

**NOTES
OF THE MONDAY, JANUARY 18, 2009 MEETING**

**BALBOA PARK TASK FORCE (BPTF) ON THE
FUTURE OF BALBOA PARK: FUND RAISING, MANAGEMENT & GOVERNANCE**

Meeting held at:

Reuben H. Fleet Science Center
Community Room
San Diego, CA 92101

Mailing address is:

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

ATTENDANCE

Members Present

Vicki Granowitz, Chair of BPTF	Chuck Hellerich Berit Durler
Robert (Bob) Ames, Vice Chair	Ray Ellis Dale Hess
Ron Buckley	John Lomac
Laurie Burgett	Paul Meyer
Carol Chang	Gonzalo Rojas
Bruce Coons arrived 6:22	Dalouge Smith Judy Swink

Members Absent

Aurelia Flores
Dea Hurston

Staff Present

Beth Swersie (note-taker)

CALL TO ORDER

- Chairperson Granowitz called the meeting to order at 6:05 p.m.

CORRECTIONS OF NOTES OF NOVEMBER BPTF MEETING

November 16th minutes approved (Berit/Carol).

December 21st minutes approved (Berit/Judy, Chuck abstained)

PUBLIC COMMENTS

None

CHAIRPERSON'S REPORT – Vicki Granowitz

No report.

WORKSHOP ITEMS

- Ron Buckley: Update on Review of City Charter, Municipal Code, Council Policies that might be relevant to the establishment of this entity. [The following is a preliminary overview of relevant items. A more complete report will follow.]
 - Municipal Code
 - Preparation of Annual Budget
This is also a Charter section (see Charter Section 55.2 below).
Regards the distribution of funds to Balboa Park and other City regional parks from the San Diego Regional Parks Improvement Fund which is wholly or partially derived from excess Mission Bay Park Lease Revenues

- Special events
 - This will need to be addressed if the entity undertakes the scheduling and coordination of special events.
- City Endowment Board - how does this apply to a new entity?
- Park & Recreation Board and Balboa Park Committee - how does this apply?
- Council policies
 - 000-40 Marketing Partnership Policy
 - 600-33 Community Notification & Input for City-Wide Park Development Projects
 - 700-07 Park Development by Non-City Funds
 - 700-24 Balboa Park Architectural Standards – this should have been amended or repealed upon the adoption of the BP Precise Plan.
- City charter – not desirable to amend – process requires 2/3 approval of the voters
 - Section 94 Contracts – requires bidding process and purchasing agent involvement. Will need city attorney recommendations as to whether this applies to this entity’s implement/contracting work is subject to these provisions.
 - Special taxes, environmental growth fund, others – not particularly germane

Dale – asked if the policy re: lease revenues from Mission Bay Park says anything about income at BP?

Ron – no, nothing specific about BP. Charter Section 55.2 says that a certain amount of lease revenues in the Mission Bay Park go to BP deferred maintenance and capital improvement.

- Relationships Subcommittee (RS) Chair Laurie Burgett reported.
 - Laurie presented the Subcommittee’s Draft Report – see attached document.
 - Notes about the Report:
 - The report was based on discussion, boiled down notes, simplified.
 - Some mbrs not at all meetings
 - 4.1.3 – “in the spirit of the Brown Act” can be removed but only if the intent of the BA is specified in the recommendation.
 - Input from other committee mbrs
 - Berit – concern about conflict of interest — it’s critical that representatives from organizations in the park think of themselves as representatives of ALL of BP, not just as a stakeholder in a particular organization. Must be able to set aside loyalty to a particular organization. There should be a COI statement signed by all members, leave organization involvement at the door.
 - Ron – re 3.1.5 “change to an approval authority over time”?
 - LB – the ability to comment on projects may turn into authority to approve, but the entity needs to prove itself first.
 - Paul – after we hear both reports and match them to deliverables, we will end up with recommendations and statements of principles, e.g. that ownership/discretionary decisions remain with/at the city. The city will learn about entity as projects are assigned under its initial MOU, subsequent MOUs, start small organizing volunteers; maybe at some later date, entity entirely funds and manages

something, it may take on approval authority. Are we seeking approval authority in areas people would think should be with city?

