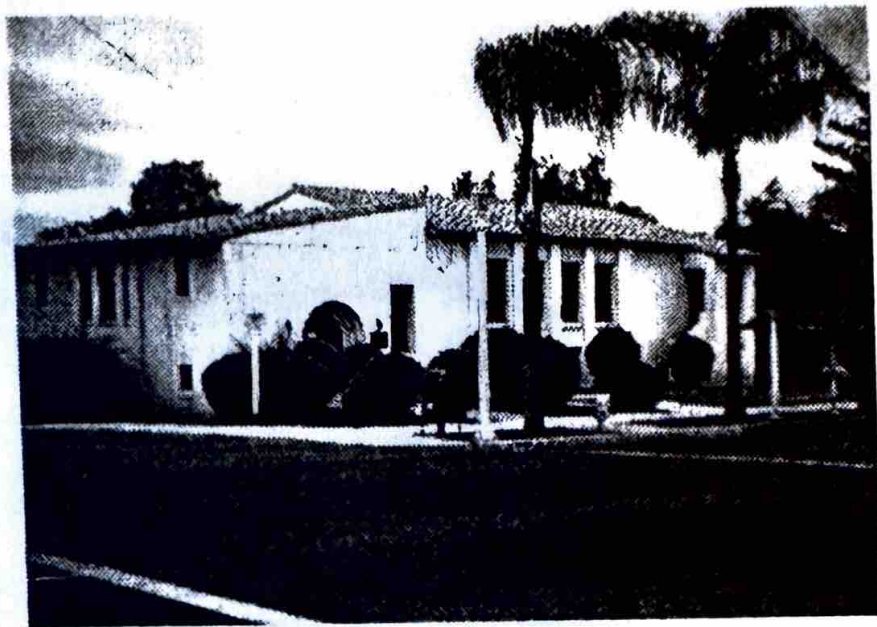


A Proposal for  
**The Brea Museum and Heritage Center**  
*"Preserving the Past for the Future"*

February 12, 2001



*Museums offer a lifetime of learning for people of all ages, in all walks of life.*

***Brea Museum & Heritage Center***  
***"Preserving the Past for the Future"***

February 12, 2001

Mayor Roy Moore  
City of Brea  
1 Civic Center Circle  
Brea, CA 92821

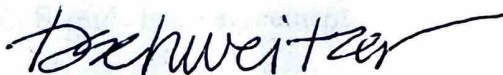
**RE: Brea Museum and Heritage Center**

Dear Mayor Moore,

It is with great pleasure and high hopes that the **Brea Museum and Heritage Center**, an independent division of the Brea Historical Society, presents you with this proposal to create a badly needed historical museum and research facility in the City of Brea. It is our hope the enclosed information will stimulate you and the entire council to help make this dream a reality.

Please review the enclosed information. I will be in contact shortly to discuss the project further and our next step in bringing it to fruition.

Sincerely,



Don Schweitzer, Chairman

cc: Mayor Pro Tem Marty Simonoff, Councilman Steve Vargas, Councilwomen Bev Perry,  
Councilman Tim Harvey, City Manager Tim O'Donnell

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## **MISSION STATEMENT**

The mission of the **Brea Museum and Heritage Center**, a division of the Brea Historical Society, is to establish and maintain a historical museum, research facility and community meeting facility for the citizens of Brea and the surrounding area.

## **VISION STATEMENT**

The **Brea Historical Museum and Heritage Center's** vision is to provide a tangible link to our rich past through an interactive, constantly expanding museum and research facility. A facility that encourages students and citizens alike to explore our roots as well as the events, organizations and people that helped mold Brea into the city it is today. A center for inquiry, investigation and scholarly research.

The Museum will display Brea's current collection of artifacts as well as continue to document items and events that will be tomorrow's history. It intends on developing innovative methods of interacting with the community creating engaging spaces for children and families to discover together. Creating partnerships linking other museums with our own, benefiting not only our schools but other community groups as well. Providing a place for local clubs and organizations to meet and be able to display their awards and achievements.

## PROPOSAL

The **Brea Museum and Heritage Center**, a separate division of the Brea Historical Society a 501 (c) (3) corporation, proposes to lease the Old American Legion Building on Brea Blvd. from the City of Brea for one dollar per year. The plan is to restore this grand old building into a historic museum and research center for the benefit of all citizens of Brea and the surrounding area. The building is historic by nature, built in 1930, located in a historic park on the State and National Historic Registers. A perfect scenario for a historical museum!

The benefits to our city and citizens are many. The building is vacant and in dire need of repair and maintenance. Having a full-time tenant that is concerned about the building's historic value will insure its longevity and position on the State and Federal Historic Registers. The Brea Historical Society is currently housed in an inadequate strip mall and storage unit costing the city \$3,077 per month. Not only would our proposal eliminate this cost, saving the city over \$36,000 per year, but would also honor a 1994 written agreement to the Society from the Council providing them with a permanent home in or near our new downtown. (See exhibit "A")

Even though we propose the Center pays no monthly rent it will however be responsible for all utilities, insurance, taxes, maintenance etc. thus eliminating those expenses from the City's responsibility. Therefore the city's actual cost savings is much greater than the \$36,000 as previously outlined. This same scenario exists in Paseo Robles, California. Exhibit "C" is a copy of their lease agreement that could be used as a guide for our own.

The following pages outline how we intend to make our dream a reality. We discuss the financial aspects and responsibilities of the Center as well as the City. We breakdown the estimated operating costs and methods of raising the necessary funds to keep the museum operational. We also outline the interaction of the **Brea Museum and Heritage Center** with our citizens and especially our school children.

It is our hope, and the hope of many Brea citizens, that you will agree with our plan to create this badly needed resource for our community and will help us work towards a solution of which the Council, Society and more importantly the citizens of Brea can all be proud.

**RESTORATION AND REMODEL  
REVENUE AND EXPENSE PROJECTIONS**

**Projected initial revenue:**

City (County) contribution *	\$100,000	
Brea Historical Society contribution	10,000	
Public/ Corporate contributions **	125,000	
Initial fundraiser **	<u>10,000</u>	
 Total projected initial revenue:		 \$245,000

**Estimated initial expenses:**

Seismic retrofit (per Engineer's review)	\$70,000	
Handicap accessibility requirement (Handicap lift)	20,000	
Handicap restroom remodel	5,000	
Exterior repairs and paint	10,000	
Interior remodel	50,000	
Warming kitchen remodel	5,000	
Furniture, displays etc.	30,000	
Fire sprinkler installation	25,000	
Sprinkler alarm installation	2,000	
Misc.	10,000	
 Total estimated initial expenses:		 <u>\$227,000</u>
 Net reserve balance		 \$ 18,000

\* The city has a grant from the county for \$100,000 to retrofit this building. Therefore the actual cost to the city (ie. taxpayers) is \$ 0.00.

\*\* Please see page 4 for proposed contribution analysis.

## CONTRIBUTION & FUNDRAISER ANALYSIS

### Contributions:

Initial pledges have already begun. Individuals and corporations are being solicited to contribute to the **Brea Museum and Heritage Center** through a tiered system of acknowledgement. Plaques near the front entrance will identify each contributor's name and level of contribution.

The tiered system and initial anticipated contributions are as follows:

<u>Designation</u>	<u>Amount</u>	<u>Number</u>	<u>Total</u>
Benefactor	\$10,000	5	\$50,000
Sponsor	5,000	10	50,000
Patron	1,000	20	20,000
Friend	100	25	2,500
Supporter	25	100	<u>2,500</u>

Estimated total initial contributions:

\$125,000

This contribution schedule relies totally on citizen and corporate donations. We are also in the process of contacting and applying for various grants through foundations concerned about historic preservation. We have found numerous avenues for monies set aside for just such a project. California State University at Fullerton's Public History Department is helping us, as is the National Endowment for Historic Trust. In fact we have an article coming out in their official magazine "Preservation" about our plight to restore this grand old building.

### Fundraiser:

In order to have a strong public awareness for the museum, the center will sponsor an annual fundraising event. The nature of this event has yet to be determined but it will focus on our heritage and in some way connect the citizens of Brea to our past. The initial kickoff fundraiser is intended to make the public aware of the coming Museum and Heritage Center. Our initial goal is a modest \$10,000. Thereafter, we intend to raise a minimum of \$24,000 per year from one or more fundraising events.



