

## MEMORANDUM OF UNDERSTANDING BETWEEN THE RIVERSIDE METROPOLITAN MUSEUM AND THE HARADA HOUSE FOUNDATION

This Memorandum of Understanding ("**MOU**") is entered into this 15<sup>th</sup> day of FEB, 2019 ("**Effective Date**"), by and between the City of Riverside ("**City**"), a California charter city and municipal corporation, acting through its Riverside Metropolitan Museum ("**RMM**"), and the Harada House Foundation, a California non-profit corporation ("**Foundation**") (hereafter referred to each as a "**Party**" or collectively as "**Parties**").

### RECITALS

A. The objective of this MOU is to establish the standards, terms, and conditions under which the Parties will collaborate for the benefit of the National Historic Landmark Harada House ("**Harada House**"), located at 3356 Lemon Street, Riverside, CA 92501, and the adjacent Robinson House, located at 3342 Lemon Street, Riverside, CA 92501, which was originally acquired with the intention of being used as an interpretive center for the Harada House. The Harada House and adjacent Robinson House are hereafter collectively referred to as the "**Harada House Properties**."

B. The Harada House Properties are currently owned by the City and managed by the RMM.

C. The Foundation was formed as a non-profit corporation on August 2, 2017, to "solicit, receive and utilize funds for the preservation, restoration, maintenance and operation of the National Historic Landmark Harada House...engage in any other activities in furtherance of the purposes for which the Corporation is formed...and receive, invest and utilize funds, property and in-kind materials or services acquired through the solicitation of contributions, donations, grants, gifts, bequests and the like for the purposes for which the Corporation is formed." Effective as of August 2, 2017, the Foundation has tax-exempt 501(c)(3) status.

D. Consistent with its stated mission, the Foundation agrees to use its best efforts to provide financial support to RMM for the benefit of the Harada House Properties.

E. As the manager of the Harada House Properties, RMM agrees to use its best efforts to work with the Foundation in the receipt and organization of this support.

NOW, THEREFORE, the Parties hereto agree as follows:

1. **PURPOSE.** Parties shall use their best efforts to (i) solicit, arrange and obtain financial support for the Harada House Properties in general and the Harada House in particular, (ii) help fund the (A) treatment(s) of the Harada House Properties, in accordance with the *Secretary of the Interior's Standards for the Treatment of Historic Properties: with Guidelines for Preserving, Rehabilitating, Restoring & Reconstructing Historic Buildings* (2017 or later), (B) maintenance of the Harada House Properties, and (C) design and installation of interpretative

features at the Harada House Properties, (iii) establish an operations endowment, and (iv) obtain other financial support to facilitate public access to the Harada House Properties.

2. **TERM.** The initial term of this MOU shall commence on the Effective Date and continue for twelve (12) months thereafter. The initial term of this MOU, and each successive renewal term thereafter, shall renew automatically upon its expiration for another twelve-month term. Either Party, upon thirty (30) days' written notice to the other, may terminate this MOU at any time for any or no reason during the initial term or any successive term thereafter.

3. **DEFINITIONS.**

3.1 General. The definitions set forth in the above recitals shall apply to this Agreement unless indicated otherwise.

3.2 Board. "Board" shall mean the Riverside Metropolitan Museum Board.

3.3 Director. "Director" shall mean the Director of the Riverside Metropolitan Museum.

3.4 Funds. "Funds" shall include Gifts, Grants, and any and all other contributions or monies given to the Foundation by donors, or subsequently to RMM by the Foundation, for the benefit of the Harada House Properties.

3.5 Gift. "Gift" shall mean a donation, monetary or in-kind or otherwise, in which nothing of significant value is expected from RMM in return, other than the obligation to use the Gift for previously stated purposes in support of the Harada House Properties.

3.6 Grant. "Grant" shall mean a monetary gift from a foundation, trust, corporation, governmental agency, educational institution, or other entity or organization to the Foundation and that may require of RMM some specified statement of work or other condition, such as matching funds.