- Gonzalo – we can't anticipate projects, maybe in the future, the entity can relieve the city of some authority.
 - Paul – have a section on inviolable principles, make clear approval authority is relevant to particular projects the entity is asked to undertake
 - Gonzalo – should we say where to locate entity – e.g. in park, in city? Nice to have in park, maybe not necessary.
 - Vicki – we'll come back to this.
 - Judy – should be explicit statement that city will retain all land use decision making authority.
 - Chuck – perhaps we've jumped down the road with the mission of the entity – gnarly issue – what is the role to start with? the more governance, the more BA application. Discussion has gone beyond formation to startup functions. #1 function is fundraising. Does city even want to download governance? Fundraising function needs large private element.
 - John – page 2 - what was thinking of subcommittee re relationship with county?
 - Laurie – there is no relationship now,
 - John – this is about money, county residents use park.
- Board Development/Structure Subcommittee (BD) Chair Chuck Hellerich, reported.
 - Chuck presented the Subcommittee's Draft Report on the New Entity board/Committee Structure – see attached document.
 - Notes about the Report
 - Chuck – composition of the proposed board is driven by users of park – spread out over broader region.
 - Dale – there was considerable discussion of Short-term ST vs. Long-Term LT -- ST support, LT management.
 - Ron – the admin/liaison capacity of the organization needed to meet what is requested of it would increase overhead expenses.
 - Input from other committee mbrs
 - Bruce – how to manage such a large board?
 - Chuck – other boards are as big as 75 – we took a rough average. Will need a strong Executive committee to manage between meetings, need committee structure. Executive committee – no size specified, depends on what organizing board establishes
 - John – who hires Executive Director
 - Ray – probably organizing board (vs. executive committee)
 - Project management – when the board identifies project/tasks to undertake, this committee is to coordinate/manage.
 - Ray – funding organization vs. operational organization? Carol helped us get on point – from beginning funding with tight set of outcomes to go back to donors with these successes, e.g. work with city to fund a program to recruit, train, etc, volunteers. Be a well-managed funding organization.
 - Gonzalo – is the “down the road” expectation that it becomes more of a managing entity?

- Chuck – that brings us to next element – **MOU** (last page of subcommittee report)
 - should be reviewed regularly as scope of activity increases.
 - Element #4 – we don't want the city backing away from its current obligation of maintenance efforts.
 - Summary at bottom – notes that other conservancies undertake some form of master planning.
 - Own bank accts, no commingling of city/entity funds
- Judy – organizing board is very ST, e.g. 6 months to a year, mbrs of organizing bd may or may not continue on full board – probably not, depending on skills.
- Dale – management of capital improvement projects – e.g. funder may demand that project be managed by entity, other requirements to assure the private funder that project will happen.
- Ray – there will be a formal agreement, flexibility in MOU to allow that arrangement
- Chuck – do you staff up to manage capital improvement projects? Funding needs to be available to do that. Some projects can be implemented without staffing up.
- Carol - how much management should full board engage in? e.g. volunteer recruitment – do we want to be responsible for running volunteers? Distracting and diversionary. Tell city this is a value, donor will give \$, city to come back with plan. Later maybe we will be doing these things, but not at beginning.
- Bruce – address in MOU
- Paul – brilliant report. Principal area of question – full board and its large size – should size of final board be approached with flexibility – e.g. let organizing board recommend size? Considering projects to be undertaking. Organizing board drafting bylaws. X to Y # of mbrs. Will we keep 45 mbrs engaged at start? Can we evolve to larger size?
- Carol – should committee members be on board? Smaller board, bring in committee members not seated on board.
- Paul – attraction of large board – raising money – engage donors immediately? Maybe advisory board that adds to privacy of potential donors? Many don't want to go to monthly mtgs. Leave it to organizing board to decide.
- Chuck – what we say is recommendation to organizing board.
- Ray – best practices from many other boards, talent-driven rather than placeholders.
- Vicki – how do we make this different? e.g. biggest concern is that the public is not left out of decision making, and then the fundraising side of process
- Vicki – wants entity to succeed, wanted to make sure we create a system that donors will donate to. Is the idea of having subcommittee for fundraising/donor outreach too simplistic? Is it possible we need two entities – one: governing board (public, policy, strategy, governance), second: supporting board = fundraising board. Governing board identifies priorities, Fundraisers do fundraising. Gets done in hospitals, two kinds of boards.
- Berit – concern re BA, public organization, involvement in Fundraising (FR). Example: hospital models – two boards – main does govern/etc, foundation board responsible for Fundraising. Public input is very important to feel part of process.
- Separate 501c3, mission to raise money. Allows major funders who won't sit thru public hearings to raise funds.

- Vicki – how is this different from other boards – it needs large amounts of money raised.
- Gonzalo – doesn't know big-money people. Two boards = trouble. Have one bd with FR within it.
- Berit – functions are very different. ED, President of Governing Board would also be on Foundation board; many people would be on the board with commitment to raising money.
- Carol – to set up one board will be complex, setting up two, really hard. Hospital board not analogous, private, no BA/transparency requirements. Fundraisers want to have control over money, not to be in public eye. Need to manage process within one board.
- Vicki – wants to make sure all ideas are fully vetted – in the current fund raising for public areas of BP, often the decisions are made outside of general public. Wants process to be very public. Was focused on that and realized that there are privacy vs. BA issues that need to be clarified.
- Bob Ames – scenario – wins lotto, high act of civic virtue – wants legacy – goes to 501c3 – gives \$\$\$ - wants to re-name plaza after him – chair would say ridiculous – someone else may be able to talk to donor to get better outcome – need way to have these conversations out of public view without imperiling msn of organization. Vicki's methodology – governing organization (major decisions, out in open, transparent), another vehicle not subject to public scrutiny to raise money.
- Ray – those are multi-mill\$ (hosp) – this org needs to operate transparently and publicly. BA impairs/limits properly vetting some issues (e.g. pension bd). Don't even mention BA, not necessary.
- Chuck – reiterate that very few of these organizations start out with governance issues, they start out with funding, may evolve into governance.
- Laurie – structure shown can work – need governance/visioning/strategic planning to direct funding priorities. Transparency there. Remove words “in spirit of BA”. This dovetails well with Relationships Committee ideas.
- Paul – disagrees. Both subcommittees have paid attn to new entity. Vicki's question reminded him that this is public/private partnership. Committees have been fleshing out private part because public part exists already. Let city know that.
- What doesn't work for Paul – we are not like a hospital district – no public board – city/BPC is public part. BPC as public forum - new entity is private part. Do we need public side of new entity? Our report needs to recognize that public is well represented by city/BPC.
- Bruce – re Paul's first subject – there should be a decision-making board and an advisory board – 40 people too big to get through a mtg. – board needs to be light on its feet, make quick decisions. Large boards can't make decisions in a timely manner.
- Dalouge – master plan/precise plan – successful conservancies have those tools and adhere to them strongly – so public interest has been addressed. If those plans need to be updated, need to get city to do that, so we can do fund-raising.
- Dalouge – In terms of this as a fund-raising entity – what is difference between this and others that already exist? Are we duplicating something that is already going on? Why a NEW entity?
- Dalouge – Ideally this entity has management of the projects it is funding.

- Dalouge – Not clearly articulated: how is initial organizing board is seated? We need to be explicit about this or there could be problems. Organizing board should decide size and scope of work of full board.
 - John – importance of master plan. City is behind game in implementation of MP because of funding issue. This is a fundraising mission – transparency – can't be done as in past – public side – organizing committee. Needs to do more work before going to 45 people. Look more at organizing committee – and what is new entity going to do when they raise money?
- Next Steps
 - Vicki- where from here?
 - Judy – at next TF mtg – more focused discussions on subjects raised tonight. What other tasks should organizing committee undertake before moving on to full board. Concept of two entities. If there were two entities – Fundraising committee would fund projects that have come from govern board. Donors might come in with projects, but would have to go to board. Or go to BPC for discussion.
 - Paul – three assignments as he sees it:
 - 1 – brief new section proposed with commentary about why our new entity is different? What will it bring to table?
 - 2 – one page starter sheet – how public input will remain critical part of Park project planning process
 - 3 – ask two subcommittee chairs to merge reports – overlapping ideas –
 - Berit – concern about comfort of donors – but this group is public/private so subject to BA?
 - Vicki – initial board will be subject, but next entity would not because not created by legislative body.
 - Chuck/Laurie/Dalouge will work on combining reports
 - Judy – good to have non-committee person working on that.
 - Judy – this to lead to responsibility of organizing board to set up scope of full board.

ADJOURNMENT

- Chairperson Granowitz adjourned the meeting to order at 8:07 p.m.

Next Balboa Park Task Force Meeting:

Monday, February 15, 2010, 6:00 P.M.

