NOTES
OF THE MONDAY, FEBRUARY 15, 2010 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
1875 El Prado, Balboa Park (off Park Blvd at Parking Lot at back of Building)

Mailing address is:
Balboa Park Administration
2125 Park Boulevard MS39
San Diego, CA 92101-4792

ATTENDANCE
Members Present
Vicki Granowitz, Chair of BPTF
Robert (Bob) Ames, Vice Chair
Ron Buckley
Laurie Burgett
Carol Chang
Berit Durler
Ray Ellis
Aurelia Flores
Chuck Hellerich
Dea Hurston
John Lomac
Paul Meyer
Gonzalo Rojas
Dalouge Smith
Judy Swink

Members Absent
Bruce Coons
Dale Hess

Staff Present
Beth Swersie (note-taker)

CALL TO ORDER
• Chairperson Granowitz called the meeting to order at 6:05 p.m.

ACCEPTANCE OF NOTES OF JANUARY BPTF MEETING
No corrections. Berit moved for acceptance, Carol seconded, unanimously accepted.

PUBLIC COMMENTS – None

CHAIRPERSON’S REPORT – Vicki Granowitz.

WORKSHOP

1. Discussion of Findings/Recommendations For Report
   • Chuck – example: Forest Lawn Conservancy – 25 member advisory board to advise on policy, planning issues, public input process. Accommodates donor privacy.
   • Bob – Central Park conservancy agreement fulfills landlord functions such as leasing, maintenance, usually held by city.
   • Chuck – scope of responsibility of the non-profit – specifically didn’t want to be part of leasing and maintenance functions.
   • Ron – wants to temper some of the language - e.g. re governance, maintenance. Public input – general public needs some way to solicit support of the entity.
   • Vdg – suggests the TF work thru document vs. deal with new issues
   • Vdg – first, what to call things
   • Paul – instead of “governance”, say “carrying out its contractual obligations”?
   • Carol – could also say that instead of “maintaining, enhancing, restoring”
   • Gonzalo – no, “carrying out its contractual obligations” is not clear, use of those words “maintaining, enhancing, restoring, governing” IS clear

