



*City of Arts & Innovation*

# Museum of Riverside Board Memorandum

TO: MUSEUM OF RIVERSIDE BOARD DATE: OCTOBER 28, 2020

FROM: MUSEUM DEPARTMENT

SUBJECT: ENDORSEMENT OF THE HARADA HOUSE CAMPAIGN LED BY THE HARADA HOUSE FOUNDATION

## **ISSUE:**

Discuss and approve the endorsement of the Harada House campaign led by the Harada House Foundation.

## **RECOMMENDATION:**

That the Museum of Riverside Board approve the endorsement of the Harada House campaign led by the Harada House Foundation.

## **BACKGROUND:**

The Harada House Foundation is an independent 501(c)(3) that was constituted in 2017 to fundraise for Harada House. In August 2019 two rehabilitation plans for Harada House were prepared by historic preservation architects and presented to the Harada House Foundation, which had contracted with the two firms. On November 26, 2019, the Harada House Foundation adopted a \$6.5 million fundraising goal on the basis of these plans.

## **DISCUSSION:**

Since the acquisition of Harada House by the Museum of Riverside / City of Riverside in 2003, significant investment has been made in slowing the pace of deterioration and gaining an understanding of the needs pursuant to full rehabilitation and public opening of the house. It has always been anticipated that rehabilitation would be costly and that it would be necessary to fund it from non-City sources. A component for endowment is also incorporated into the campaign goal, intended to provide revenue for long-term stewardship of the House after rehabilitation.

The rehabilitation plans received in 2019 were accompanied by cost estimates that diverged but,

after analysis, served as the basis for determining the scope of the Harada House Foundation's fundraising goals. The architects were asked to phase the project in the event that funds were not raised on pace with requirements of the work onsite. This resulted in three phases.

Note that the Riverside Museum Associates (RMA) and the Museum itself both have Harada-restricted funds. Revenues received in all funds since the launch of the campaign are reflected in reported totals-to-date toward the common goal.

	<b>Activity on site</b>	<b>Anticipated cost</b>	<b>Endowment and non-construction costs</b>	<b>Total</b>
Phase I	Foundations and structural stabilization	\$ 800,000	\$ 300,000	\$1,100,000
Phase II	Structural (walls, roof, floors, MEP)	\$2,900,000	\$ 250,000	\$3,150,000
Phase III	Completion (finishes, interpretation, reinstallation of furnishings, opening)	\$1,550,000	\$ 700,000	\$2,250,000
	<b>Totals</b>	<b>\$5,250,000</b>	<b>\$1,250,000</b>	<b>\$6,500,000</b>
		<b>Achieved as of 9/23/2020</b>		<b>\$ 604,722 *</b>

\* "Achieved" totals include formalized pledges and in-kind contributions.

Pursuing a major fundraising campaign involves labor-intensive relationship-building. Potential funders are often influenced by learning of the support of other entities. The packet of fundraising materials that has been prepared by the Harada House Foundation includes a page listing entities that endorse the campaign and its goals. Endorsers need not be donors to the campaign—and in some cases may not have a mechanism to be funders—although prominent funders often permit their names to be added to endorsement lists. The Harada House Foundation has begun a process of seeking formal support for the goals of the campaign with the goal of building a long endorsement list. The Museum of Riverside Board is high on their list.

### **FISCAL IMPACT:**

There is no fiscal impact associated with this report.

Prepared by:	Robyn G. Peterson, Ph.D., Museum Director
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