Reuben H. Fleet Science Center Community Room, San Diego, CA 92101

For more information please contact:

Vicki Granowitz, Chair of the Balboa Park Task Force at (619) 584-1203

BALBOA PARK TASK FORCE

Subcommittee on Relationships

Draft Report 18 January 2010

This report outlines the recommendations of the Subcommittee on Relationships to the Balboa Park Task Force. It focuses on the relationships between a new public benefit, nonprofit Entity for Balboa Park and other Park stakeholders.

1. **Mission and Deliverables**

1.1. The Mission of the Balboa Park Task Force as defined by Mayor Sanders and City Councilmember Gloria is to make recommendations to the Mayor and City Council on the following questions:

- How should a new public benefit, non-profit entity be structured to work most effectively in a contractually defined public-private partnership with the City to provide effective park governance, management and fundraising opportunities?
- Which City Charter, Municipal Code, Policies and Procedures provisions may need to be amended to implement the recommended public-private partnership, with suggestions of possible amendments?
- What actions will be necessary to create the New Entity, determine the membership of the initial Board of Directors and implement the Balboa Park Committee recommendation, as summarized above?

1.2. To this end, the deliverables of the Subcommittee on Relationships, as defined by the Chair of the Balboa Park Task Force, are to provide the following recommendations:

1.2.1. Key Management Issues –

- A vision of the relationship between the New Entity and the City of San Diego
- Recommend whether the head of the New Entity would be a City employee or would be solely under the direction of the New Entity

1.2.2. Key Governance Issues –

- A vision of the internal relationships between the existing Park organizations/stakeholders and the New Entity
- A description of a structure that would improve the governance and financing of Balboa Park through external relationships (added by the Subcommittee for clarification)

1.2.3. Key Policy and Documentation Issues - Note policy issues that might need to be addressed and resolved during a negotiation to define the contractual relationship between the New Entity's public-private partnership with the City

2. Overview of New Entity Structural Foundation With Respect to Relationships

2.1. The New Entity would be a private, non-profit, public-benefit organization independently governed with formalized input from the City and would be registered as a tax-exempt 501(c)3 organization. The New Entity would have an oversight board with fiduciary responsibility. The board structure is being considered by another Subcommittee; however, this subject is touched upon further in this report.

2.2. The New Entity would start with modest goals and responsibilities to prove it a credible and responsible partner to the City and the Park stakeholders and would earn expansions of its role in the Park over time. The appropriate “modest beginning” for the New Entity would be to focus on the following:

- Prove itself capable of fund-raising with emphasis on new sources of financing for the Park.
- Carefully selecting limited initial projects within its jurisdiction and capabilities.
- Providing leadership in working formally with the City of San Diego and all other stakeholders.

2.3. The Entity’s mission includes the maintaining, enhancing, restoring and governing of Balboa Park to the benefit of both the citizens of San Diego and its many visitors.

2.4. The New Entity would be bound by the Balboa Park Master and Precise Plans and would play a strong role in Plan updates. It would provide more focus and visibility to Park Stakeholders as to the contents of those Plans.

2.5. Although it may begin operating with limited responsibility, the New Entity’s purview would be the entire Park and it may eventually be involved in all park activities from planning through capital construction to maintenance. This includes the outer reaches of the Park that have traditionally been overlooked in improvement cycles and funding, such as East Mesa and Inspiration Point.

3. Key Management Issues

3.1. Relationship With the City of San Diego

3.1.1. The New Entity would have a formal agreement with the City that clearly delineates the responsibility of each party.

3.1.2. The New Entity would not own any parkland nor would it hold easements on it; the land continues to remain in the ownership of the City and the City retains ultimate authority over Balboa Park.

3.1.3. The New Entity would have the ability to raise money independent of the City of San Diego and spend it under a plan of action that is coordinated and mutually agreed upon with the City.