a. How should the New Entity be structured internally? Identify make-up of an initial Board of Directors and the tasks necessary to create the new entity
   • Vdg – start with II. NEW ENTITY CREATION, etc.
   • Chuck – “Organizing Committee” – city is driving process, Organizing Committee is to be appointed by the mayor. It will take the first steps to get the non-profit formed and operating. Need people who can bring talent/expertise to get organization running. Organizing Committee will probably be the first BOD, hire ED, recruit full board.
• Ron – II.A.2.b. “Organizing Committee Composition Required Elements” – is that correctly phrased? YES.
• Paul – questioned II.A.1.e. (a): is it relationships “between the NE and a, b, c” OR “among a, b and c”?
• Chuck – yes, correct (a) to read “between NE and existing park stakeholder groups”.
• Judy in II.A.2.b.: put “Organizing Committee Composition Required Elements” in quotation marks to set it off as a phrase.
• Vdg – is everyone ok with II.A.1.? YES.
• Vdg –is everyone ok with II.A.2.? YES.
• Chuck – summary of II.A.3. – Organizing Committee/Initial Board Actions – chronological, linear.
• Ron – initial group recruiting others, do we need to develop a list, get direction re projects, programs to attract interest of those to serve, donate?
• Vdg – there is a list
• Dalouge – re II.A.3. and II B.3. – both are lists of initial tasks for Organizing Committee – can they be combined?
• Vdg – there are other places also,
• Laurie – yes we can consolidate them.
• Dalouge – re initial tasks, keep funds separate from city, what are the mechanics? They will need fiscal sponsor, or to be sure that they can establish accounts prior to being 501c3.
• Ray – can find a fiscal agent in interim
• Chuck – when can they establish accounts? add “to arrange fiscal agent if needed”?
• VDG II.A.3. is now ok.
• Gonzalo – refer to final group as “permanent board”?
• Judy – looked up online, common term, even though’ it rotates after establishment
• Vdg – ok? YES
• Dalouge – switch references to full board, then organizing board?
• Berit – likes it as it is, vdg also.
• Ray – organizing board ➔ permanent board – it’s a sequence
• Dalouge – not finding one place of concise list of actions of permanent board
• Judy – some of that will be determined by the organizing/Initial Board
• Laurie – composition and structure right now.
• John – how does the Organizing Committee transition to the Initial Board?
• Chuck – Organizing Committee is appointed, it establishes the entity, recruits members; it ends at the appointment of the Initial Board.
• Chuck – II.B. Organizing Committee: characteristics, size, initial tasks are really of Organizing Committee/Initial Board
• Paul – f/up on Dalouge’s comment re II.B.3. – initial tasks of Organizing Committee – include a “needs assessment”? I think at most, should be to identify initial projects to be considered.
• Chuck – some kind of needs assessment for MOU
• Paul – for Initial Board (vs. permanent board) – move this out of initial tasks for Organizing Committee and into section for initial tasks for full board
• Ron – same for “prioritize/identify timeline and costs for needs assessment”?
• Vdg – call it Organizing Committee? Vs organizing board
• Ray – the trigger is 501c3 – Organizing Committee becomes Initial Board
• Carol – rolling along, need to do this in sequence
• Ron – when do we move beyond Organizing Committee? To bringing on 20 more board members? After MOU?
• Vdg – wait, let’s back up
• Judy – clarify: Organizing Committee, then 501c3, then Initial Board, need to separate the two. Organizing committee achieves certain ends (e.g. 501c3), then it becomes the Initial Board, independent of city decisions for next steps. Some of the earlier steps need to be moved to Initial Board.
• Vdg – say somewhere that there is Organizing Committee/501c3/Initial Board
• Chuck – there are host of issues re board size, composition, need to evolve – start with 9 (good size) – organize themselves enough to recruit board members and funds to entity. How far can WE go to define that? These issues will be determined by the board: define projects, who they are, where their funding comes from.
• Ron – council will ask when we go to full board?
• Ray – hard to get 45-member board until the Initial Board hammers out its tasks.
• Vdg – council members and staff want to have something up/running by end of year.
• Judy – permanent board will want final say on MOU and operating budget – start developing them
• John – MOUs are evolving items – takes long time to get reviewed by city atty. Start asap,
• Chuck – II.C.
• Berit – in last bullet of II.C.1., eliminate “minimum of 2 of 3”
• Chuck – leave metrics requirements up to future board, some potential members don’t have money
• Berit – leave it silent
• Vdg – ok, take out parenthetic part
• John – national advisors? Is this typical?
• Ray – lends credibility on national level
• Judy – perspective of someone outside, not local, can be valuable
• Chuck – board size – removed number from earlier discussion – to be determined by entity, start small, then grow as needed.
• Vdg – change acting board to permanent board
• Chuck – committee structure of permanent board
  • Dalouge – comment on section – extremely detailed, prescriptive vs. general guidelines to this point – this presupposes things that should be determined by organizing board. Perhaps change to list of suggested committees in appendix, vs. in body.
• Carol – show these as what could happen, not what must happen
• Chuck – important to lay out for public and city what entity will look like, properly structured. Detail describes what could be a very functional entity.
• Carol – address it by calling it a suggestion rather than a prescription.
• Judy – not to take it out – shows what we’re aiming for – say ‘suggested new structure’, even vs. recommended. So layperson can see it, many skip appendix.
• Berit – just list appropriate committees, not tasks
• Gonzalo – keep all specific info, say suggested
• Judy – keep all specific info for everyone to understand – for broader public
• Vdg – ask Ray his thoughts
• Ray – more info, better keyed, easier more effective for next group. “suggested” in #3, “recommended standing committees”
• Bob – add subdivision under executive committee – make it clear that the executive committee has authority of the board – “if board is not available, the executive committee has authority to act in place of the board”
• Chuck – that would be in bylaws
• John – is Organizing Committee tasked with hiring ED, or Initial Board?
• Chuck – one of first tasks of Organizing Committee – recruiting to start immediately
• Judy – IRS provides 18-month organizing process
• Carol – separate out Organizing Committee, Initial Board,
• Gonzalo – how quickly will funds be generated? May have to wait til funds raised.
• Laurie – executive committee – always responsible for hiring ED.
• Paul – new ED will sign employment contract, leave job/city, seems obvious that corporation needs to exist, therefore permanent board needs to exist, so there can be a binding contract
• Bob – also has funds
• Paul – permanent board needs to sign contract, inconsistency in current draft, Organizing Committee starts process by looking for candidates, but need existing 501c3 with permanent board to enact contract.
• Ray – recruiting process will be long one, start in Organizing Committee, Initial Board to permanent board is a process, not overnight, overlap of initial/permanent board during hiring of ED.
• Paul – Organizing Committee = Initial Board = first permanent board?
• Judy – use language to differentiate between initial and permanent bd
• Laurie – city appoints Organizing Committee, articles/501c3 ---
• Paul – initial permanent board
• Vdg – we’ll work this out, let’s move on
• Dalouge – are we using an appendix to list details of committee structure?
• Vdg – no, using phrase “recommended”
• Aurelia – so much detail?
• Dalouge – no list of recommended priorities for permanent board.
b. What should be the relationship between the New Entity and the City of San Diego. Should the “head” of the New Entity be a City employee or be solely under the direction of the New Entity?

