



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 5, 2019
FROM: RIVERSIDE METROPOLITAN MUSEUM WARD: 1
**SUBJECT: CALIFORNIA NATURAL RESOURCES AGENCY – GRANT ASSISTANCE
THROUGH CALIFORNIA PROPOSITION 68 IN THE AMOUNT OF \$3,000,000 TO
SUPPORT REHABILITATION OF HARADA HOUSE**

ISSUE:

Authorize the submittal of a grant application to the California Natural Resources Agency, in the amount of \$3,000,000, to support rehabilitation of the National Historic Landmark Harada House.

RECOMMENDATIONS:

That the City Council:

1. Authorize the City Manager, or his designee, to submit a grant application to the California Natural Resources Agency, in the amount of \$3,000,000, to support rehabilitation of the National Historic Landmark Harada House;
2. Authorize, upon grant award, an increase in estimated revenues in the amount of the grant award into Revenue Account No. 9338600102-33410000, and appropriate expenditures in the same amount into Museum Department Account No. 9338600102-44021000; and
3. Authorize the City Manager, or his designee, to accept all grant assurances and certifications and execute all grant documents including making minor and non-substantive changes to documents associated with the grant application.

LEGISLATIVE HISTORY:

On June 5, 2018, California voters passed Proposition 68, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018. Proposition 68 is a \$4-billion state bond measure that will provide critical funding for state parks, clean water, climate change resilience, and wildlife habitat.

BACKGROUND:

The California Natural Resources Agency (CNRA) is an agency of the State of California established to restore, protect, and manage the state's natural, historical, and cultural resources

for current and future generations. CNRA administers revenue resulting from parks bonds such as Proposition 68, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018. Among dozens of allocations made for statewide grant programs and localized programs within California, a sum of \$37,000,000 has been established within the grant program called “Cultural, Community, and Natural Resources,” competitive grants that protect, restore, and enhance California’s cultural, community, and natural resources. Legislative intent is that all Proposition 68 grants will address the most critical statewide needs and priorities.

DISCUSSION:

The Riverside Metropolitan Museum (RMM) has identified CNRA’s Proposition 68 grant program called “Cultural, Community, and Natural Resources” as a potential source of funding for the rehabilitation of Harada House. Within this program, there are five (5) eligible project types, one of which is “Community, Culture, and Education.” Cultural centers that promote, develop, or improve recognition of the contributions of ethnic communities of Asian descent are explicitly listed among the program’s priorities. The Harada House project supports this priority, and the RMM is an eligible institution to apply for this funding. There is no minimum nor maximum request. Should the RMM be successful in its application, the RMM / City of Riverside will be required to maintain and operate the property for a period of twenty-five (25) years; the RMM expects to operate the property in perpetuity.

The deadline for initial proposals is February 13, 2019. A site visit will follow in the spring for proposed projects that pass initial screening. The site visit is a critical part of the application process requiring the participation of all stakeholders and partners. Applicants who are invited to continue with the application process will be expected to submit full project documentation shortly after the site visit. Grant awards will be announced in December 2019, and project funds must be expended by May 1, 2022.

Award and acceptance of the grant funds, in the amount of \$3,000,000, will be a benefit to the Museum Department, which has struggled to secure the significant funding required to proceed with the complex process of rehabilitating Harada House to a high standard of preservation. The RMM does not at present have current cost estimates for rehabilitation of Harada House, and has identified the \$3,000,000 application total based on estimates provided by a historic preservation architect in 2013, adjusted for the six-year gap in time.

Under a grant it received during the fall of 2018, the private nonprofit Harada House Foundation issued an RFQ in January 2019 soliciting historic preservation / cost estimator teams to conduct surveys and provide updated rehabilitation proposals with cost estimates by July 2019. CNRA does not require that every initial proposal be supported by up-to-date feasibility studies or full cost estimates, but the RMM’s application will be improved by noting that this information is pending.

FISCAL IMPACT:

There is no Fiscal Impact to the General Fund associated with this report. Upon grant award, an increase in estimated revenues in the amount of \$3,000,000 into Revenue Account No. 9338600102-33410000, and appropriate expenditures in the same amount into Museum Department Account No. 9338600102-44021000 by the Finance Department for the California Natural Resources Agency support.

The CNRA grant does not require a match. However, if the forthcoming historic preservation architects' estimates to rehabilitate the Harada House exceed the \$3,000,000 requested from CNRA, a CNRA grant would serve as leverage for an aggressive Harada House Foundation fundraising effort to secure balances required. If necessary, the project will be phased, with phases completed as funds are secured.

Prepared by: Robyn G. Peterson, Ph.D., Museum Director
Certified as to
Availability of funds: Edward Enriquez, Chief Financial Officer/City Treasurer
Approved by: Lea Deesing, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney