

**CITY OF OAKLAND**  
**AGENDA REPORT**

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OFFICE OF THE CITY CLERK  
OAKLAND

2003 OCT -2 PM 2:02

TO: Office of the City Manager  
ATTN: Deborah Edgerly  
FROM: Cultural Arts and Marketing Department  
DATE: October 14, 2003

RE: **INFORMATIONAL REPORT ON THE OAKLAND MUSEUM OF CALIFORNIA MASTER PLAN AND THE PROPOSED FIRST PHASE ALTERATIONS TO THE MUSEUM MADE POSSIBLE BY MEASURE G BOND FUNDS AND INTENDED FUND RAISING BY THE OAKLAND MUSEUM OF CALIFORNIA FOUNDATION**

**SUMMARY**

In March 2002, Oakland voters passed Measure G (A Measure Authorizing the Issuance of \$59,000,000 for Oakland's Zoo, Museum and Chabot Space & Science Center Improvement General Obligation Bonds), providing \$23.6 million in proceeds from the sale of general obligation bonds to be used for the renovation of the Oakland Museum of California. Staff has engaged the community, visitors, volunteers, and the Oakland Museum of California Foundation board of trustees in determining the renovation program. We retained an architectural firm, engineers, cost estimator, museum exhibit design firm, and fund-raising counsel to work with staff and foundation trustees in preparing conceptual plans. The resulting Master Plan for the "New Museum of California" has been completed. Staff proposes major architectural and structural improvements to the museum and complete reinstallation of the three main galleries devoted to California's art, history, and natural environment.

Phase I of the Master Plan is about to begin. It includes: (1) a Grand Entry on Oak Street and certain building-wide improvements; (2) renovation of the Art and History galleries; and (3) planning up through schematic design for the Natural Sciences Gallery. The estimated time for completion is three years. The estimated cost is \$34.8 million, of which approximately \$23.6 million is provided by Measure G. Following value engineering, which may bring the cost down, the balance would be raised through a capital campaign involving staff and foundation trustees. Fund raising would not be a responsibility of the city. The California Collections and Research Center proposed for 450 Lancaster Street also would be funded separately. However, a back-up plan is proposed in case that is not feasible. In Phase I we assume that the entire Master Plan, as generally envisioned by the architectural and exhibit plans already received, will eventually be accomplished. Phase I recognizes the need to spend Measure G money as soon as possible, the reasonableness of the initial fund-raising goal, and the desire to not close down the museum to the public, a likely consequence of trying to do the entire plan at one time.

**FISCAL IMPACT**

This is an informational report and accepting it has no direct fiscal impact. Fiscal impact of Phase I of the Master Plan itself, however, can be assessed in several ways. First, we intend to

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cover the outright cost of the projects in Phase I with proceeds from the sale of Measure G bonds in the amount of approximately \$23.6 million. Some additional money from interest earned may be applied, but this is not taken into account in the budget at this early stage. Meeting the Phase I budget of \$34.8 million means staff and foundation trustees must raise up to \$11.2 million. Fund raising will not be a city responsibility. A feasibility study completed earlier this year indicates about \$6.0 million can be raised in an immediate capital campaign. The new fund-raising goal is roughly \$5.2 million more than that suggested by the feasibility study. Therefore, value engineering will work to bring the cost down to the extent possible. However, staff believes the total amount could be a realizable goal and under any circumstances costs would not exceed the amount available and the city would not be liable for any shortfall.

Second, the cost of the capital campaign, for such things as additional staff assistance and printed materials, is included in the budget. Again, this is not a city cost. A rule of thumb is that a campaign of this kind may cost five percent of the amount raised. In round numbers that would be about \$500,000.

Third, allowance has not been made for raising endowment to cover increased operating costs, nor have we calculated potential increased earned revenue from admission and other sources. These have been difficult numbers to pinpoint. With the installation of modern, energy-efficient mechanical systems, the cost of utilities is not likely to increase. If they did, that cost would be the responsibility of the city. Because no additional square footage is being added to the building, custodial costs are also not likely to increase. Additional staffing and maintaining new exhibit components will likely increase both the city and foundation budgets by a few full-time equivalents (FTE). Earned revenue and required endowment, if any, will be determined during the design development phase of the project. By the time of completion in roughly three years, the foundation and city will have to work out which entity will bear any additional staffing costs. This will allow time to consider additional staffing, if needed, in the next fiscal cycle budget (FY 2005-07). To help in meeting any increased costs, once the foundation is in campaign mode additional amounts could be raised for the foundation endowment fund. Regardless of this uncertainty, staff recommends proceeding without the requirement of raising additional endowment immediately or of having a firm fix on earned revenue, but instead wait for design development and determine then operating expenses and revenue. This would be in about six months.