c. What should be the “Internal Relationships” between existing park organizations/stakeholders and the new entity?

- **Starting at III. RELATIONSHIPS, etc.**
- Judy – III.A.1.a. – include that the formal agreement is an MOU
- Gonzalo – III.b.1.a. **first bullet**: “there is no assurance that this New Entity will be successful” … change to “in order to ensure the success of the New Entity”
- Paul – III.A.1.e. – “this relationship could change to an approval authority over time”. Rather: “this relationship may EVOLVE”, but the approval authority wouldn’t be transferred.
- Bob – coordination of events, seems there is potential at some time that issuance of permits become responsibility of this entity. Is this “approval authority”?
- Laurie – this relationship will evolve over time by use of MOUs etc. (e.g. operational, decisions)
- Vdg – leave it in or take it out – “approval authority”
- Chuck – board is not just advisory.
- Vdg – wait to see if covered elsewhere
- Dalouge – III.A.1.f. – specifically acknowledge Balboa Park Committee somewhere; 2nd – in this section or in MOU piece: “single point of contact”, 3rd – access to City Council, Mayor, P&R, no mention of entity’s reporting responsibility to city here and in Elements in MOU.
- Laurie - correct, it was not addressed
- Gonzalo – supposed to relieve city of some functions, need some language that one function is a single point of contact in both directions.
- Vdg – over time, yes. Adding single pt of contact with city, with public.
- Paul – new entity should NOT be single point of contact now – it would be disrespectful of existing groups, maybe later with track record. Suggest it be called a regular point of contact
- Judy – replace single point, two way?
- Paul – new entity should try to represent broad park community
- Ron – stakeholders – general – who?
- Judy – users
- Paul – language could be read to mean that the BPCP is yesterday’s news, we are the only point of contact.
- Chuck/vdg – that was never the intent
- Ray – new entity needs to have a point of contact at city
- Berit – III.A.1.f.iii. – ‘should’ vs. ‘shall’ – makes it stronger, with expectations between city/entity
- ?? – included leases?
- Laurie – that is sensitive
- Vdg - not include leases, maybe agreements
- John – shy away from management for five years, stick to fundraising at first – city has different ways of getting revenues.
- Laurie – should entity have input re use of buildings coming up for lease?
- Vdg – utilization vs. ?
- Berit – this is positive in that this is the organization that leases go through – cover somewhere that as leases come up for renewal they be treated equitably – should entity be involved?
- David Kinney (BPCP) mission of new entity – fundraising – crucial – not mission, but how it achieves its mission – go back to stated mission of TF
- Berit – this could be an organization that might assist in equitable treatment
- Chuck – III.A.1.h. – advocate for improvements in governance - put it here?
- Ron – entity stands as advocate vs. city
- Chuck – same is true re leases
- Judy – REA does negotiations for leases, but there is a public interest in knowing about leases under discussion – this could be a forum for discussion – opportunity for general public to know about them. Way to approach without intruding in process.
- Gonzalo – encourage a process
- Vdg – leases are a big issue that we could get stuck in. Maybe eventually, but not immediately
d. What policy issues 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?

