

## **WORKSHOP NOTES**

### City of San Diego Park and Recreation Board **BALBOA PARK COMMITTEE (BPC)**

**August 21, 2008**

#### **Meeting held at:**

Balboa Park Club, Santa Fe Room  
2150 Pan American Road  
San Diego, CA 92101

#### **Mailing address is:**

Balboa Park Administration  
2125 Park Boulevard MS39  
San Diego, CA 92101-4792

#### **ATTENDANCE:**

##### **Members Present**

Jennifer Ayala  
Laurie Burgett  
Jerelyn Dilno  
Vicki Granowitz  
Mick Hager  
Andrew Kahng  
David Kinney  
Michael Singleton  
Donald Steele

##### **Members Absent**

Mike McDowell

##### **Staff Present**

Bruce Martinez  
Kathleen Hausenaur

#### **CALL TO ORDER:**

Chairperson Granowitz called the meeting to order at 5:30.

#### **WORKSHOP ITEMS:**

##### **Public Speaker #1: John Lamb, elected member of Uptown Planners**

“Today I speak for myself, raising concerns about the ongoing service of Mike Singleton on the BPC. I respect his longstanding service to the community but Mike’s seat is supposed to be filled by a current member of Uptown Planners. His term expired 3 months ago and Uptown Planners unanimously elected Don Liddel to take the place of Mike Singleton. Don could not be here today, but has informed me that he has attended every meeting and is ready and eager to serve, but yet curiously he is denied. The rightful duly appointed Uptown Planners representative needs to be seated without further delay.”

Chairperson Granowitz responded that the Mayor is fully aware of this situation and it is in his hands, not the BPC.

Chairperson Granowitz introduced Peter Ellsworth, who is the President of the Legler Benbough Foundation. His is one of the foundations that paid for the Balboa Park Study.

##### **401. Peter Ellsworth, President of the Legler Benbough Foundation -**

“This presentation has been prepared by Bob Kelly, President and CEO of The San Diego Foundation, Bill Beamer, President of The Parker Foundation and myself, Peter Ellsworth, Pres of The Legler Benbough Foundation.

“We have been asked for our opinion on the question of how much private capital might be available if some form of public private partnership were to be developed for Balboa Park. This is an important question because presumably one of the reasons for creating such a structure is to enhance the possibility of raising private funds for the Park. Although the question is certainly relevant to the discussion, it cannot be directly answered at this time because we do not know the structure of the partnership or the specific projects for which private money is going to be requested. What we do know is that there is plenty of charitably inclined private money in San Diego for this kind of effort IF the structure is accommodating to private donors interests and the projects for which funds are requested are appropriate for private support.

Our conclusions on the availability of funds are based on money currently being raised for other projects in San Diego.

Over the last few years:

- 1) UCSD has raised over a billion dollars
- 2) The Globe Theatre has raised over 60 million dollars
- 3) The S D Zoo has raised over 40 million.
- 4) The Children’s hospital has raised over 140 million
- 5) San Diego State has raised over 90 million
- 6) USD has raised over 200 million
- 7) Sharp Healthcare has raised over 60 million.
- 8) Even small organizations have raised money in the hundreds of thousands of dollars. Cygnet Theatre has raised over \$900,000 in its efforts to revitalize the theatre in Old Town
- 9) Recent Gala’s have raised over 1 million dollars in one night.

So, on the basis of these and many other similar examples, we think it is fair to conclude that the charitable money is here. Surely the profile of Balboa Park, its vital history in the City of San Diego, its international reputation and the widespread love of the park on the part of all San Diegans forms a sufficient basis to expect equally successful campaigns on behalf of the Park IF the entity created is properly structured to attract private support.

Let me now turn to the question of what is important in the structure of the entity created to support private donation. Looking at the experience of other Parks, our discussions with experts in the field and based on our own funding knowledge of San Diego, we believe that following are essential.

- 1) First and Foremost is Leadership. The partnership must be lead by people who have substantial public credibility and a history of leadership that demonstrates that they can be trusted to do what they say they will do. They must be people that can relate effectively to the donors they are soliciting.
- 2) Second, the partnership must be organized in a way that allows donors with similar interests to work together and associate together to maximize the peer pressure to contribute.
- 3) It is also critical that the authority of the public private entity be clear. The entity must be able to make the decisions and take the actions that are required to accomplish what it is raising the money for. Nothing is worse than having to go back to the donor and requesting him or her to accept changes to the project they gave the money for. Of course, I am referring here to the need to know what the authority of the partnership is within the broader structure of the Park as a whole. The Park belongs to the people of the City of San Diego and a transparent public process needs to decide major issues in the Park.
- 4) The private money must be for “additional” things, that is, the City cannot be let off the hook for reasonable expenses of repair and maintenance that legitimately belong to and should be paid for by the Public. Private money is for the extras, those additional amenities that enhance the Park experience beyond the basic necessities. The organized public private partnership can, of course, be of inestimable

value in getting broad public support of public expenditures including the passage of bond issues for the park to be used for the “public” share of the costs of the Park.

