

0150-10476-0000

TRANSMITTAL

TO
The City Council

DATE
SEP 30 2015

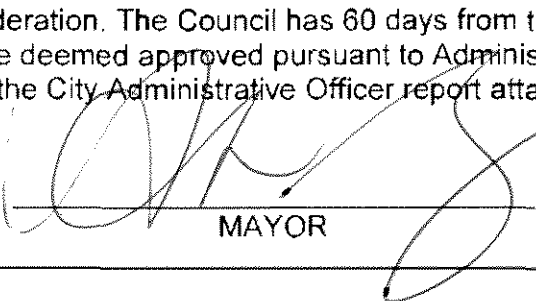
COUNCIL FILE NO.

FROM
The Mayor

COUNCIL DISTRICT
14

**MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND
THE HISTORIC ITALIAN HALL FOUNDATION**

Transmitted for your consideration. The Council has 60 days from the date of the receipt to act, otherwise the contract will be deemed approved pursuant to Administrative Code Section 10.5(a). See the City Administrative Officer report attached.



Ana Guerrero

MAYOR


MAS:JJ:08160036t

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: September 30, 2015
CAO File No. 0150 10476-0000
Council File No.
Council District: 14

To: The Mayor

From: Miguel A. Santana, City Administrative Officer 

Reference: Letter to the Mayor from the General Manager of El Pueblo de Los Angeles Historical Monument dated August 6, 2015; referred by the Mayor on August 7, 2015

Subject: MEMORANDUM OF AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND THE HISTORIC ITALIAN HALL FOUNDATION

SUMMARY

At its meeting on June 25, 2015, the Board of El Pueblo de Los Angeles Historical Monument Authority Commissioners (Board) approved the Memorandum of Agreement (MOA) between the City of Los Angeles (City) and Historic Italian Hall Foundation (HIHF) for the establishment of roles, responsibilities, and financial relationship between the City and HIHF relative to the operations, maintenance, and design of the Italian American Museum of Los Angeles (Museum), located at the El Pueblo de Los Angeles Historic Monument (Department). The term of the proposed agreement is ten years, with three ten-year renewal options.

HIHF is a 501(c)(3) non-profit corporation whose purpose is to support and raise funds for the Museum through research, historic preservation, exhibitions, and educational programming that examines the history and continuing contributions of Italian Americans in Los Angeles. According to the Department, HIHF has raised over \$2 million to date which has been used for the renovation, improvements, and maintenance of the Museum and the Italian Hall building.

In recognition of the funds raised by HIHF and expended to date, the initial term of the agreement is ten years. Three ten-year renewal options are available provided HIHF raises and expends a minimum of \$500,000 in the initial ten-year period and an additional \$500,000 during each renewal option period for improvements to the Museum, exhibits, and artifacts.

The City through the Department owns and has overall management authority over the Museum, which consists of approximately 7,140 square feet of the second floor of the Italian Hall located at 644 North Main Street. The City will provide utilities, security, custodial services, building maintenance, parking, information technology and office support.

Under the terms of the proposed MOA, H IHF will raise funds and collaborate jointly with the Department in the renovation, operation, maintenance, and expansion of the Museum and its artifacts. In addition, H IHF will have roles and responsibilities that include but are not limited to designing and creating exhibitions, planning and executing special events, staffing and training volunteers to assist with Museum operations, and promoting and supporting the expansion of the Museum's programming.

The City will provide H IHF with administrative and meeting space, to the extent possible, including use of office equipment and duplicating services for Museum projects. H IHF will perform in-kind services which have a value equal to the fair market rental value of the office space occupied by H IHF. In-kind services may include salaries, volunteer time, designing, preparing and curating museum exhibits, advertising, marketing, and general museum administration. H IHF is required to submit a report of its in-kind services to the Department on a quarterly basis.

Under the terms of the proposed agreement, H IHF is required to maintain appropriate financial records and make them available to the City upon proper notice. H IHF will also be required to provide a copy of its annual operating budget, financial reports and strategic and business plans to the Department. The General Manager of the Department will maintain oversight of the Museum and ensure its activities coincide with the Department's mission. A Joint Executive Committee, consisting of the H IHF President, the Executive Director of the Museum, and the General Manager of Department will meet periodically to review the Museum's strategic plan and policies.

Prior to executing this MOA, the Department should ensure that H IHF's insurance coverage meets the limits deemed appropriate by the Office of the City Administrative Officer's Risk Manager, and is submitted through TRACK4LA.

In accordance with the Los Angeles Administrative Code Section 10.5(a), Council approval of the proposed agreement is required because the term exceeds three years.

RECOMMENDATION

That the Council approve and authorize the General Manager of El Pueblo de Los Angeles Historical Monument to execute the proposed Memorandum of Agreement with the Historic Italian Hall Foundation, for a term of ten years, with three ten-year renewal options, subject to the approval of the City Attorney as to form.