- Paul – Appendix A: Elements in Memo of Understanding, #4: Can we establish a formula for maintenance efforts by city?
- Vdg – that has been debated.
- Chuck – new entity can ask what they want, city can say no.

e. Muni Code, City Policies and City Charter sections review Working Group. Identify which might require amending and recommend changes.

- Ron distributed an updated report, which was not discussed this meeting.


ADJOURNMENT

Chairperson Granowitz adjourned the meeting at 8:11 p.m.

Next Balboa Park Task Force Meeting:
6:00 P.M. on Monday, March 15, 2010
Balboa Park Club Santa Fe Room
San Diego, CA 92101

For more information please contact:
Vicki Granowitz, Chair of the Balboa Park Task Force at (619) 584-1203
FINDINGS/RECOMMENDATION FOR REPORT OF
THE BALBOA PARK TASK FORCE

I. BACKGROUND

A. Mission and Charter

1. 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:

   a. 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.

   b. 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.

   c. 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.

   d. Such other issues as the BPTF deems appropriate.

2. The stated scope of work for the BPTF expressly required that the following points relevant to its Mission be considered:

   a. **Key Management Issue**: What should be the relationship between the New Entity and the City of San Diego (“External Relationships”)? Should the “head” of the New entity be a City employee or be solely under the direction of the New Entity?

   b. **Key Governance Issue**: What should be the “Internal Relationships” between existing park organizations/stakeholders and the New Entity?

   c. **Key Policy and Documentation Issues**:

      i. Issue Spotting Documentation: What policy issues 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?

      ii. City Code, City Policies and City Charter sections review to identify which might require amending and recommend changes.

   d. **How should the New Entity be structured internally?** Identify make-up of an initial Board of Directors and the tasks necessary to create the New Entity.

3. The BPTF appointed two working subcommittees to specifically address these matters: the Board Development/Structure Subcommittee (“BDSS”) and the Relationships Subcommittee (“RS”). These subcommittees were tasked to make recommendations to the BPTF on all of the above items. The Relationships Subcommittee was specifically tasked with developing recommendations on how to 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.

4. As background material and information the BPTF and the Subcommittees 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
5. Value Added by Creation of a New Entity

6. How the New Entity Will Differ From Existing Fund Raising Efforts

B. General Conclusions

1. **Formation of A New Entity** – the BPTF recommends the formation of a New Entity. A general description of the concept is described in the following sections.

   a. A New Entity would be formed as a new private, non-profit, public-benefit corporation under California law qualifying as a tax exempt nonprofit organization under Section 501(c)3 of the Federal Internal Revenue Code.

   b. It would be structured so that it is independently governed with formalized input from the City. It would be a new and unique organization devoted primarily to raising funds for projects in the Park and spending those funds under a plan approved by the City.

   c. The New 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.

   d. The New Entity would be formed by an Organizing Committee nominated by the Mayor and appointed by City Council.

   e. Its Board of Directors would be relatively large with diverse representation across a broad range of factors and a broad geographic region, and would include city representation through appointed or ex-officio positions (serving by way of their position or office held, but being non-voting and advisory only).

   f. The New Entity would be governed in its day-to-day operations by an Executive Committee and would have a variety of well defined working committees focused on fund raising and the needs of the organization and the Park.

   g. Though the New Entity will likely start with modest goals, it would ultimately be involved in a broad range of parkland activities ranging from planning through capital construction to maintenance and would contract with the City through a memorandum of understanding to define the roles and responsibilities between the City and the New Entity. The appropriate “modest beginning” for the new entity would be to prove itself capable in the following manner:

      i. Show capability to fundraise with an emphasis on new sources of funding for the Park.

      ii. Carefully selecting limited initial projects within its jurisdiction and capabilities

      iii. Showing leadership in working formally with the City of San Diego and all other stakeholders

2. **Park Sovereignty** - Complete ownership and control of Balboa Park land would remain in the City of San Diego with the City retaining ultimate authority. The New Entity would not own any parkland nor would it hold easements on it. This means the City would retain the ability to sign off on the activities of the New Entity in the Park. The New Entity would raise money independent of the City but spend it under a plan of action that is mutually agreed upon with the City.