## MONTHLY OPERATING REVENUE AND EXPENSE BUDGET

### Monthly revenue:

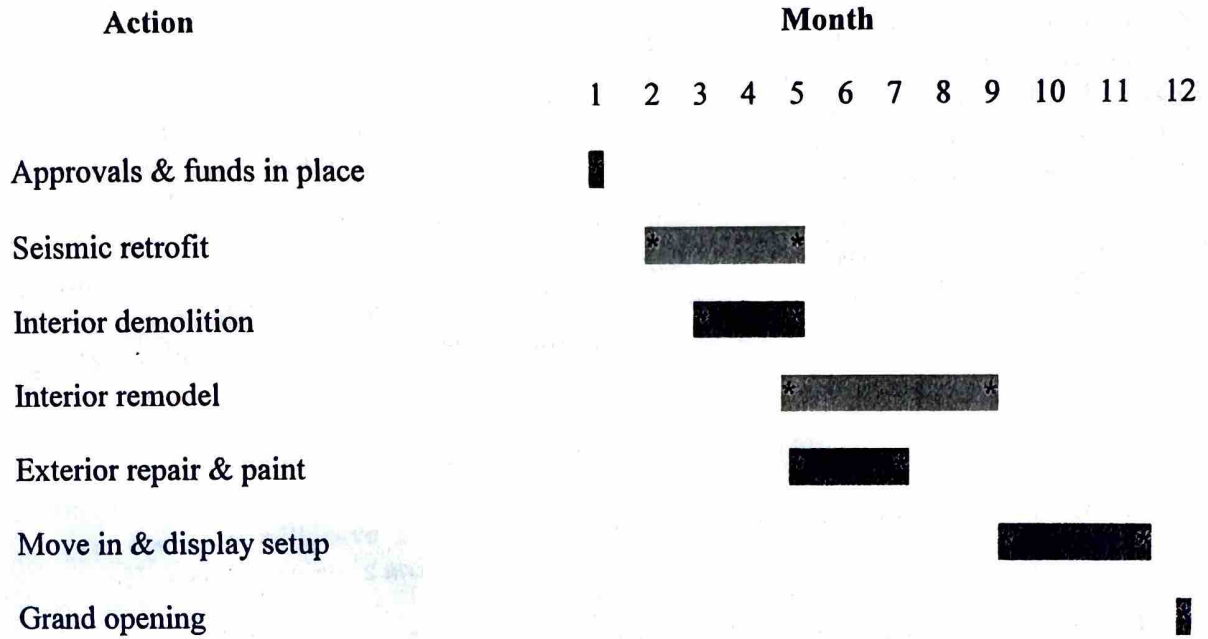
Admission donations	\$ 300	
Annual fundraiser amortized monthly	2,000	
Membership dues (current)	200	
Membership dues (new)	100	
Meeting room space rent (\$150/mo. X 3)	450	
Retail Sales	200	
<b>Total</b>		<b>\$3,250</b>

### Estimated monthly expenses:

Rent ( \$1.00 per year)	NA	
Insurance (liability)	\$ 100	
Utilities	500	
Janitorial	100	
Phone	100	
Internet connection	30	
Web page hosting	15	
Repairs and maintenance	300	
Salaries (1 part time employee)	800	
Postage	25	
Scholarship fund (\$1,000/ yr)	84	
Office supplies	100	
Alarm monitoring	30	
Publications	10	
Dues	20	
Advertising	300	
Misc.	200	
<b>Total</b>		<b><u>\$ 2,714</u></b>

**Net monthly increase in reserve balance: \$ 536**

## ESTIMATED TIMELINE



## OVERVIEW

The **Brea Museum and Historical Center** will educate, inform, enlighten and entertain. It will help our schools meet curriculum goals, provide a center for education and encourage new insights and critical thought. It will become one of Brea's cornerstones.

As with all new projects questions will arise and problems will need to be resolved but none are insurmountable. Concerns of leasing the building for \$1.00 per year eliminating potential revenue for the city or the need to structure the lease similar to the one penned for the Brea Lions Scout Center Foundation will probably surface. But the one thing we must remember is that a museum and research center is for everyone. Young, old, rich or poor a museum bridges all social, economical and political gaps. People depend on museums as focal points in their community's cultural landscape. They are unmatched in the variety and breadth of knowledge they make available to everyone equally. A museum promotes a lifetime of learning and approving the **Brea Museum and Historical Center's** proposal is the first step in expanding Brea's learning resources.

A few important points to consider in making your decision are:

- The City will save \$36,924 per year now being spent to house and store The Brea Historical Society's artifacts.
- One of the last historic structures in Brea will be preserved and restored to its original grandeur for all to see and enjoy.
- A seven-year-old promise from the City to the Historical Society to find them a permanent home will finally be honored. (See exhibit "A").
- A meeting place for clubs and organizations will be available and space allocated for storage and display for their pertinent club awards and honors.
- The creation of a museum to not only care for and preserve our existing artifacts but to continually document what will be tomorrow's history.
- Providing a connection between our schools and the invaluable resources made available through the Center's interactive programs.

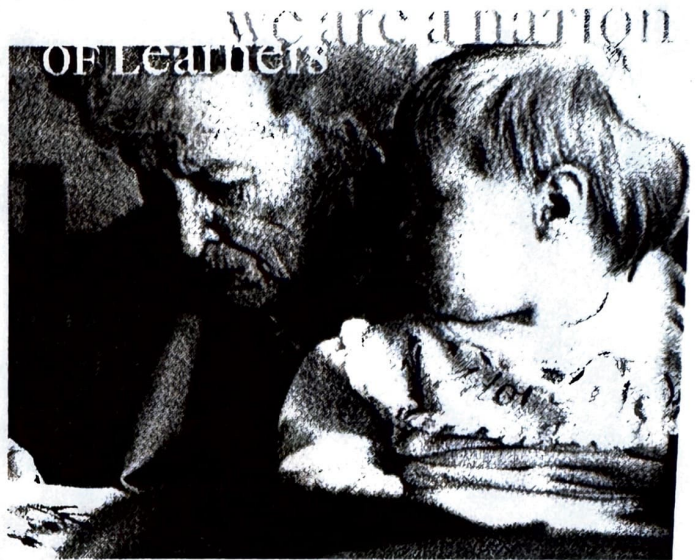
## CONCLUSION

I am sure the Council can see the enormous benefits a **Brea Museum and Heritage Center** will have for our community and its citizens. Not only would we be preserving the past but would also be providing an unbelievable resource for all future generations. Museums spark our imagination, affirm our humanity and refresh our spirits. What a legacy to leave our children.

You can help make this happen. As our community leaders you have the ability to step up and give us the support we need to move ahead. The building is a public building, an historic building and is vacant. A Museum and Heritage Center make perfect sense. Obviously there will be some questions as to on-going costs and the risk of the Center not being able to support itself, becoming a burden once again to the City. We believe strongly that once the Center is open and functioning, supporting it will not be a major problem. First we will have income from many varied sources. Donations, rental of meeting rooms, annual fundraiser(s) and retail sales to name just a few. What other use would have any more sources of revenue or be less likely to fail? Already corporations and organizations such as Unocal, Pacific Western National Bank, The Boys and Girls Club and others have expressed their support and desire to help make this dream a reality. (See exhibit "B")

We need the help and support of the Council. Not only to authorize the leasing of the building in order for us to continue our search for possible contributions and grants, but to continually encourage and work to make this dream come true for every citizen and student in Brea and the surrounding area. Ten years from now, when we look back at what we have accomplished and what the Center has become, we can and will be proud. A once in a lifetime opportunity to all come together and create something beneficial for everyone is at our doorstep. This project encompasses all groups, has no political affiliation and benefits every current and future Brea citizen. What more could we ask?

