

Ms. Sheehan moved approval of 7-B1-62 in the amount of \$500,000; seconded by Mr. Swinden. Motion carried unanimously.

- 6.3: The City of Atascadero located in the City of Atascadero in the amount of \$2 million for the restoration of City Hall.

Public Comment

Rachelle Rickard said she is excited about this grant and being able to move forward with this project. She thanked the Board for its consideration of the project.

Mr. Sheehan moved approval of City of Atascadero, Resolution 06-B4-64 in the amount of \$2 million; seconded by Ms. Imura. Motion carried.

- 6.4: City of Buenaventura located in the City of Ventura in the amount of \$1,076,000 for the rehabilitation of two olivas adobes.

Public Comment

Joyce Ivers said the rehabilitation will be for the large and small adobes which were built in 1847 as part of the start of the Ventura County area. She thanked the Board for their consideration and approval of this project.

Mr. Swinden moved approval of the City of Buenaventura in the amount of \$1,076,000; seconded by Ms. Martinez. Motion carried.

- 6.5: City of Long Beach located in the City of Long Beach in the amount of \$680,000 for the construction of a Visitor Education Center.

Public Comment

Ellen Calomiris, with the City of Long Beach, thanked the Board for their consideration of funding this project for the Visitor Education Center at Rancho Los Cerritos. She is excited to say that the Rancho Los Cerritos Foundation has raised an additional \$382,000 between November and January. The fact that they were able to raise this much in a short period of time has brought them closer to 50 percent of their goal for the next set of improvements. The Visitor Education Center is the key component of the Phase 2 project. This will help connect the community with its history and culture by providing interpretive exhibits and an audiovisual orientation to the site. It will also allow for the phase-in of the new living history tour project.

Mr. McDonald moved approval of Resolution 07-B4-30 in the amount of \$680,000; seconded by Mr. Swinden. Motion carried.

- 6.6: East Bay Center for the Performing Arts located in the City of Richmond in the amount of \$1,000,000 to rehabilitate the Winters building.

Public Comment

Jordan Simmons spoke on behalf of the 1500 students in the community of Richmond, California, specifically the Iron Triangle in downtown Richmond. He thanked the Board for helping realize a dream. The building that was first built in 1919, in order to be a community center and teach music, will continue now to do that for many years to come. This project is on target to tell the story of not only the shipyards and World War II, but the history of the people who inhabit Richmond now.

Ms. Reeves moved to approve Resolution 7-B2-26 in the amount of \$1,000,000; seconded by Ms. Sheehan. Motion carried.

- 6.7: Northern California Indian Development located in the City of Eureka in the amount of \$1,100,000 for the rehabilitation of the Ingomar Theater.

Public Comment

Mr. Terry Coltra thanked the Board for its assistance with this project. He is looking at several other grant sources and a capital campaign is being started. He expects to submit an application in Round Three as well.

Ms. Martinez moved approval of Resolution 7-B3-24; seconded by Ms. Sheehan. Motion carried.

- 6.8: The San Diego Archaeological Center located in the City of San Diego in the amount of \$493,088 for the installation of permanent shelving.

Public Comment

Cindy Stankowski, Director of the Archaeological Center thanked the Board and Ms. Spehn for helping with the delays, as well as their patience.

Mr. Swinden moved to approve Resolution 7-B1-24 in the amount of \$493,088; seconded by Mr. Cash. Motion carried.

- 6.9: ONE National Gay and Lesbian Archives in the City of Los Angeles in the amount of \$327,500.

Ms. Matsuda explained that the landowner, the University of Southern California, was not able to meet the conditions of the Endowment. A letter has been received that this applicant is formally withdrawing further consideration of funding from the Endowment. This dollar amount will revert to Round Three.

- 6.10: Social and Public Art Resource Center in the City of Los Angeles in the amount of \$1,287,585 to rehabilitate the Great Wall of L.A. Mural and construct the bridge.

Ms. Matsuda said this particular project has faced a number of challenges, specifically regarding the Board's requirement for long-term control. The project is required to work with three separate and independent agreements: One with the applicant and the City of Los Angeles; one with the applicant and the County of Los Angeles; and one between the City of Los Angeles and the County of Los Angeles. The agreement between the City and County should be finalized by March 9 and the agreement between the City and the applicant will be finalized by March 24 of this year.

Public Comment

Judith Baca, founder of the Social and Public Art Resource Center, and an artist who spent half of her life painting the Great Wall of Los Angeles, thanked the Board for their patience on this project. The Great Wall of Los Angeles is located in a Los Angeles Flood Control District, formerly known as Los Angeles River, and concreted in a half-mile stretch between Oxnard and Burbank. There are three different agreements and the final agreement should be completed by April.

Mr. Vein moved to approve continuation of a reservation of funding for the Social and Art Resource Center project; seconded by Ms. Sheehan. Motion carried.

- 6.11: The Mexican Museum in the City of San Francisco in the amount of \$2,400,000 for the construction of the Mexican Museum.

Public Comment

Mr. Victor Marquez said the Mexican Museum will be a great addition to the cultural component for San Francisco. It is his hope that the Board will unanimously vote their approval of this project.

