

APPROVED
DEC 09 2009

REPORT OF GENERAL MANAGER

NO. 09-316

DATE December 9, 2009

BOARD OF RECREATION
and PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH OBSERVATORY – MEMORANDUM OF UNDERSTANDING
WITH FRIENDS OF THE OBSERVATORY (FOTO)

R. Adams _____	J. Kolb _____
H. Fujita _____	F. Mok _____
S. Huntley _____	K. Regan _____
*V. Israel <u>RAg</u>	M. Shull _____

Reg Adams
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

That the Board:

1. Approve a three-year Memorandum of Understanding (MOU), substantially in the form on file in the Board office, between the Department of Recreation and Parks and Friends Of The Observatory (FOTO), to define, memorialize, and continue the relationship of support to Griffith Observatory, subject to review of the Mayor and of the City Attorney as to form;
2. Direct the Board Secretary to transmit forthwith the proposed MOU to the Mayor for approval in accordance with Executive Directive 3 and to the City Attorney for review as to form; and,
3. Authorize the Board President and Secretary to execute the MOU subsequent to receipt of the necessary approvals.

SUMMARY:

The collaboration between the Department and FOTO in support of Griffith Observatory is a model for successful public-private partnerships in the City.

REPORT OF GENERAL MANAGER

PG. 2

NO. 09-316

FOTO was founded as a non-profit organization in 1978 by Observatory Director E.C. Krupp, Harold Griffith (the grandson of founding Observatory benefactor Griffith J. Griffith), and Harold's wife Debra, to offer a way for the public to support and improve Griffith Observatory. In the 31 years since that time, FOTO has repeatedly provided essential financial, logistical, organizational, advocacy, programming, and other forms of support to enhance Griffith Observatory for the public benefit. Most notably, the Department and FOTO formed a uniquely successful public-private partnership to renovate and expand the Observatory. This \$93-million project, executed between 2002 and 2006, preserved and transformed the Observatory and then returned it to public use on November 3, 2006. FOTO made direct private contributions to the renovation and expansion project of over \$30 million, but its impact extended far beyond that amount, with efforts to win public grants, purchase and coordination of the new equipment for the Samuel Oschin Planetarium and Leonard Nimoy Event Horizon, management of the new exhibit program, and extensive service on the Renovation and Expansion Steering Committee guiding the entire project.

Since the conclusion of the renovation and expansion project and reopening of the Observatory in November, 2006, FOTO has continued to provide vital funding and programming support to the Observatory and Department. Notable among these contributions are two \$175,000 gifts (Reports No. 08-260 and No. 09-251) to support the Observatory's School Visit Program, over \$300,000 in equipment donations and upgrades for the Leonard Nimoy Event Horizon theater and the Observatory programming studio, ongoing funding (over \$10,000 a year) for enhanced internet/satellite connectivity to enable programming objectives, and organization and funding of the inaugural Cosmic Conjunction events (concerts at the Observatory and Greek Theatre).

This agreement is essentially the same in form and intent as the first three-year MOU between the Department and FOTO, approved by the Board on May 17, 2006 (Report No. 06-126). The term of that MOU was July 1, 2006, to June 30, 2009. The Board subsequently voted on June 17, 2009 (Report No. 09-173), to extend the term of the MOU by six months to December 31, 2009. Changes from the original MOU document are minimal. Most of the changes are updates to dates and citations, deletion of language on soft openings, and non-substantive changes to the indemnification clause.

Key provisions of the agreement include:

- Authorization for FOTO to raise funds and provide donor and member services under the same conditions already approved by the Board as the exclusive non-profit organization so authorized.
- Clear definition of FOTO as an organization separate from the City, and accountable for hiring decisions and its staff, paying all its own expenses, indemnifying the City as appropriate, conforming to the City's non-discrimination policies, reporting on its finances and fundraising, and obeying all relevant laws.

REPORT OF GENERAL MANAGER

PG. 3

NO. 09-316

- Assignment of two office spaces and related utility support for FOTO in the Observatory and permission for FOTO to utilize Observatory premises and facilities for meetings membership services, and donor cultivation and recognition, all in accordance with established rules in any Schedule of Rates and Fees policies approved by the Board, and with approval of Observatory management.
- Indemnification of FOTO by City for FOTO's activities in support of the Observatory except in cases of gross negligence or intentional misconduct.

FISCAL IMPACT STATEMENT:

This MOU will not have any fiscal impact on the Department's General Fund. There is no cost to the Department for its implementation and it does not provide for any specific transfer of funds. By defining and memorializing the relationship between the CITY and FOTO, however, the MOU does lay the critical groundwork for continued support of the Observatory by FOTO. The relationship with FOTO almost certainly will afford additional fundraising opportunities, which will enable the Observatory to continue and/or expand services without bearing the full cost of those services. For example, without the funds contributed by FOTO, the Griffith Observatory School Visit Program would have been canceled for both the 2008-09 and 2009-10 school years.

This report was prepared by Mark Pine, Deputy Director, Griffith Observatory.