3.7 Policies. "Policies" shall mean the policies set by the City Charter, the City Municipal Code, the City Administrative Manual, and any other rules set by state or federal law, ordinance or resolution, as may be amended from time to time.

4. **THE FOUNDATION'S RESPONSIBILITIES.**

4.1 Fundraising. The Foundation shall plan and execute comprehensive fundraising programs and create an environment conducive to increasing levels of financial support for the Harada House Properties through Gifts, Grants, or other contributions, consistent with the mission and priorities of the Foundation as a nonprofit corporation.

4.2 Grants. The Foundation shall not accept a Grant, for which the application was made jointly or otherwise in cooperation with RMM, except and unless RMM has approved the application for any such Grant in accordance with the Policies; *provided, however*, that this Section 4.2 shall not apply to any and all Grants for which the Foundation applies independently from RMM (it being understood by the Parties that the Foundation is free to make such

applications) and in such cases the Foundation shall be free to accept Funds regardless of whether or not RMM gave its approval for the application and whether or not such application conforms with the Policies.

4.3 Restrictions on Funds. The Foundation shall obtain the written approval of the Director before applying for or accepting any Funds with restrictions imposed on RMM or otherwise on the City. The Director reserves the right to refuse such approval for any reason, without explanation. Notwithstanding the preceding sentences of this Section 4.3, the Foundation shall have the right to apply for any and all Grants it selects, in its sole and absolute discretion, so long as the terms and conditions of any such Grant does not impose any restrictions on RMM or the City.

4.4 Designation of Funds. The Foundation shall clearly designate Funds as unrestricted, temporarily restricted, or permanently restricted, as well as disclose any terms, conditions, or limitations to the Funds, including but not limited to, allowable and disallowable expenses in the use of such Funds.

4.5 Transfer of Funds. The Foundation shall establish a clear process by which only the City, through RMM, may apply for Funds. As the primary depository of Funds, the Foundation shall transfer Funds in compliance with applicable laws, Policies, and gift agreements if applicable.

4.6 Management of Funds. The Foundation shall be responsible for the control and management of all assets of the Foundation, including the prudent management of all donations, consistent with donor intent.

4.7 Data and Records. The Foundation shall maintain thorough and accurate records of all donations, including donor information, all restrictions on Funds, and requests for public acknowledgment. The Foundation shall provide RMM access to such data and records, as requested by RMM.

4.8 Corporate Operation. The Foundation shall be responsible for the performance and oversight of all aspects of its operations, as well as the employment, compensation, and evaluation of all of its agents.

## **5. RMM'S RESPONSIBILITIES.**

5.1 Communication of Mission. Director shall be responsible for communicating RMM's priorities and long-term plans for the Harada House Properties to the Foundation and to the public, including but not limited to, the restoration plans and programming plans for the Harada House.

5.2 Content. RMM shall control all interpretative content related to the Harada House Properties, including but not limited to, onsite, offsite, and web-based interpretation.

5.3 Fundraising and Marketing Support. RMM shall use its best efforts to work collaboratively with the Foundation to provide fundraising and marketing support. RMM shall recognize the Foundation as the primary fundraising entity for the Harada House Project and shall present any and all fundraising opportunities to the Foundation first and may only present fundraising opportunities to other organizations after the Foundation has declined any such fundraising opportunity. In the alternative, the City or RMM may seek funding directly, without the participation of any other organization, in support of the Harada House Properties at any time without the approval of the Foundation so long as all such funding is disclosed to the Foundation.

5.4 Updates. Director shall provide regular updates to the Foundation regarding the condition of the Harada House and its immediate physical needs.

5.5 Compliance with Restrictions. RMM shall use Funds in accordance with all applicable restrictions.

5.6 Recordkeeping. RMM shall maintain a thorough accounting of any and all received Funds, whether received prior to the effective date of this MOU or after such effective date, and shall allow the Foundation to review such accounting upon request. The Foundation in turn shall maintain a thorough accounting of any and all Funds it receives, and shall allow the RMM to review such accounting upon request.