Please join us, and many other Breans, in helping to create the best **Brea Museum and Heritage Center** possible



*From the school child just learning to read to the senior citizen who still finds something new to learn each day, the Brea Museum and Heritage Center envisions creating invaluable resources to further growth through knowledge and self-discovery.*

**EXHIBIT "A"**



## City of Brea

November 10, 1994

Brea Historical Society  
City of Brea  
Number One Civic Center Circle  
Brea, California 92621

The City of Brea and the Brea Historical Society have recently entered into a direct contractual relationship as a result of the City succeeding to the interests of the Brea Historical Society's prior landlord, The Brea Foundation. The City and Brea Historical Society have mutually reached a comprehensive general understanding as regards the future cooperative relationship between themselves. The parties desire to memorialize the general understandings so that they may have guidance in continuing their efforts to refine these points. Therefore, in furtherance of the mutual goal of maximizing the benefit of the Brea Historical Society to the City of Brea, the parties establish the following premises upon which further negotiations will focus:

1. The Brea Historical Society will be relocated by the City to a facility reasonably suitable for their needs, which facility is to be located in or near the area generally recognized as the "new Downtown" area. The ultimate relocation site shall be mutually approved by the Brea Historical Society and City. It is recognized and agreed that time is of the essence in regard to the relocation of the Brea Historical Society. Each party agrees to use its best efforts to commence and complete all action necessary to accomplish the relocation in as prompt a manner as is reasonably practicable.

2. The City, at no cost to the Brea Historical Society, by and through its Relocation personnel, will undertake and accomplish both the anticipated interim relocation and the permanent relocation in a manner consistent with all law and policy.

3. The City's interim relocation assistance will include, but not be limited to, the appropriate storage of the assets and resources of the Brea Historical Society, including the reasonable storage of any assets and resources which may be gained after such storage commences.

City Council	Glenn G. Parker Mayor	Rev Perry Mayor Pro Tem	Burnie Dunlap Councilman	Carrey Nelson Councilman	Kathy Wiser Councilwoman
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Civic & Cultural Center - Number One Civic Center Circle - Brea, California 92621-5758 - 714/990-7600 - FAX 714/990-2258

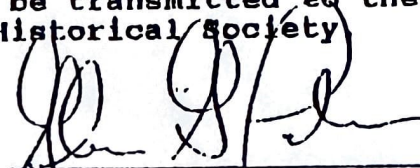
Brea Historical Society  
November 10, 1994  
Page Two

4. The City will extend to the Brea Historical Society all rights, benefits and services which it provides to relocatees and acknowledges that the Brea Historical Society is an eligible relocatee as eligibility is established in the City's relocation guidelines.

5. The parties agree to extend all further cooperation by and between themselves to accomplish the foregoing goals. Such further cooperation includes, but is not limited to, the execution of a new month-to-month lease to supersede and replace the Brea Historical Society's present lease pertaining to the structure known as the "Old City Hall" which lease will serve to further define the intentions of the parties hereto.

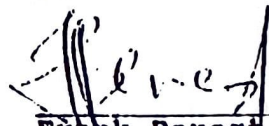
The City of Brea and the Brea Historical Society mutually reaffirm their commitment to enhancing the quality of life of the citizens by preserving and educating the public about the rich history of the City of Brea. The parties hereto intend this commitment to guide their future cooperative efforts and so hereby declare such to be the basis upon which each shall proceed.

The Mayor is hereby directed to execute this letter of intention and cause the same to be transmitted to the appropriate officials of the Brea Historical Society)



\_\_\_\_\_  
Mayor  
City of Brea

For and on behalf of the Brea Redevelopment Agency, I acknowledge and consent to the foregoing.



\_\_\_\_\_  
Frank Benest  
Executive Director

N\104\BHISTSOC



**EXHIBIT "B"**

We would like to have a copy of the building in a form that would be suitable for use in a...

...of the building in a form that would be suitable for use in a...

...of the building in a form that would be suitable for use in a...

...of the building in a form that would be suitable for use in a...

...of the building in a form that would be suitable for use in a...

Brea  
Olinda  
Unified  
School District

February 7, 2001

Mayor Roy Moore  
Brea City Council  
Number One Civic Center Circle  
Brea, CA 92821

Re: Brea Museum and Heritage Center

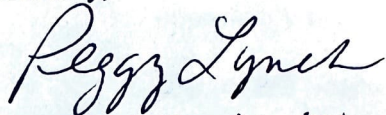
Dear Roy:

We would like to lend our support to the effort to convert the old American Legion/Police Station building to a Brea Historical Museum and Heritage Center. This would be an excellent use for this wonderful historic structure.

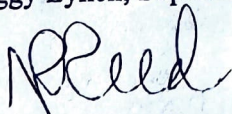
As you might imagine, study of Brea history is important to our students and to our community. The proposed center would allow our students to have a place to go and learn more about their own community. We understand that the center intends to provide activities specifically geared for young people. We think this would be a nice addition to our instructional programs.

Thank you for your consideration of our letter and we hope that the city council will give this their sincere consideration.

Sincerely,



Peggy Lynch, Superintendent



James R. "Bud" Reed, President  
Board of Education

1 Civic Center Circle, Level II • P.O. Box 300 Brea, California. 92822-0300 • (714) 990-7800; FAX (714) 529-2137

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**ADMINISTRATION:** Peggy Lynch, Ed.D., *Superintendent*; Edward J. Harcharik, *Asst. Supt./Human Services*; Phil Hillman, *Asst. Supt./Business Services*



DANIEL S. CASEY  
EXECUTIVE DIRECTOR

THOMAS A. SAUER  
CONSULTANT

# BOYS & GIRLS CLUBS

## OF LA HABRA/BREA

Administrative Office  
1211 Fahringer Way  
La Habra, CA 90631  
(562) 691-2413  
Fax: (562) 694-8925

La Habra Boys & Girls Clubs  
1211 Fahringer Way  
La Habra, CA 90631  
(562) 694-1805  
Fax: (562) 694-8925

Brea Boys & Girls Club  
502 S. Sievers Ave.  
Brea, CA 92821  
(714) 990-0215  
Fax: (714) 990-2320

La Habra Boxing Club  
341 Hillcrest  
La Habra, CA 90631  
(562) 690-4559

February 5, 2001

Mayor Roy Moore  
City of Brea  
1 Civic Center Circle  
Brea, California 92821

Re: Brea Museum and Heritage Center

Dear Roy:

Now that our organization will not be relocating to the old American Legion/Police Station Building in City Hall Park, we unanimously support the conversion of the building into a Brea Historical Museum and Heritage Center. We feel that such a conversion is an excellent use for this wonderful historic structure.

As you may understand, knowledge of Brea History should be and is important to our youth membership. The proposed Museum and Heritage Center would allow our members to experience their heritage first hand. Furthermore, the Center intends on being very pro-active with all youth groups. Their plans include not only providing a museum in the traditional sense but to also provide opportunities for young people to further understand Brea's History, through knowledge and self discovery. We welcome the opportunity to participate in this endeavor.

We ask full consideration by the City Council in fulfilling this request.

Sincerely,

*Patrick Sullivan*

Patrick Sullivan  
President

*Daniel S. Casey*

Daniel S. Casey  
Executive Director

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BREA

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\*Denotes Past Presidents

**Unocal Corporation**  
376 South Valencia Avenue  
Brea, California 92823  
Telephone (714) 577-2901  
Facsimile (714) 577-2978  
El Segundo Office (310) 726-7766  
E-mail msmith@unocal.com



**Mark A. Smith**  
Vice President, Real Estate,  
Remediation Services and Mining Operations

February 6, 2001

Mr. Don Schweitzer  
Chairman, Brea Museum  
& Heritage Center  
1400 West Lambert Road  
Suite E  
Brea, CA 92821

Dear Mr. Schweitzer:

On behalf of Unocal Corporation, I would like to encourage you and the City Council to continue your outstanding efforts toward making the Brea Museum & Heritage Center a reality for the citizens of this city and surrounding communities.

For more than 50 years, Unocal has been part of this city, and as such would be honored to be considered a part of Brea's history.

We look forward to working with you and others from the City and Historical Society in hopes of preserving a unique part of Orange County.

Sincerely,

A handwritten signature in black ink that reads "Mark A. Smith".



PACIFIC WESTERN  
National Bank

February 9, 2001

Mr. Roy Moore  
City of Brea Mayor  
#1 Civic Center Circle  
Brea, CA 92821

Dear Mayor Moore:

As one of the newer business members of Brea, we at Pacific Western National Bank have seen firsthand what a wonderful community Brea has. We feel strongly that using your old American Legion Building in City Hall Park as a museum for Brea would enhance the image and community spirit you have established.

It would link the past, present and future in one location where the community, and the youth, could learn more about the history of Brea and strengthen their pride in this wonderful city. The building could also accommodate community activity rooms, where the memorabilia would be displayed and admired by many Brea residents.