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

4. Although the New Entity will likely begin with limited responsibility, its purview will be the entire Park, including the outer reaches of the Park that have been traditionally overlooked in improvement cycles and funding. These areas represent the greatest potential and opportunity in the Park.
II. NEW ENTITY CREATION, STRUCTURE AND START-UP

A. New Entity Formation and Start Up Process

1. BPTF Actions:
   a. Prepare Draft Recommendations for Composition of Organizing Committee (“Organizing Committee”) of New Entity to be appointed by Mayor/City Council. (See Composition of Organizing Committee below) The Organizing Committee will become the initial members of the Board of Directors (“Initial Board”) of the New Entity.
   b. Prepare Draft List of Initial tasks for Organizing Committee to Implement to Effect New Entity Formation and Start Up. (See Initial Tasks for Organizing Committee below.)
   c. Prepare Draft 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)
   d. Prepare Draft List of Critical Issues to be Addressed in the Memorandum of Understanding (MOU) between the New Entity and the City. (See MOU list below.)
   e. Prepare Draft 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.

2. City/Mayor/City Council Actions:
   a. City requests that the City Attorney’s Office review and determine necessary changes to the City Charter and/or Municipal Code.
   b. Based on the Organizing Committee Composition Required Elements recommended by the BPTF, the Organizing Committee for the New Entity is identified, recruited and appointed by the Mayor/City Council.

3. Organizing Committee/Initial Board Actions:
   a. Organizing Committee 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.
   b. New Entity is formed with the Organizing Committee members named as the Initial Board.
   c. Initial Board Prepares Start-Up Budget (formation and start up costs for the first 12-18 Months of operation).
   d. Initial Board Secures “pledges” for New Entity for funding the Start-Up Budget.
   e. Initial Board reviews and supplements as needed the List of Critical Issues to be Addressed in the MOU.
   f. Initial Board retains independent counsel to finalize and negotiate MOU with City.
   g. Initial 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.

B. Organizing Committee

1. Characteristics/Expertise of Organizing Committee members:
   - Finance and/or accounting experience
   - Legal expertise
   - Non-profit or business leadership experience
   - Development/fund raising experience
   - Management/recruiting experience (Human.Resource)
   - 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 (non-voting, ex officio)

2. **Size of Organizing Committee**: 9 plus the ex officio City member

3. **Initial Tasks for Organizing Committee**
   • 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

C. **Composition Of Full Board And Committee Structure For New Entity**

1. **Characteristics/Expertise of full, ongoing board**
   • All of the characteristics/expertise categories listed above for the Organizing Committee
   • 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 (non-voting, 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)

2. **Board Size**:
   • The size of the full Board will be determined and adjusted, from time to time, by the then acting Board of the New Entity based on its assessment of its operational needs, the need for a diverse Board of Directors committed to the Park and the availability of qualified persons to fill positions on the Board.
   • It is assumed that the Board may start small (at least the size of the Initial Board) and grow as needed based on the progress and activities of the New Entity. It is noted in the report on *Governing Urban Park Conservancies A review of Board Structure and Roles at Six Major City Park Conservancies* prepared for The Legler Benbough Foundation, San Diego, Calif. by The Trust for Public Land’s Center for City Park Excellence, Washington, D.C., that the Boards of park conservancies are generally large, averaging 47 board members for the six conservancies studied, and all have executive committees made up of Board officers varying in size from 4-15 that are directly involved in day to day operations.

