

Long Beach Museum of Art

June 5, 2009

RECEIVED
OFFICE OF THE MAYOR
CITY OF LONG BEACH

2009 JUN -5 P 3:54

Dear Mayor Foster,

RECEPTION

Board of Trustees

Debbie Autrey
Oliver Brooks
Jane Brown
Molly Campbell
Ivy Goolsby
Sylvia Hartman
Robertta Jenkins
Donita Joseph
Carl Kemp
Ray Klein
Kathy Lingle
Patty Moore
Pamela Munzer
Marlene Murphy
Suzanne Poulsen
Ania Sullivan
Tom Wleder
Michele Wilson
Tim Wilson

Honorary Trustees

Jennifer Cameron
Tim Cameron
Craig Dougherty
Joya De Foor
Julian Feingold
Eve Kilger
Jon Masterson
Linda McCullough
Chris Steinhauser

We are writing to express our appreciation and the appreciation of the Board of Directors of the Long Beach Museum of Art for the assistance given to the Long Beach Museum of Art Foundation as we have worked through a number of issues these past 18 months. We believe we have made good progress, and we appreciate the support and patience of the City in these matters. We want you to know of the efforts we have made to increase the value of the Long Beach Museum of Art as a City asset.

I would like to submit a proposal concerning the LBMA Foundation's financial obligations to the City, in particular, the \$3,061,000 bond obligation.

Proposal

As you are aware, the \$3,061,000 bond obligation is due and payable in September. Although the Museum has made every effort to secure private contributions to retire this obligation, the due date is fast approaching. The current economic conditions have made it very difficult to secure the large donations needed to assist in this matter.

Therefore, we are respectfully requesting the City to retire the \$3,061,000 bond obligation as it becomes due and payable. In return, the Long Beach Museum of Art Foundation proposes the following:

- The Foundation will transfer full and undivided interest in the exhibition gallery pavilion to the City. This building was constructed at a cost of over \$7 million in 2000 and has a replacement value for insurance purposes of \$8.5 million. At the current time the Foundation is the owner of this expansion space and has committed over \$4 million of funds raised during the Foundation's Capital Campaign towards its construction. With the transfer of this Museum gallery the City will realize a significant asset.
- The Foundation will voluntarily reduce its annual operating contract with the City from \$569,000 to \$484,000, a reduction of 15%. We appreciate the difficult financial challenges facing the City, and as a member of the City "family" we wish to participate in the "belt-tightening" happening throughout the City.
- The Foundation pledges all funds currently sequestered in the Capital Campaign Reserve account – approximately \$419,000—to the City for repayment of the bond obligation.

We hope you and the City Council will view this proposal in a favorable light. The City will receive an asset with more than twice the value of the obligation it would

be retiring and would ensure that the Long Beach Museum of Art would continue to serve the residents through its award-winning educational programs that reach every fifth-grader in each district, world-class exhibitions and continue to be a cultural leader in our energized creative city.

Update on Museum Performance in 2008

LBMA enjoyed one of its most successful years in 2008.

- LBMA Foundation raised over \$2,600,000 dollars in contributed and earned income this year. As a non-profit, the Foundation annually raises over 80% of the Museum's \$3,500,000 annual budget.
- LBMA curated and presented 6 new exciting exhibitions celebrating the City's permanent collection and works from local Long Beach artists.
- LBMA was the recipient of a major Getty Foundation grant, for research related to LBMA video archive, and a future exhibition of works by renowned international artists such as Long Beach artist Bill Viola.
- Claire's at the Museum, our regionally recognized and award-winning restaurant, under Foundation management, enjoyed a record year, and continues to enjoy record profits. While also identifying new avenues for additional earned income related to potential event opportunities.
- LBMA events programming was heavily booked. We have hit our aggressive sales goals with weddings, corporate events, gratis City agency meetings in 2009 and are booking weddings and events into the fall of 2010.
- LBMA has initiated collaborations and joint fundraising events and exhibitions with Long Beach Symphony, University Art Museum, Long Beach Opera, the Library Foundation, the Arts Council, and the newly formed Office of Cultural Affairs.
- LBMA has initiated its popular *After Dark* evenings at the Museum which has brought 100's of new attendees to the Museum. We continue to successfully reach out to new and diverse audiences.
- This year the Museum's Children's Cultural Festival – now in its 22nd year – brought a record setting crowd of nearly 1,200 attendees.
- LBMA has retained its Accreditation by the American Association of Museums – a designation only attained by 7% of Museums nationwide – recognizing its standards and excellence for over 22 years.

We would be glad to review this proposal with you in person. We are aware of the fiscal challenges the City faces, and wish to do our part to ensure the quality of life of the City, like all great cities, which is so dependent on arts and culture – continues to thrive and improve.

Thank you for your consideration.

Sincerely,


Roberta Jenkins
LBMA Foundation President


Ronald Nelson
Executive Director