We urge you to consider the request presented by Don Schweitzer and other interested parties. We feel the request will enhance your wonderful city and provide a welcome introduction to any newcomers, like ourselves.

Sincerely,

Matt Baumann  
Vice President and Manger



**McBride & Associates, Inc.**  
Property Management Division

711 W. Lambert Road • Brea, CA 92821 • (714) 529-1111 • Fax (714) 529-9791

*Residential, Commercial, Industrial, Professional*

February 12, 2001

Mayor Roy Moore  
City of Brea  
1 Civic Center Circle  
Brea, CA 92821

Re: Brea Museum and Heritage Center

Dear Roy:

Don Schweitzer and I had the opportunity to discuss the potential conversion of the old legion building in City Hall Park, and I am elated that something so practical and beneficial to all Brea's is in the near future.

Being a forty-five (45) year resident of Brea, I truly enjoyed the 4500 people, who, enjoyed the small town friendliness of the early years.

The protected growth of Brea has preserved this "Special Community Spirit" and I feel the above mentioned project is a great way to honor our early residents so our younger generation will remember their efforts.

The Historical knowledge and benefit our entire community will enjoy from all of those involved in this restoration may be one of the most gratifying contributions to Brea's continuing growth.

My family, together with many of our friends and associates, will be making financial contributions to this outstanding project.

May our City Council, along with all caring Brea citizens and leaders, join together to expedite this endeavor.

Thank You Sincerely,

Don McBride



# Neels Brea Mortuary

Funeral Establishment License #FD 623

NEEL FUNERAL DIRECTORS, INC.  
d.b.a. Neels Brea Mortuary  
Established 1911

February 6, 2001

Mr. Roy Moore, Mayor  
City of Brea  
#1 Civic Center Circle  
Brea, California 92821

Dear Mayor Moore:

As a long-time member of the Brea community, Neels Brea Mortuary, is very interested in the various changes being made in the city. I, too, having spent the last few years in Brea, am interested in maintaining the quality of life that is so prevalent here.

I have heard over time many suggestions for using the old police department at Old City Hall Park and have recently been informed of what seems to be a worthwhile and appropriate use for this facility.

It is my understanding that Don Schweitzer and other interested parties are now proposing a heritage museum for this location. This seems to be a perfect use for this historic building. This would be a great opportunity to have a place which could house Brea's memorabilia and offer a glimpse of Brea's past. It would as well provide a place for community activities and for students and the general public to come and learn.

I hope you will give favorable consideration to this proposed use of the old police department facility.

Sincerely,

Craig H. Campbell

CHC:jc

Esther Cramer

600 Linden Lane · La Habra, California 90631

February 6, 2001

To: Brea City Council  
From: Esther R. Cramer, Author-Historian  
Re: Preserving the Historical Brea Police Building

May I add my support for the preservation of the historical Brea Police Building. As a local historian, I feel strongly that such important buildings should be maintained by our communities. I also feel strongly that such buildings should also be used by the community and not just sit as "monuments." According to the information that I received from the committee leading the efforts for this preservation, they would like to have the building put into use as the Brea Historical Museum. Certainly, I would agree that a museum, so centrally located in the city, would be a valuable and appropriate use for the building.

Of course, such a preservation project would require a great deal of funding. It is my understanding that there are a number of private and corporate representatives who have indicated a strong interest in the project and would be willing to commence a fund-raising drive immediately, once the concept is approved by the Council. I know, from my experience in working with Brea citizens in the production of "Brea, the City of Oil, Oranges and Opportunity," such a preservation project would have wide community appeal and the promise of great success.





## **Brea Noon Lions Club**

February 7, 2001

Mayor Roy Moore  
City of Brea  
1 Civic Center Circle  
Brea, CA 92821

Dear Mayor Moore,

The Brea Noon Lions Club is very supportive of restoring the Old Police Station and converting it into a Museum and Heritage Center. Our club would definitely consider moving our weekly lunch meetings into such a facility if it were available. In fact we intend on being one of the lead organizations behind this much-needed facility.

Brea has a long and interesting history. Lions have been a part of it from almost the very beginning. Even though our particular club is only a few years old we are very interested in continuing the partnership Brea and Lions has developed. Restoring this old building and allowing various clubs and organizations to meet there and allowing them to display their club awards is very appealing. We're sure other clubs will take advantage of this unique opportunity as well.

Mayor Moore, please advise the other members of the Council of our interest in seeing this project go forward and our willingness to do whatever is necessary to help make it a success.

Yours in Lionism,

Dave Carlock, President



# *Olympic Packaging Co., Inc.*

February 8, 2001

Mr. Roy Moore, Mayor  
City of Brea  
#1 Civic Center Circle  
Brea, CA 92821

Dear Roy:

I have been asked to express my views on the possibility of converting the old police building in City Hall Park into a museum for the city of Brea. I don't know what the details of an agreement with the City would be, but I whole heartily support the idea. So much of the old Brea is gone and the historic park may well be the only thing left.

I hope that the details can be worked out as it appears that the other ideas for a museum have gone by the wayside.

Best Regards,

Lyle Sutton



February 1, 2001

Mayor Roy Moore  
City of Brea  
1 Civic Center Circle  
Brea, CA 92821

Dear Mayor Moore,

Even though this proposal is from a newly created division of the Historical Society, I still felt the need to write and express my thoughts on the subject.

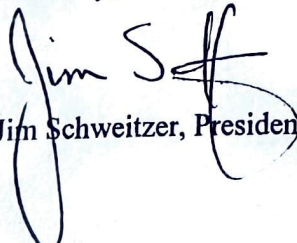
The Historical Society is changing. We are determined to shed the current view of our organization as just a group of retired seniors. We are getting younger members involved that have the energy and ideas to carry us to a new level. The Brea Museum and Heritage Center is one example of this. We realize the magnitude of this project and the need for support beyond just the Historical Society. That is why we created a completely separate division. A division that will be under our umbrella 501 (c) (3) corporation but have it's own board and own set of guidelines. This division was formed for the sole purpose of creating, managing and raising funds for the Museum and Heritage Center.

Many interested and concerned citizens have already expressed a desire to serve on the board that is just now being formed. This new board will report to the Society but have no direct ties other than our similar goal of establishing and maintaining the best museum possible.

Brea needs and deserves this project. We have displayed our heritage long enough in a strip mall. Actually most of it is in storage that can only be accessed twice a year without paying an additional fee! A unique opportunity exists and we must take advantage of it. Preserving this fine, old building that has seen so much Brea history during its 71 years, and turning it into a museum and heritage center for all Breans to benefit from is the right thing to do.

I ask that you approve this proposal giving the committee the clout needed to move forward in the planning and fund raising process.

Sincerely,

  
Jim Schweitzer, President

P.O. Box 9764 • Brea, California 92822  
(714) 256-2283

**COMMUNICATION****Date:** October 16, 2001

To: Honorable Mayor and City Council  
From: City Manager  
Subject: **MUSEUM PROPOSAL**

**BACKGROUND AND DISCUSSION**

The City received a proposal dated February 12, 2001, from the "Brea Museum and Heritage Center" (BMHC), a division of the Brea Historical Society, whose stated purpose is to establish and maintain a historical museum, research facility, and community meeting facility for the citizens of Brea and the surrounding area. The City Council reviewed the proposal at their meeting of May 15, 2001, and discussed the proposal in detail. The Council recommended that the BMHC and City staff work together to answer questions raised at the Council meeting and to determine the feasibility of implementing the proposal.

**GENERAL OVERVIEW OF PROPOSAL**

The proposal is to lease the "Old Police" building, located at 495 S. Brea Boulevard, from the City for \$1 per year and to restore the building for use as a "historic museum and research center." To accomplish this, BMHC proposes that the City provide \$100,000 in financial assistance. In addition, BMHC anticipates \$125,000 in contributions from the public/corporate sector, \$10,000 from the Brea Historical Society, and \$10,000 from an initial fundraiser, for a total projected initial revenue of \$245,000. The cost to renovate the building is estimated by BMHC to be \$227,000, leaving a net reserve balance of \$18,000 at completion of renovation.