3. **Committee Structure**:
   a. **Executive Committee**
      i. **Short Term (0-12 Months)**
         o Members: Board Chair, Vice Chair, Treasurer, Secretary and Committee Chairs
         o Recruit and Hire the Executive Director
         o Provide feedback to the Executive Director on key staff hires
      ii. **Long Term (12+ Months)**
b. Board Governance Committee
   i. Develop Structure for the governance
      o Executive Committee:
         o Board of Directors
         o Advisory Board
         o Develop Board Expectations for each Group
   ii. Establish Committee Structure
   iii. Ongoing Board Governance Committee Activities
      o By-Laws
      o Contractual Relationship with the City
      o Board Recruitment
      o Board Training
      o Review and Maintain Committee Structure
      o Review and Maintain Board Expectations and Job Descriptions
      o Oversee Strategic Planning Process

c. Development Committee
   i. 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
   ii. Coordinate with other Balboa Park Entities regarding fundraising activities
   iii. Work with Staff on cultivating Major Donors, Foundations and Corporate Giving

d. Finance and Administration Committee
   i. Prepare and review budgets (Capital and Operating)
      ▪ Annual Budget
      ▪ 1-5 Year Forecast
   ii. Review financial statements on a monthly basis
   iii. Provide oversight on Human Resource activities
   iv. Provide oversight on all contracts

e. Marketing and Communications Committee
   i. Short Term (0-12 Months)
      ▪ Manage public relations and public affairs activities
   ii. 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

f. Project Management Committee
   i. Short Term (0-12 Months)
      o Work with the Parks & Recreation Department to set priorities for deploying funds
      o Work with Balboa Park stakeholders to set priorities for deploying funds
   ii. Long Term (12+ Months)
      o Provide coordination and project management input.
      o Develop ongoing Projects Budget
      o Provide oversight on major projects (Larger than “X”)

- 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.
g. **Volunteer and Event Coordination Committee** - Long Term (12+ Months)
   i. Work with the Parks & Recreation Department and the Balboa Park Committee on Park Events
   ii. Program funding to recruit, train and deploy Park Volunteers

h. **Audit Committee**
   i. Select auditors
   ii. Conduct annual audit of New Entity financial operations
   iii. Report back at least annually to full Board

**III. RELATIONSHIPS**

**A. Key Management Issues**

1. **Relationship with the City of San Diego**
   a. The New Entity would have a formal agreement with the City that clearly delineates the responsibility of each party.
   b. 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.
   c. 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.
   d. The city may have representation on the Entity’s board as ex officio, nonvoting members and they could come from the following:
      o The Mayor
      o City Council (particularly Council District Three)
      o Director of the Park and Recreation Department
   e. 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.
   f. 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.
      i. 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.
      ii. 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).
      iii. 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.
   g. The relationship with the City’s Park and Recreation Department should be clearly defined, providing for an open and direct means of communication.
   h. 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.

2. **In response to the question of whether 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.
B. Key Governance Issues

1. Vision of Internal Relations With Existing Park Stakeholders.

   a. The New Entity will not replace any currently established group working within Balboa Park but would form cooperative relationships.

      o 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.

      o 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.

   b. 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.

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

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

      iii. 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.

      iv. 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.

   c. To help engender trust, the New Entity would operate in an open and transparent manner. Specific 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:

      o Publish Board of Director’s agendas for meetings in advance

      o Allow action only on agenda items.

      o Make minutes of public meetings available for public access.

      o Make Bylaws available for public access.

      o An Annual Report should be made public including annual audit data.

      i. It is critical that the public has regular access to the New Entity.

      ii. 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.

   d. 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.

   e. 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.
2. Vision of Relationships Between the New Entity and Stakeholders Outside the Park
   a. 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.
   b. 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.

3. Improved Financing of Balboa Park through Outreach to Potential Donors
   a. 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.
   b. 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.

IV. OTHER SHORT TERM WORK PRODUCT CONCEPTS
   A. 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).
   B. Conditions Report - The New Entity would create and maintain a “conditions report” for Balboa Park.
   C. Financing Plan - The New Entity would undertake development of a financing plan for Park needs.
   D. Inspiration Point Precise Plan – the New Entity could begin a review of the preliminary (never adopted) Inspiration Point Precise Plan with the intent to eventually ask the City for adoption.