## **BACKGROUND**

In the fall of 1998, the museum reaffirmed its commitment to three key strategies: (1) audience development, (2) enhanced collections, and (3) financial stability. The museum also recognized the need for a facilities master plan. Following a search for a local architectural team to conduct the study, we retained Oakland architect Lindy Small working in collaboration with experienced museum architect Mark Cavagnero (San Francisco). There followed intensive planning that

engaged trustees, staff, volunteers, members of the community, and other stakeholders. In June 1999, the museum received and accepted the report *Ten-Year Master Facility Plan*. The report was well received by all and accepted in an informational report to the Oakland City Council that fall. One of the findings was that the exhibit galleries needed to be addressed. Accordingly, in the summer of 2000 the foundation paid for a study by Academy Studios, a Bay Area exhibit and design fabrication firm. The study identified major areas for improvement and gave an indication of the new directions museums are taking today.

After receiving the facility plan, the staff and foundation board elected to undertake immediate improvements and expansion of the Education Department. Through a private donation and individual and foundation support, the education offices were remodeled, the Learning Center rebuilt, a student gallery created, and a new studio added for hands-on art instruction.

The Conservation Center was also created at about that time. Property at 52 Ninth Street (one block from the museum) had been purchased by the foundation, remodeled by a grant from the Oakland Museum Women's Board, and leased to the city at a cost substantially less than what the city paid previously for a conservation facility elsewhere. The city pays the foundation monthly to use the state-of-the-art lab for conserving, restoring, and preserving city-owned art and artifacts.

The foregoing planning efforts laid the groundwork for Measure G. In the summer of 2001, the museum, Oakland Zoo, and Chabot Space and Science Center developed a joint plan to introduce a voter initiative to raise \$59 million through a general obligation bond. Enough qualifying signatures were gathered to place the measure on the ballot. The measure passed on March 6, 2002, with about a seventy percent favorable vote. The museum's portion is forty percent, or \$23.6 million. Approximately \$17 million of bonds have already been sold for museum use. The remainder may be sold in another two to three years, depending on need and progress on the project.

Following a six-month delay owing to a citizen's challenge to the election, the trustees and staff began in earnest to refine the Master Plan. Architect Kevin Roche John Dinkeloo and Associates, (Hamden, Connecticut) was retained to do the architectural and structural conceptual design, and the exhibit design team of Gallagher & Associates (Bethesda, Maryland), working with Academy Studios (Novato, California) was retained to do the program development and conceptual design for the exhibit galleries. Roche/Dinkeloo was the original museum architect and it was fortunate that they took on the renovation project as it will minimize public concern about alterations to an Oakland Landmark building. We retained Oakland firm Turner Construction to do the cost estimate for construction. Academy Studios provided the cost estimate for the exhibit galleries. PricewaterhouseCoopers, and later Moss Adams, were retained to advise on record keeping and proper contracting procedures for public funds. These and other consultants were paid with Measure G funds. Approximately \$944,000 of Measure G funds have

been spent to date. The Public Works Agency has been kept apprised of the project and a PWA project manager has been assigned.

The architect provided conceptual design, plans, and a model. The exhibit design team provided plans for potential gallery layouts. Earlier, through city Capital Improvement Program funds, a program, conceptual plan, and cost estimate were provided for the California Collections and Research Center (CCRC), the remodeling of a 62,400 square foot building at 450 Lancaster Street now leased by the city for museum collections. The grand total for everything the museum wants to do is \$122.6 million (Table 1, page 10).

On a parallel track, staff and the foundation's Development Committee began laying the groundwork for fund raising. The foundation board contracted for a feasibility study by Phillips and Associates (Los Angeles). The study recommended two initiatives. One was a Campaign for Leadership to identify potential trustees who could work with current trustees to take the museum board to a higher level of influence and affluence. The second was a Major Gifts Initiative to quickly raise about \$6.0 million over the ensuing 18 to 24 months. The proposal was to launch a major capital campaign in two or so years, but to show progress in the near term and wisely spend the Measure G bond money in a way that the public would benefit.