Once the building has been retrofitted/remodeled, the BMHC proposal assumes \$3,250 in revenues for its monthly operation (principally from an annual fundraising event), and \$2,714 in monthly expenditures to cover typical operating costs such as utilities, insurance, maintenance, and one part-time employee. (Some of the estimates have been changed in BMHC'S

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Operational Plan and Budget dated 10/4/01 and attached as Exhibit 1 to this report. For example, the cost of an elevator has been eliminated, as an elevator is not required in a historic building. It should also be noted that BMHC's estimates do not include any contingency dollars.)

The BMHC proposal states, "The city has a grant from the County for \$100,000 to retrofit this building, therefore the actual cost to the city (i.e. Taxpayers) is \$0.00." In 1994, the City entered into an agreement with the Brea Lions Scout Center Foundation and committed \$200,000 for construction costs to rehabilitate and retrofit the Old City Hall building (401 S. Brea Boulevard). The City funded \$100,000 of this commitment with a grant it received from the County of Orange, and \$100,000 with Redevelopment Agency funds. Therefore, there are no grant funds currently available to the City for the Old Police building. Although the grant is not available, the Redevelopment Agency does have \$100,000 in its cash flow for seismic retrofitting of this building.

One of the components of the BMHC proposal is the completion of the Historical Society's relocation to a permanent location. The proposal states, "The Brea Historical Society is currently housed in an inadequate strip mall and storage unit costing the city \$3,077 per month. Not only would our proposal eliminate this cost, saving the City over \$36,000 per year, but would also honor a 1994 written agreement to the Society from the Council providing them with a permanent home in or near our new downtown."

The issue of a permanent location for the Historical Society needs to be reviewed in the context of other activities the City has undertaken to meet the relocation obligation. For example, the City has committed to providing display area in the new Fire Station No. 2 project in the Downtown, along with prominently featuring the Seagraves Fire Engine. The City has also secured a Historic Park at Olinda Ranch, including the preservation of the Olinda Field Office, the Doheny/Olinda Oil Well No.1, the Olinda Township Jail House, and the Jackline building saved from the original oil operations on the site in the 1890s, all of which enhance Brea's exhibit space and commitment to displaying Brea's history. A further analysis of this location is included elsewhere in this report.

As you can see, the City has made commitments to find suitable relocation opportunities for the Society, and these elements are currently in place and moving toward completion. Therefore, the policy decision regarding the reuse of the "Old Police" building as a museum should be considered on its merits and not necessarily as an element of the Historical Society relocation.

## **QUESTIONS AND RESEARCH**

### **A. Questions**

At their meeting of May 15, the City Council discussed the BMHC proposal and raised several questions requiring follow-up research by staff and the BMHC. Following are the questions, which were raised, and a response to each question:

**1. *How much money do other Brea non-profits raise through their annual fundraising efforts?***

The Gianneschi Center for Nonprofit Research at California State University, Fullerton, provided statistics regarding Brea non-profits for the year 1997 (the most recent year for which they have information available). Not including churches and schools, there were 20 non-profits in Brea in 1997 that reported gross receipts of \$25,000 or more. Combined, these 20 organizations reported a total of \$3,796,438 in assets and \$1,840,327 in gross receipts. This results in an average of \$92,016 in annual gross receipts per non-profit organization in Brea.

**2. *What were the parking issues for the Boys and Girls Club?***

According to Development Services Department staff, the issue of parking for the Boys and Girls Club was related to planned high attendance events that would cause potential "spillover" into the adjacent neighborhoods and the removal of parking area for expansion purposes. The museum will leave the parking lot in place, which would likely serve the needs of a museum of this size.

3. *Would the community support it?*

Staff sought to address this question, without incurring the costs of a specific survey, by referring to the Brea Community Trust Feasibility Study, completed and published in November of 1998. However, we learned that this study focused on community needs and was directed primarily toward youth programs, including after school sports activities and the need for new field space. Cultural issues, such as the need for a museum, were not included in the questions or responses.

In an effort to poll the community regarding support of the museum, the Historical Society distributed questionnaires at Brea Fest. Twenty-three of those questionnaires were completed and returned. The results of that survey indicate a high level of support (96%) but must be viewed as a limited sampling without a hierarchy of choices. (A copy of the questionnaire is attached to this report as Exhibit 2.)

4. *Was it proper for the Historical Society to apply for a grant through Senator Ackerman's Office?*

Through Senator Ackerman's office, the Historical Society requested State funding for the rehabilitation work needed to restore the Old Police Building. In an attempt to assist the Society, the Senator's office contacted the California Department of Parks and Recreation Office of Grants and Local Services and nominated the project for consideration. Later it was learned that, according to the "Minimum Land Tenure Requirements" of the grant guidelines, the City must, as property owners of the building, be the collaborating agency. As such, the Society must have a Memorandum of Understanding (MOU) with the City in order to have the project funded. In the future, Senator Ackerman's office looks forward to coordinating with both the Brea Historical Society and the City concerning this project, should it proceed. A copy of Senator Ackerman's letter to the Brea Historical Society, dated August 9, 2001, is attached to this report as Exhibit 3.

**5. *Can the shed be removed from the Old Police Building property to make room for more parking?***

Yes, this is achievable if additional parking is needed. However, removing the shed would eliminate an excellent storage area for use at the site.

**6. *Can we suggest any better uses for the building?***

Upon completion of seismic and other building improvements, potential uses for the building could include:

**a. Lease Entire Building to a Private Business**

The building was formerly leased to Emergency Ambulance Company, which vacated the building in 1999. At that time, they were paying \$3,600 per month in rent, generating revenue for the City of \$43,200 per year. However, in order to prepare the building for a new tenant, it is estimated that the City's seismic rehabilitation and general building improvements will cost approximately \$240,000. This estimate provides for new electrical and mechanical systems, window reconditioning, flooring, painting, new interior wall configuration, seismic retrofit, and a 15% contingency due to the nature of historic rehabilitation projects. (It should be noted, however, that the Agency's participation may effect overall construction costs by triggering State prevailing wage requirements.) The estimate is the result of an inspection by the City's Building and Safety Manager.

**b. Community Meeting Space**

Because of the historic significance of the building and its location within City Hall Park, one alternative use (following seismic and other building improvements) could be the City offering meeting space to local non-profits, the business community, or for City functions needing a unique venue. The Civic & Cultural Center has lost meeting space over the years (i.e., Plaza Room, Community Room C), and this option would provide space to compensate for meeting space which has been eliminated. In addition, if non-profits which currently meet at the Civic & Cultural Center were to begin meeting at the Old



Police Building, additional meeting space would become available for rental at City Hall. This use could include using the entire building for this purpose, or using a portion of the building (for example, one floor). This use of the building would include the same rehabilitation costs but generate less revenue than Use #a above.

It should be pointed out that City staff who handle facility reservations told us that oftentimes the City cannot meet the demand for meeting space, depending upon the size of the room. The room size which is most in demand is 1,600 square feet. (Community Rooms A and B are each 1,600 square feet.) The Facility Reservation Specialist has often had requests to book two different parties into Community Rooms A and B at the same time but has had to turn one party away, because there is no sound wall between the two rooms. If the Old Police Building had a 1,600-square-foot meeting room, it could be booked at the same time as either one of the Community Rooms.

The Facility Reservation Specialist also told us that she gets many requests from families who are looking for a place to rent for their children's birthday parties.

The Old Police Building would provide opportunities for these types of community and City uses. There would be a warming kitchen, a place to dine, and a playground adjacent to the building.

c. Office Rental Space

Currently, the City is renting a 500-square-foot meeting room at the Civic & Cultural Center to a local church for use as office space. Almost certainly, there are other businesses in Brea looking for small, affordable office rental space, which the City could provide at the Old Police Building. As with Use #b above, this use could include using the entire building for this purpose, or using a portion of the building with the possibility of remodeling each floor into as many as six small offices. Office space usage would generate revenue in the range of 75 cents per square foot, creating the opportunity for approximately \$4,500 in monthly

income should the entire building be used in this fashion. This use would include the same rehabilitation costs as Use #a. The amount of revenue generated would depend upon how much of the building was converted to office space.

**7. Explain why the Heritage Center is a separate entity from the Historical Society.**

The representatives of the BMHC have decided not create a separate entity as originally outlined, but have formed a committee within the Society which will pursue the museum proposal.

**8. We need to have some input from the Historical Society general membership as to whether they are interested in the project or not.**

The Historical Society mailed out approximately 175 surveys to Society members, as well as local service club members, regarding their interest in the museum project. Fifty-nine of the surveys were completed and returned, with 93% of the respondents in favor of the museum. (A copy of the questionnaire is attached to this report as Exhibit 4.) Survey respondents indicated a willingness to pledge \$11,260 in one-time donations, as per the Revenue and Expense Projections listed in Exhibit 1.

**9. What has the Historical Society done up to this point as far as fundraising?**

The Historical Society has begun to solicit contributions for the museum. To date, \$7,521 has been received and is deposited in the bank. The Historical Society has committed \$10,000 of its existing funds to the museum, and Unocal has committed \$50,000. There have not been any specific fundraising events for the museum at this time.

**10. We need a commitment from the Historical Society for operating hours and expenses.**

Based upon the survey of the Historical Society, members indicated a willingness to pledge 68 volunteer hours per week. The estimated hours of operation and expenses are provided by the BMHC and are attached to this staff report as Exhibit 1.

***11. Why do we need this location if the Fire Station display is approved?***

Because the Fire Station display will consist of wall space and a desk, the Historical Society would be unable to exhibit much of its collection. Although this space is available and will be used by the Historical Society, it does not meet the desire of the Society to have sufficient display area to exhibit larger artifacts.

Additionally, staff researched the question of why we would need a museum if the historic park at Olinda Ranch is approved. Based on the City's current plans for the Olinda Ranch park, the Historical Society may be assigned limited indoor space in the 2,246-square-foot Olinda Field Office Building or the 633-square-foot Jackline Building, however, substantial exhibit space has not been programmed. As the City has a commitment from the State Parks Department to operate and staff this site, any change to the plan would require renegotiation.

The City could choose to construct a new building at Olinda Ranch to house a museum separate from the existing Olinda Field Office and Jackline buildings. This site is the location of the first settlement of Brea, the "Brea Township." The cost to construct a 5,000-square-foot new building would run between \$300,000 to \$400,000. The only available land area for this building would be the 10,000-square-foot site that is programmed to be used as outdoor exhibit space. The Historical Society has articulated that they are not interested in this site, because it doesn't relate to the development and history of Brea as a community.

***12. Show us a detailed plan on how the funding will work.***

See Exhibit 1.

***13. How does the Historical Society raise money on a day-to-day/year-to-year basis?***

See Exhibit 1.

**B. Research**

To better understand and evaluate the relationship between levels of museum services and operational costs, staff reached out to other museums throughout the State. Economic Development staff developed a questionnaire which was mailed to 109 museums. Forty-two museums completed and returned the survey. Based upon the information these questionnaires provided, staff has determined that the respondent museums could be sorted into three distinct categories: Superior, Very Good, and Standard. A summary of the results of the museum survey is attached to this staff report as Exhibit 5.

The following is a subjective delineation of the types of museums represented through the survey and the characteristics of those museums. The purpose of the categories is to help the City Council understand the level of activity and programming which will occur under the BMHC museum proposal.

1. Superior Museums

a. Examples of "Superior" Museums

	<u>Annual Budget</u>
California Oil Museum, Santa Paula	\$140,000
Napa Valley Museum, Yountville	\$850,000
Old Courthouse Museum, Santa Ana	\$ 80,000

b. Characteristics

- Open to the public more than 30 hours per week
- Curator/Director
- School Tours
- Gift Shop (approximately 400 square feet)
- Rotating Exhibits

c. Analysis

To achieve a museum of "superior" quality, operations must include full-time staff and a consistent revenue source, with a substantial budget. City or County participation for these types of facilities varies widely. The California Oil Museum

and the Old Courthouse Museum are almost completely operated, funded, and maintained by a City or a County agency. The Napa Valley Museum is not operated or maintained by the City, but is housed in a building that it purchased from the State. It is partly funded by the interest generated from a \$2 million bequest the museum received several years ago.

2. Very Good Museums

a. Examples of "Very Good" Museums

	<u>Annual Budget</u>
Discovery Museum of Orange County, Santa Ana	\$300,000
Ojai Valley Historical Society Museum, Ojai	\$115,000
Seymour Pioneer Museum, San Francisco	\$150,000

b. Characteristics

- Open to the public 16 to 29 hours per week
- Several paid staff members
- School Tours
- Gift Shop (approximately 200 square feet)

c. Analysis

To achieve a museum of "very good" quality, operations must include some paid staff members (either full- or part-time) and a combination of fundraising and City assistance. The Seymour Pioneer Museum and the Discovery Museum are not operated, funded, or maintained by the City. (The Discovery Museum has been awarded competitive grants, however.) The City maintains the exterior of the Ojai Valley Museum and has made a one-time \$45,000 contribution to the museum.

3. Standard Museums

a. Examples of "Standard" Museums

	<u>Annual Budget</u>
Glendora Historical Society Museum, Glendora	Varies
Monrovia Historical Museum, Monrovia	\$ 36,000
Whittier Historical Society Museum, Whittier	\$150,000

**b. Characteristics**

- Open to the public 15 hours a week or less
- Primarily staffed by volunteers (few or no paid staff)
- School Tours
- Gift Shop consists of a display case or a gift cart

**c. Analysis**

The key distinguishing characteristic of a standard museum is the very heavy reliance on volunteers to operate the facility. To achieve a museum of "standard" quality, operations must include reliable volunteers and successful fundraisers or financial assistance from the City. The Glendora Museum is jointly funded and maintained by the City. In Monrovia, the City maintains the front museum grounds only. In Whittier, the City provides \$25,000 per year in financial support.



**Glendora Historical Society Museum  
(Re-use of Fire Station)**

The BMHC's proposal and annual operating budget appears most closely aligned with the characteristics of "standard" museums listed above.

Staff visited the Monrovia Historical Museum, as it appeared to be most similar to the BMHC proposal. The museum is located in a city-owned

historical building located within a city park. (In fact, the building itself was once the Monrovia Plunge, but the pool has been filled in.) The building is leased to the museum for \$1 per year. The City maintains the front grounds, and the Museum Foundation is responsible for the remainder of the property. The museum patio/garden area is rented out for weddings, social gatherings, and service organization events. The City uses the museum for employee picnics, awards ceremonies, joint commission meetings, etc. The museum has been well received in Monrovia and offers a learning experience for local students and visitors.

To discuss museum programming, staff contacted a Monrovia City Councilman who serves as a City liaison to the Monrovia Historical Museum. The discussion centered on the operational issues relative to the non-profit/City partnership. Staff was told that the museum's relationship with the City has been a positive one, and the community has been very supportive of the museum. One of the museum's biggest challenges has been retaining a sufficient group of docents. The museum has had to do an outreach campaign every couple of years in order to find new volunteers. They have found senior citizens to be their best core group of docents.



**Monrovia Historical Museum  
(Re-use of City Plunge)**

Staff also contacted Whittier Redevelopment Agency staff regarding the Whittier Historical Museum, another standard-level museum. Staff stated that the museum plays an important role in maintaining Whittier's historic artifacts. Although the museum has a lot of community support and has been in existence for 19 years, it is becoming more and more difficult to find volunteer workers. It was highly recommended that an Executive Director be hired to run a local museum, should one be undertaken in Brea. One of the Director's duties would be to research and apply for museum grants and to continue to seek a higher level of service to the community.

### **CONCLUSION AND RECOMMENDATION**

The BMHC museum proposal is very similar to other museums in California whereby it uses City-owned historic property for display of artifacts and items on local history. The level of quality and operations vary based on budget, fundraising, and revenues achieved. Should the City Council move forward with the BMHC museum proposal, staff believes that the resulting museum will reflect the "standard" model and will closely resemble the Monrovia Historical Museum. With a projected annual budget of \$39,000 and a \$1 per year lease, the City Council can reasonably expect that the museum will be staffed primarily by volunteers, will have limited operating hours, have limited rotating exhibits, and provide school tours. (It should be noted that all third grade students in the Brea Olinda School District are required to study Brea history, providing the museum with a built-in audience!)

Currently, the Historical Society is housed in a 600-square-foot office in the Brea Heights Shopping Center and is storing its collection in a 1,600-square-foot facility in Orange. The Society has requested the Old Police Building (5,975 square feet) for use as a museum at a cost of \$1 per year. Staff suggests the following options for City Council consideration.