- 3.1.4. The city may have representation on the Entity's board as ex officio, nonvoting members and they could come from the following:
- The Mayor
 - City Council (particularly Council District Three)
 - Director of the Park and Recreation Department
- 3.1.5. Initially, the New Entity would be an advisory body to the City with respect to issues, projects and policy in Balboa Park. This relationship could change to an approval authority over time, but the New Entity would need to gain experience and the trust of the greater community before this should be implemented.
- 3.1.6. The New Entity would act as a two-way, single point of contact with the City in Park-related matters, representing the general Park stakeholder population.
- The relationship between the Mayor and the head of the New Entity should be a two-way street and this relationship would be formalized in its public-private contract with the City, with the New Entity carving out periodic rights of direct access to the Mayor [and to other key City officials -- for example, to the City Council, Department of Park & Recreation management, or others --]. Many existing organizations have achieved that access over time or on a case-by-case basis but strong governance of the Park will require systematic access to decision makers within the City structure.
 - The New Entity would play an advisory role and act as point of contact with the City in establishing priorities among various Park needs and proposals, (whether the source for such proposals is public, private or recommended by the New Entity itself).
 - The City should consult with the New Entity on matters of importance to the Park such as project selection, prioritization, RFQs, leases, utilization reviews, etc.
- 3.1.7. The relationship with the City's Park and Recreation Department should be clearly defined, providing for an open and direct means of communication.
- 3.1.8. The New Entity would advocate for improvements in the Park's current governance (what City Departments govern the Park today, what are the annual costs incurred to run the Park, etc.), and work with the City to establish such improvements.

3.2. Should the "head" of the New Entity be a City Employee? The New Entity's CEO should be an employee of the New Entity and not the City of San Diego.

4. Key Governance Issues

4.1. Vision of Internal Relations With Existing Park Stakeholders

4.1.1. The New Entity will not replace any currently established group working within Balboa Park.

- Existing groups with their various charters should be invited to work collaboratively with the New Entity. There is no assurance that this New Entity will be successful, thus it is critical that existing organizations continue to provide stability and continuity.
- Numerous organizations have provided important support to the park over the years; some of these have focused on fund-raising; some have initiated projects or served a watch-dog function, while others have provided opportunities for recreation and passive enjoyment of the Park. These groups should provide input and play an important role with the New Entity and their successes should be respected and emulated.

4.1.2. There are a number of stakeholders who have played a critical role in the Park's success and will continue to do so in the future, while others should be encouraged to increase participation. In order to be successful, the New Entity must work closely with these organizations. The New Entity must prove itself capable, show respect for and engage with other established groups in the Park.

4.1.2.1. The new Entity should be encouraged to develop a formal relationship with the County of San Diego.

4.1.2.2. The new Entity should be encouraged to develop a relationship with Balboa Naval Hospital, potentially leading to benefits for both.

4.1.2.3. The New Entity must provide opportunities for inclusion of existing groups. Some of these groups may be represented on the New Entity's board or some through participation at the Subcommittee level. They could be invited to participate through public forums or perhaps Advisory Panels.

4.1.2.4. When including individuals that represent other existing groups on the Board of the New Entity, caution should be exercised to ensure no conflict of interest. The Board of Directors of the New Entity should not serve as representatives of any one constituency, but rather serve for the equitable, collective benefit of all of Balboa Park.

4.1.3. To help engender trust, the New Entity would operate in an open and transparent manner in the spirit of the Brown Act. Any transparency requirements should be drafted into the charter documents for the New Entity (the Articles of Incorporation or Bylaws, LLC Agreement or similar documents). For example:

- Publish agendas for meetings in advance.
- Allow action only on agenda items.
- Make minutes of public meetings available for public access.
- An Annual Report should be made public including annual audit data.

- It is critical that the public has regular access to the New Entity.
- As the requirements for transparency of the New Entity are developed, there must be understanding and consideration of the privacy requirements for leadership level donors.

4.1.4. The New Entity could set itself apart by leveraging its relationship with the City and the County, knowledge of park needs and understanding of land use documents to assist other organizations. The New Entity could help expedite projects and approvals related to the Park.

4.1.5. Although its responsibility may initially be limited, the New Entity's purview will be the entire park. Therefore, any project initiated by a stakeholder should be required in a very early stage to be presented to the New Entity in order to obtain a recommendation. The New Entity can then become a possible fund-raising partner with a stakeholder.

4.2. Vision of Relationships Between the New Entity and Stakeholders Outside the Park

4.2.1. The New Entity should be encouraged to make a priority of building a formal Balboa Park volunteer program and solicit support from the public County-wide. This could include a "Volunteer Coordination Plan" to increase volunteer utilization in the Park.

4.2.2. The New Entity should work to improve relationships between Park management and neighboring communities. This could also include mutual interest groups such as the Friends of Canyons.