The staff and foundation board created a Renovation Oversight Committee and proceeded to engage in a step-by-step process to determine the highest priority projects, the most logical projects, and to reduce costs to the extent possible while adhering to the Master Plan program. This led to a board retreat in the spring of 2003, followed by deliberations with staff and consultants over the summer months. The Renovation Oversight Committee's recommendation was sent to the foundation's Executive Committee in September 2003. The Executive Committee gave its full support and sent the proposal to the full board with the recommendation it be approved. The foundation board approved the Phase I objectives in September 2003. Staff is now bringing the Master Plan proposal to City Council to keep its members informed.

## KEY ISSUES AND IMPACTS

Phase I of the Master Plan is intended to address the three key strategies that have been the mainstay of the museum's long-range and annual plans for the last several years: audience development, enhanced collections, and financial stability.

*Audience Development* will be enhanced by renovations that make the museum building more attractive, accessible, inviting, and easier to use. Exhibit gallery renovations especially will bring in a larger audience and allow changes to be made that reach out to more diverse audiences and that appeal to the learning styles of younger visitors, and in fact all ages that desire more interpretation that illuminates California's artistic, cultural, and natural heritage. The renovation also takes into account improved accessibility for seniors and wheelchair users.

**Enhanced Collections** references the need to move the entirety of the museum's collections from the old Oakland Army Base to a modern facility and to make objects more accessible in general. The CCRC project will provide a permanent home for the collections and make them more accessible to researchers and to the public through docent tours. The new facility also allows the museum to maintain its accreditation by the American Association of Museums, which is in jeopardy owing to the substandard conditions at the Army Base. New exhibit galleries will enhance the value of the city's collections on display and the interpretation of those objects for the public.

**Financial Stability** is addressed through the fact that as attendance at the museum fluctuates so does admission revenue. Attendance will increase with a remodeled building and renovated galleries. Attendance currently fluctuates between 150,000 and 200,000 visitors a year. Our best attendance exceeded 307,000 over the 12-month period in which we had the 1998 Gold Rush 150<sup>th</sup> anniversary exhibition and 273,000 in the 12-month period in 2000 in which we had the *Secret World of the Forbidden City* exhibition from Beijing. Annual attendance in the 300,000 range is something that could be sustained with new, engaging exhibit galleries. Increased attendance also increases earned revenue from other sources such as the Museum Store. And a refreshed building will bring in more clients renting rooms and facilities for special events.

## PROJECT DESCRIPTION

### Overall Master Plan Description

Over the last several months, staff and stakeholders have committed to the Master Plan in the larger picture: the basics, if not the specifics, of what was developed through consultation with the Roche/Dinkeloo and Gallagher/Academy Studios teams. We worked with the community, with visitors, and with several focus groups. The overall Master Plan addresses the following issues:

- Reduce the confusing number of points of public access
- Improve visitor orientation, control, and circulation
- Update exhibits and make them more accessible and relevant to today's demographic mix of Californians and visitors to the region
- Accommodate growth in
  - Education facilities
  - Galleries
  - Workspace
  - Food service
  - Shops
- Centralize and expand offices
- Provide weather protection

- Improve identity

The overall Master Plan includes the following key features:

- A grand entry off Oak Street and covered stairways down to and including much of the lower level
- Reducing public access by means other than the Grand Entry
- Completely renovating all three main galleries (art, history, and natural sciences)
- Adding a fourth floor office complex and meeting areas
- Renovating the restaurant
- Improving access for loading in and loading out temporary exhibits
- Moving the Museum Store and Collector's Gallery to the main entrance
- Adding an identity tower at the corner of Oak and Tenth streets
- Seismically upgrading the structure
- Purchasing and remodeling the leased warehouse at 450 Lancaster Street to become the CCRC
- Adding endowment to support expanded operations

The cost of the overall Master Plan, prior to prioritizing, value engineering, and determining what components truly have to be done, is \$122.6 million (Table 1, page 10). Undertaking all of these projects is not feasible or advisable at this time. The reasons are many. One is that the museum does not now have the capability of raising this much money. Another is that undertaking all of these projects at once would require closing the museum a number of years. A third is that the public expects a more immediate improvement to the museum from the money made available through Measure G. Finally, not all of the components have been fully assessed to determine whether they are cost effective in the long run. While the full Master Plan is generally agreed to, it is clear that a subset of more affordable and publicly beneficial projects should be completed as Phase I.