#### **Option 1: Accept the BMHC Proposal, as submitted**

The BMHC proposal requests that the City enter into a \$1 per year lease for the use of the building and contribute \$100,000 towards the building rehabilitation.



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**Fiscal Impact:** \$100,000 toward rehabilitation costs

**Pros:** Provides for a museum to display Brea's history which would be operated by a non-profit.

**Cons:**

- City risks entering into a construction agreement with an untried volunteer organization that could result in a partially complete project.
- Completed project relies on an all-volunteer organization with no track record in running a museum.
- Does not represent the highest economic return for City of Brea and does not create community meeting space

**Option 2: Shared Use** (This option is recommended by staff.)

The City enters into a Memorandum of Understanding (MOU) with the Brea Historical Society.

The following terms would be included in the MOU:

- Historical Society would be given use of the upper level of the Old Police Building (approximately 3,000 square feet) and the shed (approximately 600 square feet) for museum and storage purposes. The City would retain the exclusive rights to the lower level of the building (with the exception of jail area), to be developed as community meeting space.
- The City would have priority to reserve 200 hours per month of free meeting space on the lower level (50% of time, based upon availability of 8 a.m. to 10 p.m. daily). The remaining time would be made available to the BMHC. This requirement to offer the City free space would serve to offset the cost of the lease.
- The Historical Society would be given six months to complete the following:
  1. Prepare plans and specifications for building rehabilitation
  2. Bid rehabilitation work
  3. Raise funds in the amount necessary for total building rehabilitation, based on actual bids
- The Historical Society would be given the ability to request a three-month extension if 75% of funds are raised and 75% of plans and specifications are completed.

- Once plans and fundraising have been completed (six months, plus possible three-month extension), allow the Historical Society a one-year construction period.
- If the Historical Society cannot meet their obligations either for capital construction or operating costs, the facility would revert back to City operation for use as a community meeting center.

This option would establish a joint use of the building whereby the museum would operate on the upper level (street entrance) and the City would retain rights to the meeting space created on the lower level. The City's use of the meeting space could serve the needs of service clubs, non-profits, and City functions. BMHC is provided sufficient time to complete plans, specifications and fundraising for the project. If the timeframe is not met, then the MOU terminates without further action by the City Council. If the terms of the MOU are fulfilled, then the City would automatically enter into a long-term lease with the Historical Society.

**Fiscal Impact:** \$100,000 is currently allocated to the seismic work and rehabilitation

#### Option 4: Community Meeting Space

##### **Pros:**

- Represents a finite commitment of support to the Brea Historical Society.
- Provides for display area for Brea's historic elements, yet allows City to benefit through provision of additional community meeting space.
- Establishes a definitive timeframe in the MOU for performance by the Historical Society.
- If the Historical Society cannot complete their commitment for construction or operations, the building is easily transitioned to community space.

##### **Cons:**

- City risks entering into a construction agreement with an untried volunteer organization that could result in a partially complete project of a historic building.
- Completed project relies on an all-volunteer organization with no track record in running a museum.
- Does not represent the highest economic return for the City of Brea.

**Option 3: Lease to a Single Tenant**

The City completes renovation of the Old Police Building and rents the space to a single tenant, similar to the Emergency Ambulance Company Lease.

**Fiscal Impact:** Has the potential of generating \$43,200 in annual revenue.

**Pros:**

- Provides for rehabilitation of historic building and annual revenue.
- Represents the most favorable economic return.

**Cons:**

- Incurs large up-front costs by the City.
- Does not address issue of display area requested by the Historical Society.

**Option 4: Community Meeting Space**

The City completes renovation of the Old Police Building and uses both floors for community meeting space.

**Fiscal Impact:** Approximately \$240,000 in costs, plus ongoing maintenance and operations. There is a revenue source for rental of meeting space, but it is minimal and would most likely be at a break-even point, as rental income would offset utility, maintenance, and staff time for room setup, etc.

**Pros:**

- Provides community meeting space.

**Cons:**

- Incurs large up-front cost by the City.
- Does not address issue of display area requested by Historical Society.

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**Option 5: Construct a New Building at Olinda Ranch Historic Site**

The City pays to construct a 5,000-square-foot building at the Olinda Ranch historic site, which the Historical Society can use to exhibit their collection.

**Fiscal Impact:** \$300,000-\$400,000 in costs and limited revenue based on a lease with the Historical Society.

**Pros:**

- Places Brea's historic elements in a single centralized, historic location.
- Building could be customized to meet specific display needs.
- Maximizes exposure of Brea's historic beginnings as an oil town by co-locating with historic oil field structures and equipment.

**Cons:**

- Incurs large up-front cost and minimal potential rental income.
- The Historical Society is not interested in locating to this site.

**Option 6: Do Nothing at This Time**

Reserve judgement on the disposition of the Old Police Building, while declining to participate with the Historical Society on their proposal.

**Fiscal Impact:** No costs associated with this option.

**Pros:**

- No funds expended.
- Provides time for additional option discussions.

**Cons:**

- Does not result in rehabilitation of a City-owned historic structure.
- Does not address the Historical Society's request for display area.

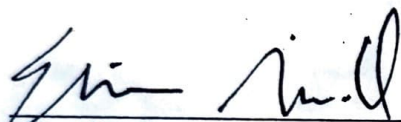
- City continues to pay temporary relocation costs.

Respectfully Submitted,

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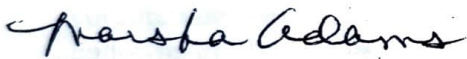
Tim O'Donnell  
City Manager

Prepared by:



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Eric Nicoll  
Economic Development Department Director



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Marsha Adams  
Senior Management Analyst



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Laura Halcom  
Housing and Subsidy Technician

- Exhibits:
- 1 BMHC Operational Plan and Budget
  - 2 Questionnaire Distributed at Brea Fest
  - 3 Senator Ackerman Letter
  - 4 Questionnaire Mailed to Historical Society Members
  - 5 Museum Survey

s:\laura's directory\historical society\staff report on museum

**BREA MUSEUM & HERITAGE CENTER  
OPERATIONAL PLAN & BUDGET  
10/4/01**

The Brea Museum and Heritage Center is actually the sum of many parts. First and foremost it will be an historical museum to help us connect with our past. It will be an educational center available for local schools, clubs, organizations and individuals to research not only local history but also world history via the web. It will be a meeting place for local clubs and organizations as well as a facility to hold a reception or fundraiser. It will host traveling displays to continually change the museum's environment and keep it fresh and interesting. Our goal is to become something more than a repository for dusty books, nostalgic memorabilia and rapidly fading memories. Instead we want to become a portal with the past....a place where a full range of visitors from school children to adults can relive and marvel at some of the area's earliest struggles and ponder the future in the light of more than 100 years of well documented history.

Funding for the operation of the museum will come in many forms. We will have an annual fundraiser and fundraising drive as well as the annual "Spring Fling" dinner currently in its fourth year. But we will also generate revenues from admission donations, web site hosting, retail sales, antique appraisals, membership dues and the monthly Downtown & Home Tour. We also intend on creating an endowment program to provide a secure source of financial support for the museum's operational budget. Individuals and corporations will be sought to make gifts of cash, stocks and/or real property to the endowment. They could also give through bequests and planned giving if they so desire. Eventually the income from the endowment would be a major source of the revenue needed to operate and expand the museum's capabilities.

Cultural tourism is also an important factor to any museum plan. It refers to those tourists who are traveling to see cultural attractions as opposed to recreational activities. A recent tourism survey by the US Travel & Tourism Bureau showed that 27% of tourists are now traveling to see historic sites, museums and galleries. 27% for theme parks, 14% for casinos, 11% for golf and 9% for sporting events. They also found that cultural tourism is the fastest growing segment of the tourism industry in America. Brea definitely needs to tap into some of that revenue. We are currently very low on the cultural attraction scale!

Cultural tourists, according to the Travel Industry Association have higher income levels, spend 65% more per trip than other tourists, spend one more day, are likely to stay in a hotel rather than with friends and are more likely to shop and eat at local establishments. You can see why this could be important to Brea. It creates more sales tax revenue while increasing property values that ultimately increase property tax revenues.