5) Private money solicited for specific projects will only be raised where the donor believes that the project is relevant, important, and selected by a legitimate process in which, in a best case, the donor had some involvement. It needs to be shown, and a successful track record on this is the best way to show donors, that the projects are fairly costed and that they will be accomplished efficiently and economically.

6) Finally, private money needs to be spent only for the projects for which the money is given. Donor’s are not likely to be persuaded to donate to a park wide pool of funds any more than they are now likely to give money to the City of San Diego for parks. The organization must be structured so that separate park interests are kept separate so that the donors are assured that the money they are giving will go to the areas in which they have an interest.

We recognize that it may not be possible to accommodate all of these in the structure that you propose but what we can assure you is that the closer you come, the more success you will have in raising private money.

We are all aware of the many competing interests in the Park. We applaud this committee for taking on the difficult task of formulating recommendations that take into consideration the legitimate interests of all concerned. We know that will not be easy. We hope, however, difficult as it is, that you will not fall into the trap of trying to satisfy everyone by coming up with only generalities with which there can be little disagreement. We think that it is critically important that you and the other park stakeholders use this process to address the issues on which there is some legitimate disagreement so that at the end of this process what needs to be said, will have been said. Only in this way, will the decision makers in the City have what they need to make appropriate, informed decisions for the benefit of all. What we have said today is offered in this spirit and I hope that you find our comments helpful in achieving your objectives.”

#### **Questions/Comments:**

Mick Hager – “Those were very helpful Pete, Having raised a lot of money for the natural history museums and there are a lot of private funds out there and available. And I agree that it has to be relevant and people have to believe in it. The one concern that many BP institutions have is that raising money for all of Balboa Park might compete with the private money that currently funds some of their <the institutions’> big projects.”

Pete Ellsworth– “I know of that concern. Many of the projects that have been talked about throughout the years may be beneficial to everyone. It’s not about giving to one and leaving another without. I think there is enough money. If the globe has a campaign it doesn’t mean that another doesn’t get money for their project, it just doesn’t work like that. It is incorrect to talk about only raising money from San Diegans for Balboa Park. Properly organized you could access funds from other foundations that may be interested.”

Mick Hager – “In the study, it was obvious that there is a great deal of visitation from throughout the county, not only the city. What do you think is the likelihood of the County participating with the City in the funding of BP?”

Pete Ellsworth- that is beyond my field of expertise, I have talked to many supervisors regarding this and as you know there are a lot of issues between the City and the County. I don’t think that it would be very successful when the City controls everything and is always making all the decisions, asking the County to pay for something would fly. But I think that there are ways to improve that situation and there is data that shows that this is not just a City park.”

Mick Hager – “Denver is a very successful regional funded park. The institutions and the park get a great deal of money from throughout county. That was funded by the voters themselves agreeing to a small sales tax increment. It has worked in other areas. I think we will have to look at all those sources of potential funds.”

Pete Ellsworth- “I agree with you, but I think that if you structure the organization to be broader than the

city you have necessarily created stakeholders outside of the city, when you start talking in terms of whether, it's about bond issues or property tax, you have a broader constituency to work with. I think that is likely to happen. Thank you for all the work you are doing I am looking forward to the result."

### **CHAIRPERSON'S REPORT:**

Chairperson Granowitz clarified that what Mr. Ellsworth was talking about is his perspective of what could happen if there is a change in the governance of the park. In no way should it be misconstrued that this committee has made any kind of decision because that is not the case, it is just part of gathering information. The Balboa Park Committee will not be involved in the implementation decisions. We are answering three questions: The Mayor and City Council are the ones who can decide to take action based on this committee's recommendation.

A couple of months ago a proposal was presented to bring the Atlas missile to Balboa Park, but an application to do it has not been received. It is a very long process and since there was an article in the Newspaper, it is important for everyone to know that is not something that will be happening even this year. There was documentation passed out at a previous meeting that some people saw, and it was pointed out that it looks like the Balboa Park Committee has already taken action on that but there is still a long process before it comes to this committee.

There will be a short presentation within the next few months on the issue of equivalencies coming into play at the North Park planning committee and Morley Field. There will be further discussion with City Staff. Equivalencies are part of the recreational element, and it will come to this group but not just yet.

A neutral presentation will be given to the Balboa park Committee regarding the Mission Bay Park ordinance, and the impacts related to the two ballot initiatives. The second is the alcohol ban. The committee is probably only interested in the one that affects Balboa Park. Chairperson Granowitz reported that she has been invited to the meeting in the first week of September that will be the kickoff for the 2015 event. She will report on it after she attends.