6. **CITY SEAL.** The Foundation shall operate under its own seal and logotype and shall not use the City's seal or other identifying marks in the promotion of its business and activities.

7. **NOTICES/POINTS OF CONTACT.** For purposes of the administration of this MOU, including all notices, the points of contact for the Parties shall be as follows:

**Riverside Metropolitan Museum**

Museum Director  
Riverside Metropolitan Museum  
3580 Mission Inn Avenue  
Riverside, CA 92501

**Harada House Foundation**

President  
P.O. Box 2272  
Riverside, CA 92516

8. **NO AGENCY RELATIONSHIP.** Parties have a relationship based entirely on, and defined by, the express provisions of this MOU and no partnership, joint venture, agency, fiduciary or employment relationship is intended or created by reason of this MOU. In the performance of this MOU, the Foundation, and Foundation's directors, officers, employees, subcontractors, and agents, shall act in an independent capacity and not as officers or employees of the City of Riverside. Foundation acknowledges and agrees that the City has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Foundation, or to Foundation's employees, subcontractors, and agents. The Foundation shall be responsible for any and all taxes that apply to the Foundation as an employer.

9. **AMENDMENTS.** This MOU may be modified or amended only by an amendment to this MOU, agreed to by both Parties in writing.

10. **VENUE AND ATTORNEYS' FEES.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this MOU shall be tried in a court of competent jurisdiction sitting in the City of Riverside, County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this MOU or to recover any damages for and on account of the breach of any term or condition of this MOU, it is mutually agreed that each party shall bear the cost of its own attorneys' fees.

11. **SEVERABILITY.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this MOU shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this MOU is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this MOU and shall not affect any other provision, term, condition, covenant and/or restriction of this MOU, and the remainder of the MOU shall continue in full force and effect.

12. **AUTHORITY.** The individuals executing this MOU and the instruments referenced herein on behalf of Parties each represent and warrant that they have the legal power, right and actual authority to bind Parties to the terms and conditions hereof and thereof.

13. **ENTIRE UNDERSTANDING.** This MOU constitutes the final, complete, and exclusive statement of the terms of the understanding between the Parties pertaining to the subject matter of this MOU, and supersedes all prior and contemporaneous understandings or MOUs of the parties, whether written or oral or otherwise. Neither Party has been induced to enter into this MOU by, and neither Party is relying on, any representation or warranty outside those expressly set forth in this MOU.

14. **INTERPRETATION.** Parties acknowledge and agree that this MOU is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this MOU.

14.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the MOU or any of its terms. Reference to section numbers, are to sections in the MOU unless expressly stated otherwise.

14.2 This MOU shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this MOU.

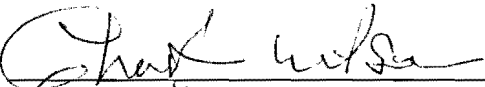
*Signatures Follow on the Next Page*

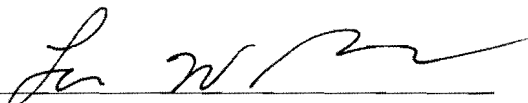
IN WITNESS WHEREOF, City and Foundation have caused this MOU to be duly executed the day and year first above written.

CITY OF RIVERSIDE, a California  
charter city and municipal corporation

HARADA HOUSE FOUNDATION,  
a California non-profit corporation


By: \_\_\_\_\_  
Al Zelinka, City Manager

By: \_\_\_\_\_  
Chuck Wilson, President

By: \_\_\_\_\_  
Lauren Weiss Bricker, Secretary

Attest: \_\_\_\_\_  
City Clerk

Approved as to Form

By: \_\_\_\_\_  
Lauren Sanchez, Deputy City Attorney