Mr. McDonald moved approval of Resolution 07-B2-17 for the Mexican Museum; seconded by Ms. Martinez. Motion carried.

- 6:12: Wiyot Tribe located in the City of Eureka in the amount of \$310,000 to rehabilitate the Tuluwat Village on Indian Island. The City of Eureka is serving as lead agency for the CEQA compliance process. The City of Eureka sent a letter outlining a tentative timeline as to when they believe the project can be in compliance with CEQA.

Ms. Matsuda stated that staff would like to request the Board to continue reservation of funding at least 30 days after the date that is indicated on the letter. Ms. Moe suggested reserving funding until the Board meeting in August.

Public Comment

Helene Rouvier, the Tribal Historic Preservation Officer for the Wiyot, thanked the Board for supporting this project. The tribe has been working diligently with the City on getting the process moving. The City has committed to getting the public draft out and having it completed by June. She is confident that it will be completed by June.

Mr. Vein moved to continue the reservation of funding until the next Board meeting in August; seconded by Mr. McDonald. Motion carried.

Ms. Matsuda said the following projects received an approval of funding for planning grants:

- 6:13: Conservation Corps State Museum in the City of San Luis Obispo in the amount of \$33,700 for the creation of a museum.

Ms. Matsuda directed the Board to a letter in their packets from Paul McLain-Lugowski, Board President, indicating the reasons for requesting to relocate this project from San Luis Obispo to the City of Fresno. This falls in line with the discussion earlier of material change.

Public Comment

Paul McLain-Lugowski, President of the Conservation Corps State Museum said the request to change the venue from San Luis Obispo to Fresno comes from the result of a generous offer from the City of Fresno to donate five acres of land to develop the project. However, there is no material change in the thread of the work that is intended for this application. He has, as evidence of support, a \$600,000 initial pledge for the architectural and beginning design of the concept from his colleagues, the directors of the local Conservation Corps statewide. When he applies for Round Three funding on this project, there will be no conflict with the City of Fresno because they will not be submitting an application.

Ms. Sheehan asked why San Luis Obispo was originally chosen. Mr. McLain-Lugowski said it was the most desirable location because it had been there for 15 years. However, because it is on the premises of the California Army National Guard, and with recent changes since 9-11, visitors would be greeted by armed guards with M-16 machine guns. So the offer to move to Fresno will give this project more space and a more inviting venue.

Ms. Reeves asked if the money for this project will come totally from the California Conservation Institute (CCI). Mr. McLain-Lugowski said CCI will raise the money from a variety of sources. He has federal sources in mind, as well as state.

Ms. Reeves said the City of Fresno is looking for museums that are interested in partnering with the City to develop in this area. She asked if there is an overall plan that is being set up to develop this particular area for other institutions in addition to the Conservation Corps State Museum. Mr. McLain-Lugowski said the Conservation Corps State Museum is at the front line. He said it may be helpful for the Board to know that because of the Corps capability to actually do some of the development work, it is very likely that they will be asked not only to develop this project, but to also assist with a number of the other components on this 50-acre USDA parcel.

Ms. Moe recommended that the Board ask staff to bring this back to the Board at its next meeting so that they can consider this in light of the criteria they will be looking to amend. Chair Hildreth pointed out that the time frame is such that the planning grant will not be finished completely when this applicant submits their second application for capital. Mr. Swinden said he views the planning applications and the regular applications as two separate issues so this should not make a difference.

Ms. Moe said because this is a planning grant, the Board can approve it. She suggested to bring this back to the Board at its next meeting to see whether it is appropriate, under the Board's criteria, to approve an amendment that would provide for a change to this planning grant. Any request for reimbursement would be suspended as with the Capital Unity project, because they don't currently meet what the Board has approved.

Mr. Vein moved to direct staff to bring this project back to the next Board meeting to see whether it is appropriate, under the Board's criteria, to approve an amendment that would provide for a change to this planning grant; seconded by Ms. Reeves. Motion carried.

- 6.14: Herwaldt Urban Leadership Conference Center located in the City of Fresno in the amount of \$90,000 to rehabilitate the Herwaldt building to become a Conference Center.

Ms. Matsuda explained that in the applicant's bylaws it was noted that they included language supporting a particular religious purpose. Staff was told that the applicant was in the process of revising their bylaws; however, she received an e-mail in January from the applicant informing her that they will not be revising their bylaws or their Articles of Incorporation.

CCHE staff recommends that they be given time to discuss this with legal counsel to make sure it is appropriate to proceed into the grant agreement.

Ms. Moe said she has had an opportunity to review the project and she believes it is acceptable because the religious purpose in their bylaws is only one of the purposes of the organization. Although it is a faith-based organization, it is not a pervasively sectarian organization and the project use is not for sectarian use. It will not be restricted or owned by any particular religion.

Ms. Sheehan requested Ms. Moe put in writing that she has reviewed this in order to have a record of her findings.

