CHAPMAN ESTATE
STRATEGIC PLAN

Accepted by the City Council on June 7, 2016
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This plan was created by the hard-working efforts of the City Council, the Chapman Estate Advisory Commission (CEAC), the Chapman Estate Ad-hoc Committee consisting of Mayor Shelly Higginbotham, Councilmember Mary Ann Reiss, CEAC member Carol Florence, CEAC member Beverly Pratt, Community Development Director and CEAC member Jeff Winklepleck, Recreation Manager Colleen Cashmore-Ghiglia and Matt Everling, Planning Manager.
1 - EXECUTIVE SUMMARY
Located on the bluffs overlooking San Luis Bay and the Pacific Ocean, the Chapman Estate was bequeathed to the City of Pismo Beach by Clifford Chapman who had owned the property since the early 1960’s; the City of Pismo Beach took ownership of this Estate located in the residential neighborhood of Shell Beach in January 2014. This bequest has created a new City-owned facility for public use, and this Strategic Plan will address operations, maintenance, and fundraising goals and stewardship responsibilities for the property.

The terms of Mr. Chapman’s bequest to the City set the over-arching vision and high-level goals for the management for the Chapman Estate. The Strategic Plan set forth in this document is intended to provide more specific guidance commensurate with a City-owned and operated facility.

The bequest of the Chapman Estate to the City included specific conditions to be fulfilled as a condition of the ownership transfer to the City. The terms of the bequest included a provision for Mr. Chapman’s longtime partner, Mr. Don Shidler, to reside in the home for as long as he chooses. Mr. Chapman and Mr. Shidler hosted many philanthropic, artistic and community events over the years at the Estate. In keeping with this legacy of cultural philanthropy, the bequest also stipulated that the Estate should continue to be available, at no cost, for annual private fundraising events held on the Estate by Community Action Partnership of San Luis Obispo County (CAPSLO), the San Luis Obispo Symphony, and Opera San Luis Obispo. It was also Mr. Chapman’s wish that the Estate be utilized for the enjoyment of the general public, including but not limited to musical performances, leisure classes, art lessons and exhibits, music lessons, garden and home tours, overnight retreats, fundraising “wine maker dinners” weddings, birthday and anniversary celebrations and other appropriate recreational uses. Any funds raised through the use of the Chapman Estate will offset maintenance and overhead costs.

Several iconic buildings are located on the Estate, including a bluff-side windmill, a light house, and the English Tudor residence of Mr. Chapman and Mr. Shidler, which have established the Chapman Estate as a well-known feature of the Shell Beach community. The City has been given a unique bequest of incredible beauty and value, and the goal of preserving this historic jewel for public use and enjoyment presents both exciting opportunities and significant challenges. A primary opportunity for fundraising and hosting future
events is maximizing the existing brand image of the property as cultural center for the community. As part of the City’s responsibility for operating the Estate in accordance with the bequest, the City faces the challenge of managing activities and events to be hosted on the Estate in a manner that is both appropriate for the site and the neighborhood, and fiscally self-sustaining to the extent possible. To this end, the objectives of the Chapman Estate Strategic Plan are to analyze the opportunities and challenges of managing the Estate, and to develop short and long term strategies.

General Physical Characteristics - The Chapman Estate is characterized by:
- Mature Monterey Cypress trees at the perimeter of the property and a variety of ornamental plantings and lawn areas within the Estate grounds;
- Public spaces including the main entry to the Estate, the upper lawn area, the Begonia House, the Koi Pond, the pool and surrounds, the promontory and the western ocean terrace. These are depicted on Appendix F and labeled, respectively, as areas A – G;
- Unique structural components scattered throughout the landscape, including a windmill, a stone lighthouse, a guest house, and the stone garage;
- The main house, which is currently not available for public use. Assessment of the house exterior and interior will be subject to a subsequent analysis;
- No on-site parking and limited on-street parking;
- Potential non-compliance with building, fire, and ADA accessibility codes.
2 – MISSION & GOALS
The Chapman Estate is a widely recognized feature of the Shell Beach community, Pismo Beach and the region. Through a thoughtful Estate management plan it can continue to be an asset and destination for the community, and remain a source of neighborhood pride and identity. Saving this unique historic jewel for public use through implementation of sensitive management policies and strategies to fund operation improvements will allow for continued enjoyment of this asset.