4.3. Improved Financing of Balboa Park through Outreach to Potential Donors

4.3.1. A clear and accountable donation process for overall Park needs and projects would be made available to donors, currently not available through the City of San Diego. The New Entity would be structured to ensure donors are comfortable that donated monies are spent judiciously.

4.3.2. In addition to private fund-raising, the public-private partnership agreement should take into consideration the ability of the New Entity to manage revenue streams not currently being undertaken

5. Other Policy Issues

5.1. The Balboa Park Committee and the Balboa Park/Morley Field Recreation Council are created by City Ordinance and as such are considered an arm of the legislature. They currently play an important advisory role and provide a valuable forum for public input into issues concerning Balboa Park. Initially, these Committees should continue in their present roles; however, over time the New Entity may create a vehicle that is more compatible with the conservancy structure to streamline this function. The public forums provided by these groups are essential and shall continue regardless of the structure they fit into.

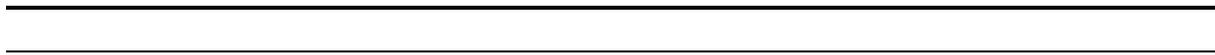
6. **Other Short Term Work Product Concepts**

6.1. Assessment of Park Needs and Creation of a Priorities List - the New Entity would be accountable for establishing a comprehensive Park needs assessment and prioritization. They would also play a role in establishing priorities among various Park needs and proposals (whether the source for such proposals is public, private or recommended by the New Entity itself).

6.2. Assessment of Park Governance, Condition and Planning Needs: the New Entity should also assess the Park's current governance (what City Departments govern the Park today, what are the annual costs incurred to run the Park, etc.), and consider whether to recommend improvements.

6.3. The New Entity would create and maintain a "conditions report" for Balboa Park.

6.4. The New Entity would undertake development of a financing plan for Park needs.



DRAFT—1/18/2010

BALBOA PARK TASK FORCE

Report of the Board Development/Structure Subcommittee

regarding

New Entity Board/Committee Structure

January 18, 2010

BACKGROUND

The Balboa Park Task Force (“BPTF”) was appointed by the Mayor and City Council and held its first meeting on October 19, 2009. The stated mission of the BPTF is to make determinations and recommendations to the Mayor and City Council on:

1. How a new, public benefit non-profit entity (“New Entity”) should be structured to work most effectively in a contractually defined public-private partnership with the City to provide effective park governance, management and fundraising opportunities.
2. Which City Charter, Municipal Code, Policies and Procedures provisions may need to be amended to implement the recommended public-private partnership, with suggestions on possible amendments.
3. What actions will be necessary to create the new entity, determine the membership of the initial Board of Directors and implement the Balboa Park Committee recommendation, as summarized above.
4. Such other issues as the BPTF deems appropriate.

The BPTF appointed the Board Development/Structure Subcommittee (“BDSS”) and tasked that subcommittee to make recommendations to the BPTF on items 1 and 3 of the mission statement, as described above. Specifically, the BPTF asked the BDSS subcommittee to make recommendations on how the New Entity should be structured internally, and to identify the make-up of an initial Board of Directors and the tasks necessary to create the New Entity. The members of the BDSS were as follows: Charles Hellerich, Chair; Judy Swink, Co-chair; Gonzalo Rojas, Ron Buckley, Ray Ellis, Carol Chang. Vicki Granowitz, Chairperson of the BPTF and Robert Ames, member of the BPTF also met with the subcommittee and provided input.

The subcommittee had three meetings to discuss and develop its recommendations. The discussions were lively with all members of the subcommittee participating in, contributing to and unanimously agreeing with the subcommittee’s final recommendations. The following pages set forth in outline form the requested recommendations of the BDSS.

Concurrent with the formation of the BDSS, the BPTF appointed a Relationships Subcommittee (“RS”) and tasked it with developing recommendations that create complementary but not conflicting relationships between: (a) existing park stakeholder groups; (b) the New Entity and other stakeholder groups; and (c) the New Entity and the City.

As background material and information the BDSS Subcommittee reviewed and considered available resource materials on the Park and the governance, maintenance and funding issues related to the Park. These included the following reports: Keeping Balboa Park Magnificent in its Second Century, August 2006; Soul of San Diego: Keeping Balboa Park Magnificent in its Second Century, January 2008; Balboa Park Cultural Partnership: Helping to build a framework for the successful governance of Balboa Park, October 16, 2008, The Future of Balboa Park: Funding, Management & Governance, Balboa Park Committee Report, December 18, 2008 and Governing Urban Park Conservancies, A Review of Board Structure and Roles at Six Major City Park Conservancies, October, 2009. Our report is set forth below.