#2 Public Speaker - John Lomack, behalf of Park and Space committee of C3

"During one of the last meetings' presentation there was a request to the speaker about a list of leases. Have you received it? It is very important that this committee have that list. I think it is very important to see what's in place, when they expire, and what the options are. I think that all that info would be very relevant to your discussions in determining fund raising."

Chairperson Granowitz informed the speaker that the list has not been received have not received. She asked the representatives of the cultural partnership to please provide the committee with that information

Mick asked that expenditures incurred by the institutions be included when summarizing the leases, because people could get the wrong impression just by looking at the lease. It would seem that they are getting a really sweet deal.

Chairperson Granowitz continued with something else that came up at the Park and Recreation Board meeting today regarding the San Diego River Foundation. The speakers talked about the need to have the legislation extension because there was a Sunset clause to the Park District and that legislation has been written and it is waiting for the budget to be approved because the governor is not signing anything until the budget is approved. This is pertinent because it helps in seeing what the issues that a Park District that is legislatively created can be.

### **WORKSHOP ITEMS (continued):**

#### **402. (Continued Review of Pertinent City Documents from August 7, 2008)-**

The committee was allowed to discuss anything that was left over from the last meeting regarding the municipal codes or charters.

Don Steele remembered that there was a question about how ballot measure can be approved. He did research and found that in a city charter (Article? Section?) it provides that any ballot measure has to be approved consistent with the CA constitution. It provides that it requires just a simple majority of those that cast votes in that election.

### **City Council Policies-**

- CP 000-4 – This policy is regarding code of ethics and it covers everybody. Something that is figural with that is what is happening with CCDC. Don commented that it also provides for ethics training.
- CP 000-13 - This policy is just the procedure of how appointments are made by the mayor and city council.
- CP 000-16 - This policy is about open meetings and it distills down the Brown Act. Basically it is saying that there won't be secret meetings, we do the public's business and that needs to be done in the public.
- CP 000-40 – This policy talks about not commercializing areas that shouldn't be.

Mick Hager asked how does that relate to how some buildings are named now? It could be that a lot of the buildings may have been grandfathered in with the names they have and that there is a difference between marketing and naming rights.

Vickie Granowitz replied that there is also sponsorship. It's very complicated.

Andrew Kahng asked whether there are any examples of implementation of this policy in Mission Bay Park, since this policy was established eight years ago?

Some examples include the lifeguard trucks that were paid by one of the automotive companies, one of the large trashcans was purchased by a sun tan lotion company, and the vending machines for soft drinks. It was a partnership agreement, not marketing.

Andrew asked how many examples exist and what's been realized through them? What are some sort of expectations for examples that can be proposed for revenue streams?

Vicki Granowitz responded that she has known that it is very controversial. She asked Bruce and Kathleen to see if they can try to figure out a comprehensive overview of the partnerships in Mission Bay Park.

- CP 100-02 – This policy talks about City receipt of donations, but it was pulled because it is in the process of being updated. It will be available in 45 days.
- CP 100-03 – This policy talks about Transient Occupancy Tax . This was already discussed during a previous meeting.

On attachment A of this policy it says that the City will not provide any funding for any organization for the conduct of any religious or political activity, how do they define that, there is a fusion of cultural centers here?

The Park and Rec. staff will review the policy and get back with an answer to this question, but for now the only answer they could give is that the city would not provide direct funding, for example, to any religious organization, but would perhaps fund activities that were supported by the organization that are open to the public and does not discriminate against anyone interested in coming to that activity.

On the political front, there would be a violation of the the political policy if a political candidate were allowed to campaign within the museum facility. However, once that candidate was elected, it is no longer a political

activity but an activity of the office.

- CP 100-05 - This policy regards fees and public notification. It says that the public should be notified when there is a proposed change to fee structures.
- CP 100-06 - This policy talks about special events.

Kathleen Hausenauer informed that this policy is actually repealed. She will bring the new policy to the September meeting.

- CP 200-13- This policy talks about the city's responsibility of maintaining the structures. However, there is frustration when nonprofits want to make improvements that the city has no funds or time for and the City has not allowed because of this Council Policy.

Mick Hager feels that this policy has been in effect for a long time but it doesn't work. Increasingly the institutions have had to do more and more maintenance of their facilities. They do ask for help from the city from time to time. The San Diego Natural History Museum requested \$3M for building, but it was given for code upgrades to the existing facility only. None of this is on the lease, there is no agreement and the public is not aware of it.

David Kinney agreed with Mike and added that his organization also spends their own revenue on the maintenance of the building they lease because other city departments, not park and recreation, don't have the time.

Andrew Kahng pointed out that a clause in the Council Policy that says "Accomplishments may be delegated to Lessees" is somewhat confusing.

