



# AGENDA REPORT

**TO:** Honorable Mayor & City Council

**FROM:** Nikki Fortunato Bas  
Council President, District 2;  
Dan Kalb,  
President Pro Tempore,  
Councilmember, District 1;  
Rebecca Kaplan,  
Councilmember, At-Large

**SUBJECT:** 2024 Cultural Facilities  
Infrastructure Bond Measure

**DATE:** May 16, 2024

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## **RECOMMENDATION**

Councilmembers Bas, Kalb, And Kaplan Recommend That The City Council Adopt A Resolution On The City Council's Own Motion Submitting To The Voters At The November 5, 2024 General Election A Proposed Ordinance To Authorize Issuance Of \$182 Million In General Obligation Bonds To Fund Infrastructure Projects At Chabot Space And Science Center, Children's Fairyland, The Oakland Museum Of California, And Peralta Hacienda Historical Park To Improve And Build Facilities To Advance, Among Other Objectives, The Educational, Recreational, And Cultural Programming For All Children, Families And Residents; And Directing The City Clerk To Fix The Date For Submission Of Arguments And Provide For Notice And Publication And Take Any And All Actions Necessary Under Law To Submit This Measure To The Voters At The November 5, 2024 General Municipal Election

## **EXECUTIVE SUMMARY**

Chabot Space and Science Center, Children's Fairyland, Oakland Museum of California, and Peralta Hacienda Park are cultural institutions housed and owned by the City of Oakland. These institutions are operated and managed by independent non-profit organizations with long-term leases or operating agreements with the City. These facilities have complex, aging infrastructure and require an investment into the long-term sustainability of these historic Oakland cultural institutions. The City of Oakland has a vision for ensuring these local institutions can continue to offer valuable exhibits and programming for children of all ages, including interactive hands-on learning opportunities in science, technology, art, history, and culture, multi-media exhibits, and state of the art programming.

These institutions help provide children and youth safe, affordable spaces for recreational, cultural, and educational programming, and thus, the City has determined that these cultural institutions are critical to the civic, cultural, and educational fabric of Oakland.

### **BACKGROUND/LEGISLATIVE HISTORY**

Oakland's cultural institutions have a long history of collaboration to secure bonds and other revenue measures. The Oakland Museum of California (OMCA) was constructed through a City of Oakland bond measure in the 1960s. In 2002, OMCA, Chabot Space and Science Center, and the Oakland Zoo placed 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, on the ballot, which supported renovations and enhancements at the three institutions. In 2010, a subset of these institutions also partnered with the Visitor and Convention Bureau to pass Measure C, the Transient Occupancy Tax Surcharge, which supported operating costs that had been previously reduced at the institutions with decline in City funding. In both cases, the measure received very strong voter support, upwards of 70%. Notably, Children's Fairyland and Peralta Hacienda Historical Park were not part of these initiatives, and their needs are acute due to both the age of the facilities and the long-term use of exhibits by the children and families of Oakland.

It has been more than 20 years since the last capital improvement bond dedicated to City-owned cultural facilities and with this history of successful measures, the City's investment into these historic, vital organizations is critical and necessary for the benefit of Oakland residents.

### **ANALYSIS AND POLICY ALTERNATIVES**

The 2024 Cultural Facility Infrastructure bond measure would support four of Oakland's beloved and well-utilized institutions, spanning programs and offerings in early childhood education, to science, history, and the arts and utilized by the broad diversity of Oakland residents and visitors. Total visitation for the four organizations exceeds, on average, 500,000 visitors annually with over 220,000 students and teachers participating in school programs annually. Addressing the facility and capital needs of these City-owned facilities will have a determinative impact on the ability of these organizations to serve Oakland residents – including low-income children and families – and visitors.

#### *Oakland Museum of California*

The Oakland Museum of California, a seven-acre indoor/outdoor campus, is located in a

landmark building that opened in 1969, over 55 years ago. While there have been enhancements to the Museum over the years, including a garden renovation and new entrances on 10th Street and 12th Street across from Lake Merritt, many elements of the fully concrete constructed campus have not had repairs or upgrades in decades. The Museum also houses the City's collections of California art, history, and natural sciences, which require specialized security, climate control, and storage. The Museum is a vital community learning and gathering place and is committed to accessibility, inspiration, and belonging for all Oakland residents.

#### *Children's Fairyland*

Children's Fairyland is an outdoor hands-on storybook theme park, informal learning space and community oasis nestled on Lake Merritt, in the middle of Oakland. Children's Fairyland will be marking its 75th anniversary in 2025 and was built by the Oakland Park and Recreation Department in 1950. The park consists of four (4) child-size rides and over 40 exhibits on which children play and, in part, inspired Walt Disney to create Disneyland. The park makes a great effort to keep prices low for families to remain a safe place to play, learn and experience the magic of the park. Although some refurbishments have been done over the last 74 years, the facility needs updating. While keeping the vintage magic Fairyland, the organization also wishes to keep in tempo with children and their families.

#### *Chabot Space & Science Center*

Chabot Space & Science Center is an acclaimed community-based institution, located on a 14-acre campus situated amongst the redwoods in Oakland and will be marking 25 years in its current facility in 2025. For over 135 years, Chabot has inspired adults and kids of all ages through educational programs that combine specialized spaces for scientific investigation, interactive exhibits, artifacts, and Planetarium shows that teach and inspire about the Universe and Planet Earth. Chabot Space & Science Center is currently experiencing an exciting time of growth and development as it embarks on a bold new vision to re-imagine the role of a science center. In addition to a landmark partnership with NASA, in which Chabot became the official home of the NASA Ames Visitor Center, Chabot is launching a workforce development initiative designed to build and strengthen pathways for Oakland's diverse youth into STEM careers in astronomy and aerospace.