The terms of Mr. Chapman’s bequest set the over-arching vision and goals for the stewardship of the Estate. This strategic plan is intended to provide more specific operations and management guidance commensurate with a City-owned and operated facility.

The Mission of the Chapman Estate Foundation is to ensure the integrity of Clifford Chapman’s legacy and ensure the success and maintenance of the Estate as a self-supporting cultural center and gardens for public events with sensitivity to the surrounding neighborhood.

The goals of this strategic plan for the stewardship, management and operation of the Chapman Estate are to:
1. Provide the community with access to and enjoyment of the Estate while continuing the traditional use of the Estate for philanthropic events and open the Estate for public use and enjoyment;
2. Achieve fiscal sustainability for operations and maintenance;
3. Preserve and enhance the historic and cultural resources of the Chapman Estate;
4. Acknowledge the Estate’s location in and sensitivity to the existing neighborhood;
5. Define roles and responsibilities for operation, management and oversight of the Estate.
3 - MANAGEMENT & OVERSIGHT

MANAGEMENT ROLES AND RESPONSIBILITIES
The terms of Mr. Chapman’s bequest set the vision to guide the stewardship and management of the Chapman Estate. To supplement Mr. Chapman’s vision, this Strategic Plan will set forth more specific management criteria and responsibilities for the City to ensure the Estate can continue to be maintained and operated for the benefit of the community.

The City shall retain ownership of the Chapman Estate. The Estate should be overseen and operated by a newly created private nonprofit 501(c)(3) organization. This organization will take on the primary role of raising funds required for rehabilitation, improvements and for endowment and, later, be responsible for raising funds to offset the costs not covered through earned income. Proceeds from the rental of the Estate will be paid to the City of Pismo Beach.

One important consideration in the establishment and operation of the nonprofit organization will be fully planning for the uses and the revenue streams that are proposed. Certain types of rentals (especially to commercial users and for weddings) and gift shop profits could be subject to unrelated business income taxes (UBIT). This should be considered carefully as the nonprofit organization is established and as the operating plans are developed.

The City should create a partnership with a new nonprofit with stipulations about appropriate use and oversight accountability, the plan for rehabilitation, and the budget responsibility for capital and operating costs. The initial trustees of the new nonprofit should be selected carefully based on demonstrated leadership, commitment, and a willingness to provide and raise funds for the rehabilitation and operation.

As a City asset with unique opportunities and challenges, management of the Estate requires the involvement and oversight of a range of City advisory bodies and staff. A governance structure and communication protocols must be clearly defined, as set forth in the following charts:
CHAPMAN ESTATE STRATEGIC PLAN

INDIVIDUAL / ENTITY | RESPONSIBILITIES | REPORTS TO / APPEALS | COMMENTS
--- | --- | --- | ---
Nonprofit 501(c)(3) | Organizational policy and planning, liaison with the City, resource development, financial management, selection and supervision of the Fundraising Consultant and community public relations. | Nonprofit Board advises and reports to CEAC | Plans and budgets for the repairs/capital improvements should be jointly approved by the CEAC and the nonprofit Board.

Fundraising Consultant | Contract position directly responsible to the Board of Directors for all program operations and policy implementation, budget preparation and oversight, development goals, financial planning and oversight, long-range planning, fundraising efforts, personnel, community relations, public image, website management and Board operations. Coordinate events / programs at the Estate with Recreation Manager. This person should set the vision for the organization. | Advises and reports to Nonprofit Board | Contracted, non-voting member of the CEAC. • Develop a Fundraising Strategic Plan • Identify a marketing strategy • Solicit volunteers • Assist City Staff in preparation of Operations Manual • Event Coordination • Arrange, advertise, manage gatherings and neighborhood events • Define sponsorship levels and recognition programs • Identify and solicit donors • Track/thank donors Volunteer Days

Chapman Estate Advisory Commission (CEAC) | City Advisory Commission charged with overseeing the Estate improvements and uses. Responsibilities detailed in Appendix A. | Advises and reports to City Council | Commission is composed of a designated City employee, a member of the Shell Beach Improvement Group, a representative from the San Luis Obispo Arts Council, a representative of the San Luis Symphony Board, a representative from either a Garden Club or the Cal Poly Horticulture or Cal Poly Landscape Architecture Departments, a resident from the immediate neighborhood, and a member at large. Non-voting members are a trustee of the Clifford W. Chapman Trust of 1986 and one member of the City Council.
Special Events Committee (SEC)  
City body that reviews applications for any event of 50 or more persons to be held at the Estate, and issue Special Event Permit as appropriate. Evaluate the event and impose requirements of the CUP as well as other City requirements to assure that the quiet of the neighborhood is not disrupted.  
Advises and reports to City Manager/ or designee  
Committee is composed of professional fire, police, recreation and City staff, as well as two members from the community at large.

