

1 [Grant Acceptance Agreement and Permit to Enter - Asian Art Museum Foundation -
2 Indemnification for Claims Related to Construction Improvements to Asian Art Museum]

3 **Resolution authorizing the Asian Art Commission to execute a Grant Acceptance**
4 **Agreement and Permit to Enter with the Asian Art Museum Foundation, whereby the**
5 **City would indemnify Asian Art Museum Foundation trustees, officers, and employees**
6 **for claims related to construction improvements to the Asian Art Museum.**

7
8 WHEREAS, The City owns real property located at 200 Larkin Street, commonly known
9 as the Asian Art Museum of San Francisco (Museum); and

10 WHEREAS, The Museum is the largest museum in the United States devoted
11 exclusively to the art and cultures of Asia; and

12 WHEREAS, The Museum showcases, cares for, and grows the City's collection of
13 more than 18,000 artworks from across Asia. Each year, the Museum organizes and presents
14 thought-provoking special exhibitions that celebrate Asian art from millennia past to cutting-
15 edge contemporary; and

16 WHEREAS, The Museum's educational and outreach programs connect a broad,
17 diverse public—including tens of thousands of school students a year—with the historic and
18 living traditions of Asian cultures, sparking conversation, creativity, and cultural empathy in the
19 Bay Area and around the world; and

20 WHEREAS, The Museum embraces the positive values of diversity, inclusivity, and
21 tolerance that are critically important to the City; and

22 WHEREAS, The Museum is a charitable trust department of the City. The City, through
23 the Asian Art Commission (Commission), serves as trustee of Museum charitable trust assets
24 and is in charge of developing and administering the Museum and controlling and managing
25 the City's Asian art collection. (S.F. Charter Sections 5.100 - 5.101, 5.104); and

1 WHEREAS, Charter Section 5.104 provides that the Commission shall maintain a
2 charitable foundation or other legal entity for the purpose of developing the Asian Art
3 Museum; and

4 WHEREAS, The Asian Art Museum Foundation (Foundation) is a private 501(c)(3)
5 charitable organization that exists for the sole purpose of supporting the Museum; and

6 WHEREAS, The Foundation has proposed to provide the Commission an in-kind grant
7 of construction services to be completed by a third party and permanent gallery improvements
8 such as new case work and interpretive materials to be completed by Museum staff with an
9 approximate combined value of \$38,000,000 to complete capital improvements to the
10 Museum (Grant), including renovating approximately 40,000 square feet of existing space (1st,
11 2nd, and 3rd floor existing gallery interiors, modified 1st floor interior public entry and courts,
12 renovated education center, alterations to the existing Lower Level back of house floor
13 including reconfiguring general storage rooms and office space, expanding an existing
14 mechanical room and removing one skylight to accommodate the added floor of the Pavilion
15 building) and adding approximately 13,000 square feet for a new 1st floor Pavilion building
16 (special exhibition gallery, lobby, lounge, restrooms) above the existing lower level building
17 with a new 2nd floor Roof Gallery and mechanical/storage room above the Pavilion building
18 with three new entries for access, plus an attached new three-level freight elevator, elevator
19 machine room partially above the corner generator building, loading dock improvements, and
20 such other improvements as the Commission and the Foundation may agree in writing; and

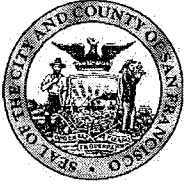
21 WHEREAS, The Commission, on behalf of the City, and the Foundation will enter into
22 a Grant Acceptance Agreement and Permit to Enter (Agreement) substantially in the form on
23 file with the Clerk of the Board of Supervisors in File No. 171112, that sets forth the terms on
24 which the City will accept the Grant; and

1 WHEREAS, The Foundation has requested that the Agreement include a provision that
2 should the Foundation's insurance not cover a claim related to the Grant, the City would
3 indemnify and defend the Foundation's trustees, officers, and employees (but not the
4 Foundation itself) against liabilities related to the Grant; and

5 WHEREAS, The letter from Nicholas Unkovic, Foundation Trustee, of
6 December 15, 2016, on file with the Clerk of the Board of Supervisors in File No. 171112, sets
7 forth the Foundation's request; and

8 WHEREAS, The Grant is in the best interests of the City; now, therefore, be it

9 RESOLVED, That the Board of Supervisors hereby authorizes the Asian Art
10 Commission to execute the Agreement in substantially the same form as File No. 171112 on
11 behalf of the City whereby the City would, among other things, agree to indemnify, defend and
12 hold harmless the Foundation's trustees, officers, and employees for claims related to the
13 Grant to the Asian Art Museum that are not fully covered by the Foundation's insurers,
14 provided that the Foundation maintains insurance at no less than current levels.



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 171112

Date Passed: December 12, 2017

Resolution authorizing the Asian Art Commission to execute a Grant Acceptance Agreement and Permit to Enter with the Asian Art Museum Foundation, whereby the City would indemnify Asian Art Museum Foundation trustees, officers, and employees for claims related to construction improvements to the Asian Art Museum.

December 06, 2017 Government Audit and Oversight Committee - RECOMMENDED

December 12, 2017 Board of Supervisors - ADOPTED

Ayes: 10 - Breed, Cohen, Farrell, Kim, Peskin, Ronen, Safai, Sheehy, Tang and Yee

Excused: 1 - Fewer

File No. 171112

I hereby certify that the foregoing Resolution was ADOPTED on 12/12/2017 by the Board of Supervisors of the City and County of San Francisco.

Mayor

Angela Calvillo
Clerk of the Board

12/22/2017

Date Approved