#### *Peralta Hacienda Historical Park*

Peralta Hacienda Historical Park is a nationally significant six acre site in East Oakland with the vision that "Every Human Being Makes History." The Park was founded over 50 years ago in 1975 and highlights the origins of Oakland in the Ohlone and Californio eras while giving voice to Oakland's contemporary communities through exhibits, architecture,

landscape, events, and programs. Peralta Hacienda Historical Park's original adobes from the Spanish and Mexicans—built by Native Americans— include a museum, nature area, gardens, and rare archaeological deposits. Interactive exhibits reframe U.S. history and its immigration story to include the Pacific Rim, Mexico, and Central America. Community members celebrate and perform in continuous cultural festivals, events, community dialogues and programming for youth and families that engage the public from the region, state and nation. Following the 2001 Park Master Plan, this bond measure would help build and restore existing facilities.

#### *Polling Results*

From July 30<sup>th</sup> - August 4<sup>th</sup> 2023, EVITARUS Inc. conducted a poll of 614 likely November 2024 voters to assess their responses to a conceptual General Obligation Bond of \$189 Million to upgrade and invest in the Oakland Museum of California, Children's Fairyland, and the Chabot Space & Science Center. The results indicated an approval rating of 69% amongst all City voters. Eighty percent (80%) of those surveyed noted the need -- especially for children and youth -- for safe and affordable spaces where visitors can learn and connect. Updated 2024 testing results are forthcoming.

#### *Community Engagement and Oversight*

Citizen oversight for the bond measure would be assigned to the Affordable Housing & Infrastructure Bonds Oversight Committee. This Committee would review relevant financial and operational reports related to the expenditure of bond proceeds, evaluate the impacts of the bond expenditures on the bond measure's stated goals, and provide reports to the City Council when requested.

#### *Alternatives*

With the aging of the facilities, the four institutions are facing a wide range of capital projects and infrastructure needs. This bond would provide support for capital improvement projects such as the acquisition, improvement rehabilitation, preservation, and construction of City facilities for access improvements under the Americans with Disabilities Act, historic preservation, safety and security, visitor amenities, educational facilities, environmental sustainability, and exhibits and collections storage.

Without this bond measure, the cultural institutions will compete with other City-owned facilities for Measure U capital funding, and in fact have several unfunded capital improvement projects in the queue. The passage of this bond measure by Oakland voters would create a dedicated funding source for capital improvements for these four institutions, thereby no longer competing for resources with other City-owned facilities.

**FISCAL IMPACT**

There is no fiscal impact to the adopt this resolution and no immediate impact to the General Purpose Fund.

However, if the Oakland voters pass this measure, the impact to the City would be significant. Approval of this measure by voters would authorize the issuance of up to \$182 million in general obligation bonds to fund infrastructure projects at Chabot Space and Science Center, Children’s Fairyland, The Oakland Museum of California, and Peralta Hacienda Historical Park. Table 1 below outlines the proposed spending plan for the bond measure.

*Table 1 – 2024 Cultural Facility Infrastructure Bond Proposed Spending Plan*

<b><u>Category</u></b>	<b><u>Amount</u></b>
The Oakland Museum of California	\$98 Million
Chabot Space and Science Center	\$55 Million
Children’s Fairyland	\$22 Million
Peralta Hacienda Historical Park	\$9 Million
<b>Total</b>	<b>\$182 Million</b>

In 2022, the City established a [general obligation policy](#) to maintain the ad valorem property tax rates levied at or below the [fiscal year 2022-2023 tax rate](#). This limits the City’s ability to issue bonds and requires the issuance of bonds as older bonds are retired and/or as the tax base grows.

**PUBLIC OUTREACH/INTEREST**

Beyond the private poll referenced above and meetings with the four cultural institutions, no additional outreach was conducted at this time by the co-sponsors of this resolution, beyond the standard City Council agenda noticing procedures. The co-sponsors look forward to engaging the general public and the rest of Council as this proposal moves through the legislative process.

## **COORDINATION**

This report was coordinated by the City Council, City Administrator, Finance Department, and reviewed by the City Attorney's office. The co-sponsors also received input from the Mayor's Office and the four cultural institutions.

## **SUSTAINABLE OPPORTUNITIES**

***Economic:*** There are no economic opportunities directly associated with this report. However, the economic opportunities that will arise if the bond measure is approved by Oakland voters would be significant. The infrastructure and capital projects will create jobs for local construction companies and contractors and will advance the programmatic and educational efforts that the organizations provide that generate tourism and visitation to Oakland and serve teachers and students throughout the area.

***Environmental:*** Projects identified by each organization have environmental benefits including energy efficiency, water sustainability, and climate change resilience. Many of the cultural facilities and organizations provide ongoing and adaptive environmental education and programming.

***Race & Equity:*** All of the organizations have a deep commitment to racial, socio-economic, and age diversity in all areas including representation on the Boards and staff, engagement of diverse visitors through the content of their programming as well as through accessibility initiatives including free and discounted admission.

## **ACTION REQUESTED OF THE CITY COUNCIL**

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For questions regarding this report, please contact Amaya Lin, Senior Policy Advisor for Council President Bas, 510-238-7022, [ajlin@oaklandca.gov](mailto:ajlin@oaklandca.gov).

Respectfully submitted,



Nikki Fortunato Bas  
Council President, District 2



Dan Kalb  
President Pro Tempore  
Councilmember, District 1



Rebecca Kaplan  
Councilmember, At-Large

Prepared by:  
Amaya Lin, Senior Policy Advisor  
Office of Council President Nikki Fortunato  
Bas, District 2

Keara O'Doherty, Chief of Staff  
Office of Councilmember Dan Kalb, District 1