

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
VETERANS BUILDING PROJECT COMMITTEE

Thursday, October 11, 2012

The Veterans Building Project Committee of the War Memorial Board of Trustees met at 1:00 p.m. on Thursday, October 11, 2012, in the Trustees' Board Room, War Memorial Opera House, Chair Horn presiding.

ROLL CALL

Committee Present: Chair Horn, Trustee Bashford, Trustee Davis;
President Shultz, ex officio; Vice President Myatt, ex officio

Non-Committee Present: Trustee Moscone

Committee Absent: Trustee Pelosi

Staff Present: Elizabeth Murray, Managing Director
Jennifer Norris, Assistant Managing Director

Issues relating to the relocation of Veterans Building Occupants during the Veterans Building Seismic Upgrade and Improvements Project: Chair Horn stated there is one item on today's agenda, consideration and adoption of recommendations on issues relating to relocation of Veterans Building occupants during the Veterans Building Seismic Upgrade and Improvements Project.

Beth Murray introduced John Updike, Acting Director of Real Estate for the City, with whom she has been working on relocation issues. Ms. Murray reported on the move-out schedules of Veterans Building occupants including the San Francisco Museum of Modern Art, Arts Commission Gallery, Department of the Environment, Law Library, Mayor's Office on Disability, Center for Wellness & Achievement, Museum of Performance & Design, San Francisco Opera and Swords to Plowshares. She also reported on plans for the relocation of War Memorial offices, which include moving administrative personnel to the City-owned building at 25 Van Ness Avenue, and moving buildings and grounds supervisors to an office trailer to be set up in front of the Veterans Building within the construction fencing perimeter.

Ms. Murray reported that the Veterans Building Project budget includes \$1 million for relocation expenses which will include: moving consultant, move-out services, rents for temporary locations, storage fees and move-in expenses.

Chair Horn stated that in order for staff to carry out relocation planning, the Committee needs to consider and adopt recommendations as to whether the War Memorial will provide and pay for alternative space and pay for moving and storage costs for the American Legion Posts during the Veterans Building closure; and whether it will pay for alternative space and pay for moving and storage costs for the American Legion Department of California, which currently occupies space in the Veterans Building as the guest of the American Legion Posts.

Chair Horn stated that at last month's board meeting, the Trustees voted to waive confidentiality and release to the public advice to the Trustees from the City Attorney regarding "Relocation of American Legion Posts During Veterans Building Closure. He stated that the City Attorney's advice memorandum as been distributed to all Trustees and copies have been made available to the American Legion War Memorial Commission and members of the public.

Ms. Murray reported that no specific temporary space has at this time been chosen for the American Legion Posts. She stated that she has researched options such as the Presidio and SFUSD locations in Civic Center and neither is possible. Ms. Murray stated that Mr. Updike has provided a new option for the Posts at 1155 Market

Street, a building leased by the City. The cost of space at this property would be \$40-\$50 per square foot per year, which is higher than hoped, but is reflective of the ever increasing cost of rental space in Civic Center. She stated that the War Memorial currently incurs no direct cost for the Posts' use of Veterans Building space, and should the Trustees decide to provide the Posts with temporary space, it would involve direct costs to the War Memorial.

Ms. Murray stated that based on staff's evaluation of the Posts' temporary space needs, she would anticipate a temporary location of 5,000 square feet. If the Trustees approved providing space and if the space selected were at 1155 Market Street, the total rent cost for 28 months would be approximately \$462,000, almost 50% of the total relocation budget. She noted that whatever space is rented will likely require some tenant improvements for which there is no budget, but were we to proceed with a lease of the 1155 Market space, the owner would have some limited funds they would be willing to spend improving the space to meet the needs of the Posts and their guests.

Ms. Murray distributed the Veterans Building Seismic Upgrade & Improvements Project Relocation Budget and Cost Estimate dated 10/10/12, which provides a preliminary total relocation cost estimate of \$1,118,031, which exceeds the \$1 million relocation budget by over 10%. She stated that this preliminary budget includes no expenditure for general storage, noting that Mr. Updike has advised there is a City-owned storage facility that can be made available to the War Memorial free of charge. The budget also does not currently include any expenditures for tenant improvements at the temporary location(s) for War Memorial offices.

Ms. Murray stated that the preliminary budget includes rent, moving and storage expenses for the American Legion Posts, but does not include such expenses for the American Legion Department of California ("ALDC") which occupies space in the Veterans Building as the guest of the Posts. She noted that the ALDC pays no rent to the War Memorial, but pays a nominal rent donation to the American Legion War Memorial Commission. Ms. Murray stated that she believes the 5,000 square feet of relocation space for the Posts, upon which she is basing current budget figures, is sufficient space to meet the temporary needs of both the Posts and the Department, should the Posts decide to continue having the ALDC as their guest in their temporary space.

During discussion, Trustee Bechtle expressed concern about staying within the approved budget which may require reducing relocation space. Trustee Horn clarified that the action to be taken by the Committee is to determine whether or not the War Memorial will provide and pay for space; the action need not at this point state a specific location and/or amount of space.

During public comment, American Legion War Memorial Commission Vice Chair Paul Cox expressed his opinion that the Posts have the right to bring in other organizations as their guests, such as the not for profit organization Veterans for Peace.

Following discussion, and on motion of Trustee Bechtle, seconded by Trustee Davis, the following recommendation was unanimously adopted:

RECOMMENDATION

RECOMMENDED, By the Veterans Building Project Committee of the War Memorial Board of Trustees that it hereby recommends the following with regard to the temporary relocation of the San Francisco American Legion Posts during the closure of the Veterans Building for the Veterans Building Seismic Upgrade and Improvements Project:

1. The War Memorial provide and pay for alternative space and pay for moving and storage costs for the American Legion Posts; the amount and location of space to be determined in consultation with the City's Real Estate Division based upon space availability and cost, and
2. The War Memorial will permit the American Legion Posts at their discretion to continue providing a portion of their temporary space to the American Legion

Department of California as a guest of the Posts; and further, the American Legion Department of California will be responsible for its own moving and storage costs.

ADJOURNMENT

There being no further business before the Committee, Chair Horn adjourned the meeting at 1:50 p.m.

Jennifer E. Norris
Executive Secretary