### Phase I Project Description

Staff and stakeholders recommend that the projects listed in the table below be adopted as Phase I of the Master Plan. We project that much of what is proposed can be completed in three years. The committees also recommend that the approximate costs be set as the upper limit for the various projects, with a total for Phase I of about \$34.8 million.

<b>Recommended Phase I Projects and Budget</b>	
	(millions)
Grand Entry and Stairway	\$ 9.1
Building-wide Systems Upgrades	\$ 3.0
Miscellaneous Building Projects	\$ 2.0

Architects' and Engineers' Fees	\$ 2.6
Art Gallery Expansion and Renovation	\$ 8.0
History Gallery Renovation	\$ 9.3
Natural Sciences Gallery Schematic Design	\$ 0.3
Major Gifts Initiative Fund-raising	\$ 0.5
California Collections and Research Center	--
Total Phase I Cost	\$ 34.8

**Grand Entry (\$9,100,000)** includes a dramatic steel-supported glass structure at Oak Street, continuing through covered stairways down to and including the lower level, new elevators and access from the street and parking garage, and continuation of the elevators and a new 1,700 square foot enclosed space on the fourth level. The project creates an enclosed common area that will have new exhibits, a visitor orientation area, and a way-finding system. Required seismic upgrading is included. Relocation of the Museum Store and Collectors Gallery have yet to be worked out, but, if possible, will be included in this component. Feasibility will be determined during design development.

**Building-wide Systems Upgrades (\$3,000,000)** includes such things as energy-efficient air-handling and mechanical systems, electrical upgrades, fire alarms, and system controls. These are necessitated by the building renovation, but have been calculated separately.

**Miscellaneous Building Projects (\$2,000,000)** include a kids' lunch area, improvements to the restaurant servery, restroom upgrades, and exhibits receiving access from Tenth Street.

**Architects' and Engineers' Fees (\$2,600,000)** are self-explanatory. Exhibit gallery design fees are not included here, but are included in the galleries cost estimates given below and in the overall Master Plan budget. Fees for Public Works Agency project management are taken into account.

**Art Gallery Expansion and Renovation (\$8,000,000)** includes capturing present outdoor courtyards adjacent to the main, third-floor gallery on the north and east sides and complete design and reinstallation of the main gallery.

**History Gallery Renovation (\$9,300,000)** includes design and complete reinstallation of the main, second-floor gallery, but does not include any significant addition of square footage.

**Natural Sciences Gallery Schematic Design (\$300,000)** takes planning of the first-floor gallery from the current conceptual phase through schematic design. Design development, final plans and specifications, fabrication, and installation would be deferred until Phase II.

**Capital Campaign Fund-raising (\$500,000)** costs are calculated roughly as five percent of the total to be raised in the first phase.

**California Collections and Research Center** is considered separately. It is high priority and to be done as soon as possible, but is to be funded by efforts separate from the Capital Campaign. We have explored state funding and efforts are underway now to secure funding from a private foundation and individual gifts.

### **Back-up Plan**

A back-up plan has been considered in case fund raising for the CCRC is not successful. It would provide from the Phase I budget \$6.3 million for renovation (but not purchase) of the 450 Lancaster Street building – along with required moving expenses and furnishings, fixtures, and equipment – while reducing the History Gallery component to final plans and specifications only. Fabrication and installation of new history exhibits would wait until Phase II. The back-up plan looks like this:

<b>Back-up Phase I Plan</b>	
	(millions)
Grand Entry and Stairway	\$ 9.1
Building-wide Systems Upgrades	\$ 3.0
Miscellaneous Projects	\$ 2.0
Architects' and Engineers' Fees	\$ 2.6
Art Gallery Expansion and Renovation	\$ 8.0
History Gallery Renovation	\$ 2.0
Natural Sciences Gallery Schematic Design	\$ 0.3
Campaign and Fund-raising Expenses	\$ 0.5
California Collections and Research Center	\$ 6.3
<b>Total Phase I Cost (Back-up Plan)</b>	<b>\$ 33.8</b>

### **SUSTAINABLE OPPORTUNITIES**

Environmentally and economically speaking, building renovations will upgrade mechanical systems, making them more efficient and cost effective; building codes now are more stringent than when the museum was built in the mid 1960s. Exhibit gallery reinstallation allows use of energy efficient lighting. The Public Works Agency project manager will work with the architect to ensure that “green building” standards are applied to the fullest extent feasible. From a social equity standpoint, the exhibit galleries will be made more accessible to people with different learning styles, different levels of education, and from a greater variety of ethnic backgrounds.