Balboa Park Task Force Board Development and Structure Subcommittee Report

New Entity Creation & Structure

Balboa Park New Entity Formation and Start Up Process

BDSS and RS Actions:

- BDSS Drafts Recommendations for Composition of Initial Board of Directors (“Organizing Board”) of New Entity. (See Composition of Organizing Board below)
- BDSS Drafts List of Initial tasks for Organizing Board to Implement to Effect New Entity Formation and Start Up. (See Initial Tasks for Organizing Board below.)
- BDSS Drafts Recommendation for Composition of Full Board of Directors (“Long Term Board”) of New Entity and Committee Structure. (See Composition and Structure of Full Board below)
- BDSS Drafts List of Critical Issues to be Addressed in the Memorandum of Understanding (MOU) between the New Entity and the City. (See MOU list below.)
- RS Drafts Recommendations for creating complementary but not conflicting relationships between: (a) existing park stakeholder groups; (b) the New Entity and other stakeholder groups; and (c) the New Entity and the City.

Organizing Board Actions:

- Based on the Organizing Board Composition Required Elements recommended by the BDSS, the Organizing Board of Directors for the New Entity is identified and recruited.
- Organizing Board retains independent counsel to finalize formation of New Entity as a valid California nonprofit public benefit corporation meeting the tax exempt status requirements of Section 501(c)3 of the Internal Revenue Code, and to prepare and finalize all other legally required formational documents (e.g. Articles of Incorporation, By-Laws, etc.) The By-Laws should reflect the Board and Committee Structure described below.
- City requests that the City Attorney’s Office review and determine necessary changes to the City Charter and/or Municipal Code
- Organizing Board Prepares Start-Up Budget (formation and start up costs for the first 12-18 Months of operation).
- Organizing Board Secures “pledges” for New Entity for funding the Start-Up Budget.
- Organizing Board identifies List of Critical Issues to be Addressed in the MOU.
- Organizing Board retains independent counsel to finalize and negotiate MOU with City
- Organizing Board recruits Executive Director (and thereafter other necessary staff) and new Board Members as required to create a Full Long Term Board of Directors of the New Entity.

COMPOSITION OF ORGANIZING BOARD

Characteristics/Expertise of organizing board members

- Finance and/or accounting experience
- Legal expertise
- Non-profit or business leadership experience
- Development/fund raising experience
- Management/recruiting experience (H.R.)
- Board of Directors recruitment and development ability (name recognition)
- Knowledge of community: local and global representation
- Demonstrated interest/commitment to Balboa Park
- Someone in City structure (ex officio)

Size of organizing board: 9 plus the ex officio City member

Initial Tasks for Organizing Board

- Develop short-term and long-term timeline for New Entity operations and fundraising
- Develop timeline for work of Organizing Board: (6 months maximum)
- Identify Park needs (Needs Assessment)
- Prioritize/identify timeline and costs for Needs Assessment
- Develop an MOU
- Develop New Entity bylaws, charter, mission statement
- Establish 18 months operating budget
- Staffing: Recruit and hire Executive Director, administrative support
- Recruit full board

COMPOSITION OF FULL BOARD AND COMMITTEE STRUCTURE FOR NEW ENTITY

Characteristics/Expertise of full, ongoing board

- All of the characteristics/expertise categories listed above for the Organizing Board
- Representation of stakeholders in the Park; City and County structure; general community (geographically including the County of San Diego and other cities in the County). (Government representatives would be ex-officio)
- State and Federal representatives (ex-officio)
- National advisor such as from St. Louis Bd. or other group (ex-officio)
- Educator (local/regional colleges and university leadership)
- Ethnic, cultural and other diversity
- Time, talent and treasure (individuals who meet a minimum of 2 of the 3 metrics)

Size: 40-45 plus the ex officio members

Committee Structure

Executive Committee

Short Term (0-12 Months)

- Members: Board Chair, Vice Chair, Treasurer, Secretary and Committee Chairs
- Recruit and Hire the Executive Director
- Provide feedback to the Executive Director on key staff hires

Long Term (12+ Months)

- Conduct annual performance review of Executive Director
- Establish an Audit Committee on an annual basis
- Work with Executive Director on developing and implementing a 5 (Reviewed Annually), 25 and 50 Year Strategic and Vision Plan.

