AGENDA ITEM #12

Funding Pilot Publication of the Landmarks California Program

Last year CCHE initiated a statewide collaboration called *Landmarks California: the Places of Our Diverse Cultures and Histories*. The purpose of the program is to raise awareness and appreciation for historic and cultural preservation through public activities at historic and cultural sites throughout the state. The program is intended to be an ongoing opportunity to help tell the untold stories of California's development, thereby raising cultural and historical understanding throughout the state and serving as a corollary to the CCHE's survey requirement of helping tell California's untold stories.

The pilot project of Landmarks California, Julia Morgan 2012, will be held next fall and will focus on the life and work of Miss Julia Morgan, California's first licensed female architect, the first female civil engineering graduate of UC Berkeley, and the creator of over 700 structures in California alone. Miss Morgan's life story is a powerful lesson about the strength of perseverance and is an important story of personal accomplishment even without her prolific contributions to the built landscape of our state.

The Landmarks California program includes many statewide partners and to date we have received in-kind commitments of resources approximating one million dollars to help underwrite Julia Morgan 2012. The California Travel and Tourism Commission has committed over $750,000 for marketing and outreach efforts for the project. A private web designer is contributing approximately $20,000 for his services to create both the Landmarks California umbrella webpage and the Julia Morgan 2012 webpage. A graphic designer is contributing $5,000 of his services for design work for the project; and a media publishing company is producing and distributing the 500,000 region-specific guidebooks at no cost to the project, a contribution valued at $250,000.

The collaboration for Julia Morgan 2012 includes three components:

(a) a statewide festival,
(b) an education component; and
(c) a publication.

STATEWIDE FESTIVAL

The bulk of the costs for the statewide festival are in the marketing and publicity, all of which are being covered by committed contributions. The organizations participating in the festival with their visual and performing exhibits, colloquia, seminars, and other activities, are responsible for their own costs. To date, we have many partners who are planning to participate with some kind of activity. These include the Hearst Corporation, Huell Howser, the California Historical Society, Mills College, UC Berkeley, Cal Poly San Luis Obispo, the San Francisco Zen City Center, the North Star Conservancy, the Native Daughters of the Golden West, Riverside Art Museum, multiple current and former YWCAs, Asilomar and Hearst Castle (State Parks), Annenberg Beach House, and Leavitt Pavillions. Our previously funded grantees, the Berkeley City Club and the Japantown YWCA are also participating, as is the Chinese Historical Society of America, which is housed in a Julia Morgan-designed YWCA.

EDUCATION COMPONENT

Landmarks California organizers and the CCHE are seeking foundation and corporate funding for the education component which is envisioned as being an online toolkit for teachers across multiple grade levels. We have enthusiastic commitments of outreach and distribution assistance and support from the California Department of Education and the California County Supervisors Association.

PILOT PUBLICATION OF LANDMARKS CALIFORNIA

The proposed book is envisioned as being the first in a series of Landmarks California publications which will serve as enduring examples of California's cultural heritage long after the more temporary events such as the festival are over. The book is also envisioned to be small in size, very affordable (under $15), very attractive, and very easy to read for the average person (that is, the general public, not an architectural historian or an historic and cultural resources professional).

In late May of this year, the CCHE began working with the Business Services Office of the California State Library to craft a Request for Proposals to find a contractor who would write, produce and distribute the proposed publication. The RFP was published in the State's online register, BidSync, on August 22nd with a submission due date of September 6th, that was later extended to September 20th. No contract has yet been awarded and, in fact, no submissions have been reviewed due to concerns that bond funds may not be used for intellectual material.

The CCHE is funded with bonds authorized under Proposition 40 of 2002 and all expenditures of bond funds must comply with three sets of government code:

1) Section 5096.600 et seq of the Public Resources Code (the sections resulting from the passage of Proposition 40 on March 25, 2002.)
2) Section 20050 et seq from the Education Code, resulting from the passage of AB 716 in September of 2002; and
3) Section 16720 et seq of the Government Code, resulting from its inclusion within AB 716 and Proposition 40.