David said that his understanding is that although it is in the lease for the city to take care of these things, sometimes they don't have the funding or the time so they have gotten permission to do these things but they also have had to put the money.

Chairperson Granowitz reminded everyone that the idea is to figure out whether the type of governance in place is working. There will be more discussion on this subject later.

- CP 200-14 – This policy talks about Park and Rec Facility Landscape design – This policy does not need to be discussed, it just informational.
- CP 200-15 This policy talks about Valet parking and passenger loading zone.

Mick asked how this policy relates to what the committee is looking at. The police regulate the loading and unloading zones and sometimes not in consultation with the park and recreation department. There have been problems. Something needs to be figured out so that institutions, Park and Recreation, and Police Department can work together.

- CP 300-01 – This policy talks about Utilization of volunteers. Basically, it is saying that volunteers are good and that we should use volunteers and that there should be some indemnification for volunteers.
- CP 600-33 – This policy talks about Project notification process. It tries to specify what the chain of authority is.
- CP 700-03 – This policy talks about how Youth sports are good and that we want to encourage them.

- CP 700-04 – This policy talks about Balboa Park use and occupancy. It encourages non-profits of recreational, cultural, and educational programs through the utilization of the city owned buildings.
- CP 700-07 - This policy talks about Park development by non-city funds. It is trying to protect the public regarding private development.
- CP 700-13 – This policy talks about Capital Improvements for Park and Rec. Facilities. It talks about what kind of funding would be available for improving existing facilities.
- CP 700-19 – This policy talks about City participation in construction of buildings for cultural institutions.
- CP 700-12 – This policy talks about Disposition of City Property. The reason it was included was because it excluded Balboa Park.
- CP 700-24- This policy talks about BP architectural standards. Specifically for the Spanish colonial structures. Basically this policy is saying that that is the style for the structures. That style should be used for new buildings, but some of the new buildings do not have that style. That policy also runs into the Secretary of Interior Standards. It doesn't mean that when the policy bumps into other things that have more teeth to them, it can't be overruled.
- CP 700-41 – This policy talks about Use of the RFP for lease of city owned land. It's about disposal of its real estate holdings. This does not apply to the existing leases, only new leases. Existing leases would be re-negotiated but if the lessee didn't honor the terms of their leases they could be pulled but they are not going to be re-bid.

Mike Singleton questioned why this policy would not apply to existing leases. It talks about a council committee decision whether or not they allow the lease to go forward, so why would this not apply to all the leases?

Vicki Granowitz clarified that what she meant in explaining the policy, is that past practices have not shown that there have been changes in leases that have been here a long time, but that if something were to become available there would have to be an RFP process.

- CP 700-42 – This policy talks about Rec. councils. Don wanted to include this because there is a rec. council in Balboa Park and that is the Morley Field rec. council and that the membership should be open.

Judy Swink commented on CP 700-24. When was that originally adopted? She believes there was an amendment to the 1968 policy. Kathleen Hausenauer will do research

### **403. Organizational Charts-**

Chairperson Granowitz explained the organizational charts briefly.

She and Laurie Burgett worked together on figuring out the order of authority as they see it. The highlighted boxes indicate private funders. There may be others but it is not for sure. She also included appendices and a list of The San Diego Foundation, Balboa Park Trust funds that are designated to the park.

There is an all city org. chart. This chart does not include all the things that fall under all the little white boxes. Org charts have been included that would go under those white boxes. Only org charts that are pertinent to Balboa Park were included. This all city org chart is very confusing but it helps; especially if we want to look for a type of governance that makes sense.

The grants administration has changed and the ? was concluded in the grants department. This was an attempt to consolidate the whole issue of grant in one area, except Parks and Rec kept their grants office.

For Appendix B the historic resource org charts are not included, only the ones that were pertinent to Balboa Park. One of the org charts is a hallucination made by The Balboa Park Cultural Partnership of how they see the park works.

Chairperson Granowitz will be sending the committee their assignments.

Andrew talked about setting up a cd for the binders. Debra Sharp at city planning is looking at digitizing the copies, this information came from David Watson. Hopefully, these will be available on the city's website.

Don Steele commented that there have been significant donations to Balboa Park and that he would like to know the history of the investments for at least the last 10 years. It is important to get that information.

Chairperson Granowitz remembered that there was one more item to report on. This committee will be getting a presentation on Business process re-engineering as it pertains to the Park and Rec. Dept. and Balboa Park.

The committee will start talking about the process for reaching conclusions on the September 4<sup>th</sup> meeting. On the meeting of September 18<sup>th</sup> there will be more discussion on org charts and how other parks function.

**ADJOURNED:**

The meeting adjourned at 8:00 pm

*-Minutes submitted by Vanessa Nieves*