Public Comment

Michael Zachry said they are trying to transform the City of Fresno by setting up programs in apartment complexes to help kids with after-school programs, from health and human services, to helping with monitoring of children of prisoners' programs. There are some serious problems in Fresno with poverty and his organization is working together with other organizations to try to attack root causes. He is trying to develop collaboration between universities and schools to develop leaders that specialize in urban problems. He believes that CCHE's investment in this Conference Center not only helps the local neighborhood, but also will save the building that is over 100 years old.

- 6.15: Mexican Heritage Plaza located in the City of San Jose for the amount of \$150,000 to provide funding for the documents to expand the plaza.

Ms. Matsuda said this item is before the Board today because the applicant has informed staff that they only have matching funds in the amount available of \$100,000 and therefore would like to reduce their grant from the Endowment from \$150,000 to \$100,000. They have submitted a work plan indicating how the reduction would be made.

Public Comment

Marcela Aviles, President and CEO of Mexican Heritage Plaza said this is a very important project to the City of San Jose, Redevelopment Agency of San Jose. This planning grant will allow redevelopment of the plaza, the city, and other stakeholders within the community to now give birth to the story, and to move on the redevelopment of the area. There is 100 percent of matching funds which is coming from the Redevelopment Agency in the City of San Jose.

Mr. Swinden moved to approve the reduction of funding for this project from \$150,000 to \$100,000; seconded by Ms. Reeves. Motion carried.

- 6.16: Yolo County Cultural Historic and Art Center located in the City of Woodland for the amount of \$200,000 to create an Arts and Cultural Center.

Ms. Matsuda explained that the applicant has informed staff that they had difficulties in negotiating with the owner of the Victorian which was to be incorporated into the Cultural Center. The applicant is interested in proceeding on with a planning document that does not include the Victorian. Staff believes this to be a minor modification to what the Board has already approved and would like to request the Board to consider the new revised work plan.

Public Comment

Danielle Thomas said that the original thread does talk about the Victorian, as well as building new construction. The Victorian was only 3,000 square feet, and the Center had identified 19,000 square feet. Part of the plan was to continue with the 19,000 square feet and build something that is in the historic vernacular that will look nice in the redevelopment area and complement the culture, history and arts of Yolo County. The location of this project is at Sixth and Oak in the redevelopment district of Woodland. There is a great deal of support for this project in Woodland.

The land the Victorian sits on is slated for redevelopment for a Rite Aid. She was hoping that she could save the structure and make it part of her plan. However, the owner of the house said her timeline would not work

with his timeline because he wants to start his construction of the Rite Aid now.

Chair Hildreth asked the staff to continue to work with the district on this project.

- 6.17: Yurok Cultural Center located in the City of Klamath for the amount of \$120,000 for the construction of a cultural center.

Ms. Matsuda explained that this was on the Board's agenda because, at the time the Board notice was posted, she had not received confirmation from the applicant of the matching funds. Since that time, she has received a letter and supportive documentation to confirm that the applicant has the matching funds to proceed into the grant agreement phase. She asked the Board to allow staff to continue working with the applicant to proceed into the grant agreement phase.

7. Board Member Comments

Chair Hildreth said this might be a good time to discuss further thoughts about a policy regarding the material changes. She said if Board members are not ready to comment on this issue today, they can send their thoughts to Ms. Matsuda.

Ms. Sheehan said she realizes that there may be some things that are beyond the control of the applicants, but she does not want to create or provide an opportunity that once they have gotten in the door to then change the nature of the project through the material change policy.

Mr. Swinden said the one thing that strikes him is that one of the Board's mandates is to make sure that there is geographic diversity on projects. He said, regarding the Conservation Corps State Museum, one of the reasons for approving this project was because there was no project in the San Luis Obispo area. Had the project come before the Board as another Fresno project, where there are numerous projects already, they may not have been given the same weight. He understands the thread and the intent in Fresno, but taking this project from one geographic area to another gives him concern.

Ms. Reeves said there is potential for real outreach around the state of California with what is going on in Fresno – the San Joaquin Valley. It is much easier for school buses to get to Fresno than it is to get to Los Angeles and San Francisco. This Board has tried to reach out to the whole state and she is proud to see there are so many people from so many places that have the need, and that this Board addresses those needs. She commended the Board for its outreach throughout the state.

8. Public Comments

Dr. Peter Miess, President of the Fresno Athletic Hall of Fame, said he intends to submit an application on the third round proposal and is looking

forward to working with the Board and staff. He asked the Board not to let geography disillusion them. His project represents the central valley.

Mr. Michael Zachry said Arte Americas is a great museum in Fresno and he thanked the Board for funding this project.

9. Administrative Matters

Chair Hildreth said the next Board meeting will be held on April 26, 2007. The location is yet to be determined. She directed staff to find a location where there might be a completed project in order that Board members might be able to visit.

Earlier this year, the Board set aside the dates of August 2 and August 3 for deliberations on funding for the third round. However, she has been alerted that there may not be sufficient Board participation for those dates. She polled Board members for possible dates in August, and it was the full consensus of those present that August 23 and 24 would be the best dates. Staff will check with Ms. Booth to see if this will work for her and advise Board members.

10. Public tour of the South Windmill Project and the Old Mint Building.

11. Adjournment

The meeting was adjourned at 2:55 p.m.