Over 15 years ago Santa Barbara recognized the importance of cultural tourism. They formed a downtown cultural district with identified cultural institutions and cultural activities. It has been successful beyond their dreams. Ventura is now in the process of doing the same thing. Brea has an opportunity to do it too. By creating a historical museum

as the cornerstone and linking it with our art gallery, our Art in Public Places program, the Curtis Theater, the Old Seagraves display and the proposed oil field display at Olinda Ranch, we too will be on the cultural map. We will have something impressive to publicize and market to the cultural tourists.

In the beginning the Museum will be run by volunteers and part-time employees. Docents will be trained and available for school tours, shows and special events upon request. It is our intention to be open weekdays 1 to 4 and Saturdays 11 to 4. People have already pledged their time and energy to help make this happen. Eventually we plan to hire a full-time curator to manage the museum and take it to the next level. One has been contacted and is ready to come on board as soon as we can afford his requested \$30,000 salary. Until that time however, he has offered to be a consultant free of charge.

The following pages will address the financial aspect of the restoration and remodel of the building as well as the annual operating revenue and expenses anticipated. Every effort has been made to be as accurate as possible.

**RESTORATION AND REMODEL  
REVENUE AND EXPENSE PROJECTIONS**

**Initial revenue as of 10/2/01**

City contribution	\$100,000.00	
Brea Historical Society contribution	10,000.00	
Public donations in the bank as of 10/2/01	7,521.00	
Public donations pledged as of 10/2/01	11,260.00	
Unocal Corporation pledge	50,000.00	
<b>Total</b>		<b>\$178,781.00</b>

**Projected initial expenses to open**

Seismic retrofit	\$ 70,000.00	
Handicap lift	5,000.00	
Handicap restrooms retrofit	5,000.00	
Exterior painting & repairs	15,000.00	
Interior demolition & remodel	60,000.00	
Warming kitchen remodel	5,000.00	
Fire sprinkler & alarm installation	27,000.00	
Mechanical/electrical upgrades	10,000.00	
<b>Total</b>		<b>\$197,000.00</b>
<b>Capital shortfall as of 10/2/01</b>		<b>\$ 18,219.00</b>



## ANNUAL ESTIMATED OPERATING REVENUE AND EXPENSE BUDGET

The following budget was derived from analyzing three similar museums in the surrounding area. The Santa Paula Oil Museum, the Whittier Historical Museum and the Monrovia Historical Museum. An attempt was made to estimate our proposed revenue and expenses based on their known figures and our own research and expectations.

### Annual Revenue

Membership dues (existing)	\$ 3,315.00
Membership dues (new)	1,750.00
Admission donations	3,600.00
Annual "Spring Fling" dinner	3,000.00
Gift shop sales	3,900.00
Room rental	2,400.00
Antique appraisal shows	500.00
Internet ads	1,000.00
Annual fund raiser	20,000.00
Monthly Downtown & Home tours	1,500.00

### Total

**\$40,965.00**

### Annual Expenses

Rent	1.00
Utilities	7,200.00
Liability insurance	1,200.00
Marketing	4,000.00
Office supplies	600.00
Postage	1,500.00
Telephone	1,500.00
Dues/subscriptions	400.00
Janitorial	1,000.00
Retail merchandise	1,000.00
Professional services	2,000.00
Maintenance	2,000.00
Donor recognition	500.00
Part-time labor	5,200.00
Equipment purchase	1,000.00
Display construction/repair	1,000.00
Misc.	1,000.00

### Total

**\$31,101.00**

**Net annual increase in reserve balance:**

**\$ 9,864.00**

## BUDGET ITEM ANALYSIS

### Revenue

#### Membership dues (existing)

This account includes the annual dues currently collected by the Brea Historical Society. Approximately 150 members.

\$ 3,315.00

#### Membership dues (new)

This account includes the 70 new members we anticipate joining the Brea Historical Society once the museum embarks on a new membership drive.

\$ 1,750.00

#### Admission donations

This figure represents the amount anticipated the museum would generate either through an entrance fee and/or donations. The museums surveyed do it both ways.

\$ 3,600.00

#### Annual "Spring Fling" dinner

This account includes the net amount we anticipate raising with our annual dinner. Last year we raised \$2,630.00, which was an increase from the prior three years.

\$ 3,000.00

#### Gift shop sales

This account includes all sales we anticipate from the proposed gift shop within the museum. The amount was derived from sales figures of the other museums as well as current sales of books, videos and photographs by the Brea Historical Society.

\$ 3,900.00

#### Room rental

This account includes all revenue we anticipate generating from renting a meeting room to various organizations and/or receptions. This does not take into account a continuous long-term renter such as a professional office. For this analysis we elected to not include that at this time.

\$ 2,400.00

#### Antique appraisal show

This account includes the revenue anticipated from holding an appraisal show like the familiar "Antique Road Show" on cable television. We got the idea from the Whittier Historical Museum which generates about \$600.00 from theirs.

\$ 500.00

<b>Internet ads</b>	<b>\$ 1,000.00</b>
<p>This account includes the amount generated from third party ads we would host on our web site. Again the Whittier Historical Museum does this generating over \$2,000.00 per year. Our web designer thought our budgeted amount is very obtainable.</p>	
<b>Annual fundraiser</b>	<b>\$20,000.00</b>
<p>This account is probably one of the most important. The museum committee is currently working on a number of fund-raising ideas from a masked ball to a concourse car show and rally. Other service clubs and organizations have raised upwards of \$40,000 with an auction/wine tasting event. We feel our budgeted amount is very obtainable considering the cause and support of the Unocal Corp.</p>	
<b>Monthly Downtown &amp; Home tours</b>	<b>\$ 1,500.00</b>
<p>This account includes the money raised by hosting a monthly Downtown &amp; Home Tour of historic buildings and landmarks as well as showing how the new promenade incorporated architectural elements from Brea's rich past.</p>	
<b>Total projected annual revenue:</b>	<b>\$40,965.00</b>
<b>Expenses:</b>	
<b>Rent</b>	<b>\$ 1.00</b>
<p>This is the proposed amount the Brea Museum &amp; Heritage Center aka Brea Historical Society anticipates paying for the use of the Old American Legion Building.</p>	
<b>Utilities</b>	<b>\$ 7,200.00</b>
<p>This account includes all utilities such as gas, electricity, trash and water we anticipate this building would generate. The figure was derived from research and other museums of our size.</p>	
<b>Liability insurance</b>	<b>\$ 1,200.00</b>
<p>This account is based on a direct quote from a Farmer's Insurance agent. It is for liability insurance only. The City of Brea would be responsible for insurance on the building.</p>	
<b>Marketing</b>	<b>\$ 4,000.00</b>
<p>This account includes costs for yellow page listing, newspaper exhibit ads, a museum brochure, website design and hosting and any other printed ad we decide upon.</p>	
<b>Office supplies</b>	<b>\$ 600.00</b>
<p>This account includes costs for fax paper, letterhead and envelopes, note cards, mailing labels, business cards, photo copy</p>	

paper, toner and all other miscellaneous items needed to operate an office.

**Postage**

This account included regular and special postage handling expenses for special programs, exhibit publicity and newsletter.

\$ 1,500.00

**Telephone**

This account includes museum telephone and communication costs for Pacific Bell regular two-line service with voice mail.

\$ 1,500.00

**Dues and subscriptions**

This account covers the cost of membership dues in professional organizations and reference material subscriptions.

\$ 400.00

**Janitorial**

This account covers the cost of a weekly janitorial service to do a quick cleaning of the museum.

\$ 1,000.00

**Retail merchandise**

This account includes the cost of items for the gift shop. Items such as cards, books, toys, novelties, posters, shirts and hats. as the items sale the money will be used to purchase more and more items without taking funds from other sources.

\$ 1,000.00

**Professional services**

This account includes expenses for the museum such as annual tax preparation, quarterly accounting review and any legal services that may be required. We actually anticipate most of these costs to be donated as in previous years.

\$ 2,000.00

**Maintenance**

This account includes costs for ongoing maintenance and repairs for plumbing, electrical, HVAC system, fire systems, security system and all other defects that may arise from time to time.

\$ 2,000.00

**Donor recognition**

This account covers the costs associated with honoring various financial donors to the museum. Items such as wall plaques, guest passes and membership cards.

\$ 500.00

**Part-time labor**

This account includes the cost for part-time labor that is needed above and beyond docent participation. Eventually a full time curator is anticipated being hired at about \$30,000 per year.

\$ 5,200.00