

Oakland City Attorney's Office

8-11-11
11:57

OAKLAND CITY COUNCIL

RESOLUTION No. 83442 C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A TEN YEAR GRANT AGREEMENT WITH THE OAKLAND MUSEUM OF CALIFORNIA FOUNDATION TO SUPPORT THE MUSEUM ACTIVITIES OF THE FOUNDATION FOR THE CARE, CONSERVATION, STEWARDSHIP AND PRESENTATION OF THE CITY'S COLLECTION OF ART WORKS, HISTORICAL ARTIFACTS AND NATURAL SCIENCES SPECIMENS RELATED TO CALIFORNIA'S CULTURAL AND ENVIRONMENTAL HISTORY, WITH AN INITIAL CITY ANNUAL GRANT DISBURSEMENT OF FIVE MILLION DOLLARS (\$5,000,000.00) ON JULY 1, 2011 THAT DECLINES ANNUALLY TO \$3 MILLION OVER THE TEN-YEAR PERIOD, FOR A TOTAL GRANT OF FORTY THREE MILLION DOLLARS (\$43,000,000.00)

WHEREAS, the Oakland Museum of California, located at 1000 Oak Street, Oakland California, is owned by and in the custodial care of the City of Oakland; and

WHEREAS, since its founding more than forty years ago and with a history dating back one hundred years, the Oakland Museum of California ("Museum") has been a public institution, owned by the City of Oakland ("City") and committed to a broad civic mission serving local, statewide and national audiences; and

WHEREAS, the Museum's landmark facility was constructed through a public bond measure in the 1960s and is currently being renovated through a \$63 million capital campaign, funded in part through a \$23.6 million parcel tax measure that has been supported by Oakland voters; and

WHEREAS, the Oakland Museum of California Foundation ("Foundation") is a California 501c(3) non-profit corporation dedicated to raising and generating funds for the Museum's exhibitions, education programs, marketing efforts, earned revenue enterprises and other Museum services, and is currently providing more than 55% of the Museum's annual operating budget and employing more than 55% of the Museum's staff; and

WHEREAS, the City and the Foundation have jointly operated the Museum in a public/private partnership as formalized in October 2006 through a Management & Operations Agreement that will expire in 2011; and

WHEREAS, the growth and development of the Museum through its major renovation project have made it a more complex organization requiring additional funding and staff; and

WHEREAS, the City's serious financial challenges demand that it focus on core services to determine what services it is able to continue, and what operations are better performed by another entity; and

WHEREAS, the City has determined that it will cease operating and managing the Museum and will continue to own the Museum facilities and collection and lease the facilities at 1000 Oak Street and 450 Lancaster Street to the Foundation in order to ensure the Museum's long-term viability and sustainability; and

WHEREAS, the City wishes to providing long-term funding to the Foundation to support the Foundation in carrying out Museum program activities, including the care, conservation, stewardship and presentation of the City's collection of art works, historical artifacts and natural sciences specimens related to California's cultural and environmental history; now, therefore be it

RESOLVED: That the City Administrator is authorized to negotiate and execute a Grant Agreement with the Foundation for a period of ten (10) years that sets forth the terms under which the Foundation will care for, conserve, steward, research and provide scholarly and interpretive expertise in support of the Museum's collection of close to two million art works, artifacts, and natural science specimens related to California's cultural and environmental history for the annual disbursement amounts set forth in Exhibit A, Grant Disbursement Schedule, attached hereto and incorporated, totaling forty three million dollars (\$43,000,000.00) over the ten (10) year grant period; and be it

FURTHER RESOLVED: That all program activities carried out by the Foundation will be in accordance with the standards of the American Association of Museums, and that the City and Foundation agree to abide by and comply with the standards of the American Association of Museums on all regulations concerning accessions to and deaccessions from the collection; and be it

FURTHER RESOLVED: That the City will disburse an annual grant payment on July 1 of each year commencing 2011 through and including 2020 to support Museum program activities, with an amount of five million dollars (\$5,000,000.00) in Fiscal Year 2012 which declines to three million dollars (\$3,000,000.00) per year over the ten-year term of the Grant agreement in accord with the grant disbursement schedule in Exhibit A; and be it

FURTHER RESOLVED: That the Foundation shall be required to provide the City annual reports on the Foundation's performance of the Museum program activities as well as reports on the Foundation's financial condition; and be it

FURTHER RESOLVED: That the City has requested that the Foundation place all City employees currently working at the Museum at the Museum and the City will make every effort to place City employees not hired at the Museum in City positions or other employment; and be it

FURTHER RESOLVED: That the agreement approved hereunder shall be approved for form and legality by the City Attorney's Office and placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, JUN 28 2011, 2011

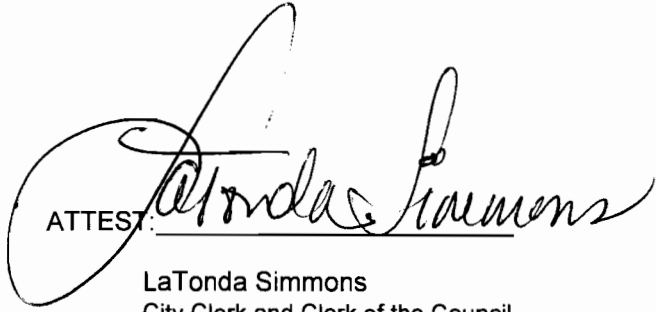
PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL, SCHAAF and PRESIDENT REID - 8

NOES - 0

ABSENT - 0

ABSTENTION - 0

ATTEST: 

LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

EXHIBIT A—Schedule of Grant Disbursals

Year	City Funding \$MM	Foundation Funding \$MM	Total Museum Budget \$MM
1	\$5.0	\$9.0	\$14
2	\$5.0	\$9.3	\$14.3
3	\$5.0	\$9.8	\$14.8
4	\$4.8	\$10.5	\$15.3
5	\$4.6	\$11.2	\$15.8
6	\$4.4	\$12.0	\$16.4
7	\$4.2	\$12.7	\$16.9
8	\$3.7	\$13.9	\$17.6
9	\$3.2	\$15.0	\$18.2
10	\$3.0	\$16.0	\$19