FISCAL IMPACT STATEMENT

Historic Italian Hall Foundation (H IHF) shall raise funds for the benefit of the Italian American Museum of Los Angeles (Museum). H IHF has raised over \$2 million to date in support of the Museum and will raise \$500,000, at minimum, in the initial ten-year term and an additional \$500,000 during each of the three ten-year renewal option periods. There is no impact on the General Fund. The fee waiver sought for the use of City facilities is in compliance with the City's Financial Policies in that a direct public benefit will be obtained through H IHF's in-kind services and fundraising efforts.

which will provide for improvements, displays and artifacts for the Museum.

MAS  01.08160036

Attachments

CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

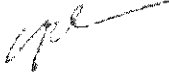
EL PUEBLO DE LOS ANGELES
HISTORICAL MONUMENT

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Report: 15-0008
Date: June 19, 2015
To: Board of Commissioners
El Pueblo de Los Angeles Historical Monument Authority
From: Christopher P. Espinosa, General Manager
El Pueblo Historical Monument 
Subject: **MEMORANDUM OF AGREEMENT BETWEEN THE CITY AND THE
HISTORIC ITALIAN HALL FOUNDATION**

SUMMARY

Pursuant to previous Commission action (Board Report 10-0018), El Pueblo has successfully concluded its negotiations with the Historic Italian Hall Foundation (HIHF). Accordingly, the department recommends approval of the attached Memorandum of Agreement with HIHF.

The purpose of the proposed agreement is to memorialize the responsibilities of the City and HIHF and solidify a long-term arrangement to maintain, develop, improve, and restore the Italian Hall at El Pueblo. The proposed agreement is not a lease or a concession agreement. Rather, the proposed agreement is an "operating agreement" that effectively implements the City adopted Ordinance (No. 167,902) establishing a City museum at El Pueblo dedicated to preserving and celebrating Italian American history.

BACKGROUND

El Pueblo and HIHF have been working under a Memorandum of Understanding (MOU) since August 3, 2010. The MOU sets forth the basic principles of understanding between the department and HIHF. The General Plan for El Pueblo also reinforces the concept of an

Italian American Museum at El Pueblo by identifying this effort under the Proposed Use Section. The City recognizes and supports the historical and cultural diversity associated with its founding and growth. Some of our most cherished cultural and historic landmarks are a reflection of that diversity, including protecting and showcasing the oldest surviving structure of the City's historic enclave of "Little Italy." The Italian American Museum of Los Angeles will be located in a portion of the Italian Hall at 644 North Main Street, as it was historically used by Italian American merchants and fraternal organizations.

HIHF is a non-profit charitable corporation formed under the provisions of 501 (c) (3), and in good standing with the State of California since 1986. HIHF will provide the department with expertise, perspective, and resources to accurately portray the Italian American experience at the Italian Hall. HIHF has previously demonstrated their commitment by founding the museum, developing exhibits, acquiring artifacts, and raising funds to renovate and maintain the museum. The museum is in the final stages of renovation and is expected to open in late 2015 / early 2016.

HIHF's financial contributions have exceeded \$2 million to date. Approval of the agreement will enable HIHF to continue these activities on behalf of the City. Due to the length of the agreement, City Council approval is also required for final execution of the MOA.

TERMS

- Premises: 7,140 square feet of the second floor of the Italian Hall building, two staircases, and entryway from Main Street.
- Term: Ten (10) year term based on presentation of proof that HIHF has raised and expended \$2 million for the museum and staffing costs related to its development. The agreement may be extended for three (3) option terms of ten (10) years each if HIHF has, at a minimum, raised and expended \$500,000 of additional funding for each additional term.
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Use: Premises shall be used as a City-owned museum showcasing the history, heritage, and development of Italian Americans and Italians in Los Angeles and Southern California, focusing primarily from the 1820's through the present, with artifacts, educational programs, special events, exhibitions, and related activities. Activities may include a gift shop, as well as public and private events related to the primary use of the museum and its support.

Authority: The City has overall management authority over the museum. HIHF will collaborate jointly with El Pueblo in its mission to operate and maintain the museum.

Artifacts: The museum, its name, artifacts and historic documents currently in the possession of the City are owned by the City through El Pueblo. All artifacts and historic documents that will be donated to the museum or El Pueblo directly or through HIHF shall be owned by the City through El Pueblo. El Pueblo retains all rights to any intellectual property rights including, without limitation, logos, copyright, and trademark rights in the museum name and its artifacts. Any income derived by HIHF from the deaccession or sale of donated artifacts must be disclosed to the department and used exclusively for HIHF operations and capital improvements for the museum.

RECOMMENDATION

That the Board of Commissioners:

Authorize the General Manager to execute a Memorandum of Agreement with the Historic Italian Hall Foundation, subject to the review and approval of the City Attorney as to form and legality.