**DISABILITY AND SENIOR CITIZEN ACCESS**

A number of accessibility issues are to be addressed. In the building renovation, ramps and accessible restrooms will be added. In the exhibit gallery reinstallation we will address diverse languages and learning styles through translated written material and audio-guides, hands-on components for younger learners and families, as well as interactive media that appeal to those who engage computers and touch-screen videos.

**RECOMMENDATION AND RATIONALE**

Staff recommends that the City Council accepts this informational report so that contracts may be let with architects, engineers, and designers, and that fund raising to supplement Measure G may begin.

**ACTION REQUESTED OF THE CITY COUNCIL**


Accept this informational report and forward it to City Council.

Respectfully submitted,



**DENNIS M. POWER**  
Director, Cultural Arts

APPROVED AND FORWARDED TO THE  
LIFE ENRICHMENT COMMITTEE

  
**OFFICE OF THE CITY MANAGER**

**Table 1. Master Plan Grand Total  
 All Estimated Costs Prior to Determination of Phasing and Value Engineering**

	<i>Principal Construction</i>	<i>Other Costs*</i>	<i>Total</i>
<b>Main Museum Exhibits (Gallagher/Academy Studios)</b>			
Circulation Space & Exterior Identity	911,447	157,680	1,069,127
Art Gallery	5,723,501	1,385,907	7,109,408
History Gallery	10,246,326	2,441,606	12,687,932
Natural Sciences Gallery	12,129,258	2,352,779	14,482,037
Wayfinding Program	177,528		177,528
Subtotal exhibits			35,526,032
<b>Main Museum Seismic Upgrading (Roche/Dinkeloo; Forell/Elsesser; Turner Construction)</b>			
	3,772,300	1,304,500	5,076,800
<b>Main Museum Architectural Program (Roche/Dinkeloo; Turner Construction)</b>			
	35,241,100	17,864,100	53,105,200
<b>California Collections and Research Center (Shaw Kawasaki)</b>			
Remodel 450 Lancaster Street	5,519,704	2,781,765	8,301,469
Purchase building	5,000,000		5,000,000
Subtotal CCRC			13,301,469
<b>Total Capital Costs</b>			<b>107,009,501</b>
<b>Estimated Endowment Needed to Support Operations</b>			15,594,000
<b>GRAND TOTAL</b>			<b>122,603,501</b>

\* "Other Considerations" varies from project to project, but can include: design contingency allowances; inflation factors; special exhibit fabrication components; special graphics; allowances for special artworks and artifacts; special lighting; construction contingencies; permits; and furnishings, fixtures and equipment.

# CITY OF OAKLAND



CONSTRUCTION DIVISION • 250 FRANK H. OGAWA PLAZA, SUITE 4344 • OAKLAND, CALIFORNIA 94612

Public Works Agency  
Engineering & Construction Department

(510) 238-7276  
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February 8, 2001

Mr. Neil Chaiten  
McKinley Equipment Co.  
via fax (415) 626-9954

Dear Neil:

Sandra Washington and other City staff members tried out the wheelchair lift again today and noted some additional problems that were not apparent when you ran it the other day:

- The alarm did not sound when the red button was pushed.
- One of the doors (either the mid-landing or the bottom, I'm not sure which) did not close completely and latch.
- As happened last time, the lift sometimes makes an additional stop a few inches above the mid-landing.
- As noted last time, the 35 second delay time seems too long. We hope it can be made shorter.

If you can make your technician aware of these problems, we should be able to catch them all at once. The Chief of Security, Rahman Saladan, said he was going to put a padlock on the disconnect switch to prevent unauthorized use of the lift. Please ask your technician to contact Mr. Saladan at (510) 238-6640 or (510) 701-5594 (cell phone) prior to his arrival so he can be there to unlock the switch. I would also appreciate a call at my cell phone, (510) 715-7133, so I can try to be there as well. Thank you.

Joel Peter  
Construction Supervisor

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LIFE ENRICHMENT CMTE.  
OCT 14 2003