V. REVIEW OF CITY OF SAN DIEGO FOUNDATION DOCUMENTS –
   A. List City Charter Sections, Municipal Code, Policies and Procedures which may need to be amended in order to implement the recommended public-private partnership; make suggestions on possible amendments.
   B. The Balboa Park Committee compiled an exhaustive list of Charter, Code and City Council Policies that were potentially germane to any City agreement and/or the operation of a Balboa Park New Entity. It is important for City officials to be aware of this list, but it appears that the number of relevant sections that might require attention or amendment is much smaller.
   C. Because a Balboa Park New Entity would operate through an agreement with the City, it may not be necessary nor desirable to amend any official City documents and certainly not the City Charter which requires a 2/3 vote of the electorate. These decisions are ultimately the City Attorney’s.
   D. A future issue that might arise is to what extent an independently operated New Entity may not wish to be subject to the provisions of the applicable Charter, Code and Policies Sections and to what, if any, extent would the City entertain New Entity authority or operations different from those specified by the provisions.
   E. The following are Charter, Code and Policy sections that appear to be relevant and worthy of attention when the Mayor and City Council take action to enter into an agreement with a Balboa Park New Entity.

1. City Charter
   a. Article V Section 55.2 Mission Bay Park and Regional Parks Improvement Fund
      This section deals with 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.
   b. Article VII Section 94 Contracts
      This section deals with the awarding of contracts for various forms of public works, a required bidding process and award to lowest bidder and Purchasing Agent involvement.

   a. Chapter 2 Article 2
i. Division 2 Section 22.0229 Preparation of Annual Budget: Mission Bay Park and other Regional Park Improvements

This section implements Charter Section 55.2 – Mission Bay Park and Regional Parks Improvement Fund. The comments for that Charter provision (above) apply for this Code section.

ii. Division 40 Section 22.4000 Special Events

This Code section lays out the authority, requirements and procedures for obtaining special event permits from the City. Scheduling and coordinating special events in Balboa Park is a role that has been suggested that a New Entity might undertake. This section is only relevant to the extent that a New Entity and an implementing Agreement seeks to modify or set up a special events coordination or scheduling process different from the existing.

b. Chapter 2 Article 6

i. Division 00 Section 26.15 Endowment Board

The City Attorney must determine whether the authority, operations, practices and (anticipated) disbursement of funds to be provided for in an Agreement would differ from or could supersede the provisions of this Section or needs to be recognized or authorized by this or a new ordinance.

ii. Division 00 Section 26.30 Park and Recreation Board

The City will need to decide whether it is necessary or desirable to amend this Section to acknowledge or reference a New Entity and its interactions with the Park and Recreation Board and Balboa Park Committee.

3. City Council Policies

a. CP 000-40 Marketing Partnership Policy. This policy describes the policy and procedures for marketing and sponsorship programs with the City.

The New Entity must be aware of these provisions if it seeks to develop a marketing/sponsorship program as a part of its work.

b. CP 600-33 Community Notification and Input for City-Wide Park Development Projects

If the New Entity seeks the right to initiate and construct projects, the City should clarify how it will require conformance with this Policy.

c. CP 700-07 Park Development by Non-City Funds

This Policy requires that when the City contributes funds for park development or improvement, the development will be administered by the City. To the extent the New Entity proposes and the City agrees to allowing the New Entity to fund, implement and administer projects even with some City contribution of funds, the Policy will require review by the City Attorney.

Appendix A: Elements In Memo Of Understanding (MOU)

1. The New Entity will be an independent California non-profit public benefit corporation qualified 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 contract 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. The New Entity will be 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 City will establish a single point of contact for the processing of City review and approvals of projects proposed by the New Entity.

7. The New Entity will be granted authority by the City to execute projects the New Entity is funding. This would include for any project proposed by the New Entity and approved by the City the grant to the New Entity of a right of entry permit giving the New Entity full control over the execution of the project, including the hiring, monitoring, and enforcement of accountability for all vendors and resources required for project execution, whether by City or outside contractors.

8. The MOU will be an organic document changing over time as the circumstances change. It should recognize that the New Entity and its projects will 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.