Proposition 40 authorized, in Article 2, Section 5096.610 (d), "the sum of $267.5 million for the acquisition, restoration, preservation, and interpretation of California's historical and cultural resources."

In Article 5, Section 5096.652 (a) of Proposition 40, Historical and Cultural Preservation, the $267.5 million is stated to

> *be available for appropriation by the Legislature for the acquisition, development, preservation, and interpretation of buildings, structures, sites, places, and artifacts that preserve and demonstrate culturally significant aspects of California's history and for grants for these purposes. Eligible projects include, but are not limited to, those which preserve and demonstrate the following:*

(1) Culturally significant aspects of life during various periods of California history including architecture, economic activities, art, recreation, and transportation....

Proposition 40 also indicated that all bonds authorized by the proposition would be treated in a manner consistent with State General Obligation Bond Law (Government Code Section 16720 et seq).

AB 716, according to the Legislative Counsel's Digest, "would enact the California Cultural and Historical Endowment Act, which would establish the California Cultural and Historical Endowment ... to develop various programs and projects to protect and preserve California's cultural and historic resources." The enabling legislation also made no more than 5% of the $128.4 million ($6.4 million) appropriated in the bill available for associated programmatic costs, also known as state operations or program administration.

State General Obligation Bond Law (Government Code Section 16720 et seq) includes Section 16727 which specifies that "proceeds from the sale of any bonds issued under this law shall be "used only for the following purposes:

(a) The costs of construction or acquisition of capital assets ....
(b) To make grants or loans, if the proceeds of the grants or loans are used for the costs of construction or acquisition of capital assets ....
(c) To repay funds borrowed in anticipation of the sale of the bonds, including interest, or to pay interest on the bonds themselves.
(d) To pay the costs of a state agency with responsibility for administering the bond program. These costs include the costs of the Treasurer, the Controller, the Department of Finance, and the Public Works Board for staff, operating expenses and equipment and consultants' costs.
(e) The costs of the Treasurer's office ...."

CCHE has never made grants to organizations for intellectual material, consistent with the bond law specifying that the funds are to be used for capital asset projects.

However, this is not a grant, this is a proposed administrative expense. Since state fiscal year 2003, the CCHE has expended bond funds to administer the CCHE program. The initial $6.4 million appropriated for the administration of this program will be exhausted before the end of this calendar year and a budget change proposal was submitted over two years ago seeking and receiving an appropriation of residual funds from the Proposition 40 subfund created in Section 5096.610 (d).

Past administrative expenditures have included a variety of expenses, none of which could be considered capital expenditures and many of which would not be considered "incidentally and directly related to administering the capital assets grant program." Those costs, for expenditures as varied as personnel, website development, facilities rentals, consultants to perform the survey work, legal costs for employment and litigation issues, travel, equipment, and the printing of a book, were deemed necessary in order to administer the program of promoting California's cultural heritage.

The proposed book on Julia Morgan's life and work, and the broader Landmarks California program, are intended to fulfill the legislative mandate to the CCHE to develop programs which protect and preserve California's historic and cultural resources and, as such, should be considered allowable administrative costs of CCHE based on past history of administrative expenditures.

The Landmarks California program and corresponding, proposed publications, is intended to create a vehicle for increasing awareness and appreciation for cultural and historic resource preservation. This work, like the main survey work, has the potential to be even more important than the $122 million in funded projects because it can create a changed mindset toward preservation that will have long-lasting, positive impacts on our state. These impacts range from the economic revitalization that occurs when historic structures are adapted for a modern use to increased cohesion among our state's citizens resulting from greater understanding of each other. An added benefit of the program is the creation of a strong network among historic and cultural resource stewards.

The Landmarks California program is an excellent example of a private-public partnership designed to advance a common goal – helping our state maintain and strengthen our cultural heritage. This public investment of $50,000 is less than 5% of the total budget committed to date and has the ability to ensure that the history lesson lives on for more than just two months.

Staff recommends that the Board authorize the use of CCHE program support funds for the procurement of the first publication of the Landmarks California Program.

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