Board Governance Committee

Ongoing

- Develop Structure for the governance
 - Executive Committee:
 - Board of Directors
 - Advisory Board
 - Develop Board Expectations for each Group
- Establish Committee Structure
- Ongoing Board Governance Committee Activities
 - By-Laws
 - Contractual Relationship with the City
 - Board Recruitment
 - Board Training
 - Review and Maintain Committee Structure
 - Review and Maintain Board Expectations and Job Descriptions
 - Oversee Strategic Planning Process

Development Committee

Ongoing

- Work with Staff on creating and executing a Development Plan
 - Local, Regional, State and National Target Markets
 - Private and Public Sources
 - Membership Program
 - Major Gifts
 - Capital Projects
 - Endowment
 - Planned Giving
- Coordinate with other Balboa Park Entities regarding fundraising activities
- Work with Staff on cultivating Major Donors, Foundations and Corporate Giving

Finance and Administration Committee

Ongoing

- Prepare and review budgets (Capital and Operating)
 - Annual Budget
 - 1-5 Year Forecast
- Review financial statements on a monthly basis
- Provide oversight on Human Resource activities
- Provide oversight on all contracts

Marketing and Communications Committee

Short Term (0-12 Months)

- Manage public relations and public affairs activities

Long Term (12+ Months)

- Develop and execute a Marketing and Communications Plan
- Develop and execute a community outreach/awareness campaign
- Establish a Speaker's Bureau

Project Management Committee

Short Term (0-12 Months)

- Work with the Parks & Recreation Department to set priorities for deploying funds
- Work with Balboa Park stakeholders to set priorities for deploying funds

Long Term (12+ Months)

- Provide coordination and project management input.
- Develop ongoing Projects Budget
- Provide oversight on major projects (Larger than "X")

Volunteer and Event Coordination Committee

Long Term (12+ Months)

- Work with the Parks & Recreation Department and the Balboa Park Committee on Park Events
- Program funding to recruit, train and deploy Park Volunteers

Audit Committee

Ongoing

- Select auditors
- Conduct annual audit of New Entity financial operations
- Report back at least annually to full Board

ELEMENTS IN MEMO OF UNDERSTANDING

1. The New Entity will be an independent California non-profit public benefit corporation registered as a tax exempt 501(c)3 organization under the Internal Revenue Code.
 - a. The New Entity will have sole responsibility for its governance.
 - b. The New Entity will operate in a transparent, open and inclusive manner.
 - c. The New Entity will have fiduciary responsibilities consistent with those normally applicable to a California non-profit public benefit corporation.
2. City shall maintain ownership and ultimate control of Park, but contracts with the New Entity to perform specified functions and projects
3. The New Entity will raise funds (private and public) for its own operation and to fund programs and projects in concert with the City.
4. The City will continue its current level of maintenance efforts in the Park increasing from the current level at the same percentage as the annual budget for the City increases.
5. New Entity required to implement annual reports to City on projects and functions it is responsible for performing and present at least annual reports, recommendations and requests for City review and approval of new projects and functions to be undertaken by New Entity
6. The New Entity will be granted authority by the City to execute projects it is funding.
7. Projects start small and grow with New Entity experience and demonstrated expertise.

The scope of the MOU will be affected by the final agreed upon mission of the New Entity and negotiations with the City. It was noted that in the report Keeping Balboa Park Magnificent In Its Second Century, August 2006 all conservancies reviewed have undertaken (or are undertaking) some form of master planning with the cities retaining all right and authority to review, modify, reject and approve any plans proposed by the conservancy groups, that all the conservancies are raising funds for capital projects, that few of the conservancies had maintenance and management as their original mission, but most have moved (or are moving) in this direction after undertaking capital improvement projects, and that there is no standard way between the cities and the conservancies to carry out (fund or manage) capital projects. Further, in the report Governing Urban Park Conservancies, A Review of Board Structure and Roles at Six Major City Park Conservancies, October 2009, it is noted that in all cases there is an MOU between the City and the conservancy entity and that all conservancies have their own bank accounts into which they deposit all their donations and from which they pay expenses. City and conservancy funds are never commingled.