Facility Manager  
Oversees day-to-day maintenance and upkeep of Estate and grounds.  
City Public Works Director  
Mr. Shidler will serve as the initial facility manager. The position will transition to a part-time or full-time City Staff or nonprofit position as needed.

City Staff  
Coordinate events and manage capital improvements and maintenance  
City Manager/ or designee  
CVB Director or designee will oversee event programming. Public Works Director will oversee capital improvements and maintenance.

Docents’ Council or Equivalent  
Volunteer organization engaged in fundraising, maintenance, program operations. Subcommittees support CEAC efforts on specific tasks.  
Advises and reports to Fundraising Consultant  
Docent Program Coordination  
- Define the scope of projects which can be undertaken by volunteers  
- Solicit and manage volunteers  
- Organize and manage volunteer days  
- Thank volunteers

Volunteers  
Numerous items of maintenance and repairs may be undertaken by volunteers. While community members of garden clubs may participate in general garden clean up, for more specialized tasks, professional volunteers must be sought, such as an electrical contractor volunteering time for electrical repairs, or a pool company volunteering for pool repair.  
Advises and reports to Fundraising Consultant  
Policies and procedures need to be developed to define the scope of volunteer efforts and possible conflicts with permitting, laws and liability issues. Develop a formal process for recognizing the various levels of volunteer contributors (such as name plaques on site, volunteer recognition days, use of image in advertising, or commendation from the City).

An initial Board of five trustees should be appointed by the City. Only those individuals who have demonstrated leadership, commitment, and a willingness to provide and raise funds for the rehabilitation and operation should be chosen. If these criteria are not strictly adhered to, it is unlikely that the funding requirements will be met.

After the initial trustees are selected, they in turn should have the power to nominate and select additional trustees up to a maximum number as specified in the bylaws. The term for any trustee should normally be three years with a maximum of two terms (6 years). Thereafter, a trustee must leave the Board for one year before being re-elected to another term.

Because it will be desirable to have staggered terms, two of the five trustees should be given an initial term of two years, two should be given an initial term of three years, and one an initial term of four years. Thereafter, each can be elected for a second three-year term. As new trustees are elected, they should fill slots that assure staggered terms of office with one third of the Board up for re-election or replacement every year.

The initial five trustees should, as one of their first acts, elect from their ranks a President, Vice President, Treasurer, and Secretary who shall serve as the initial officers of the corporation.

Officer terms should be for one year, re-electable so long as they remain a trustee. Much is said in this report about the importance of making the Estate a truly democratic venture, open to the whole community.

The strong emphasis on a fundraising board may suggest that governance is not a major aspect of the character of openness and accessibility. Three observations can be made to address this concern:

- First, the Estate project will not become a reality unless the ambitious fundraising goals are met. This must be a priority in the early years of the new nonprofit organization's operation;
• Second, the Chapman Estate Advisory Commission (CEAC) is open to any and all people;
• Third, after the capital campaign goals are met, broader criteria for Board members can and should be
developed but with a continuing eye toward the ongoing fundraising requirements of the Estate.

Both the City and the nonprofit need certain protections built into a Memorandum of Understanding
(MOU). The City must be assured that the general provisions of operation and programming described in
this report are followed (or, if modified, such modifications have been approved by the City Council). The
City should also be assured that the building is adequately maintained and that the fiscal health of the
nonprofit organization assures the continuation of the programs and activities specified in this report or
mutually agreed to by the nonprofit and the City Council.

On the other hand, the nonprofit organization must be protected from unnecessary involvement by City
officials. Other communities have found this to be one of the obstacles to effective operation. If the activities
and operations meet the general outlines recommended in this strategic plan (or as amended by contractual
agreement between the City and the nonprofit), then the City should not require changes in the
programming. This point is raised because this has been an issue in other communities, where in response
to a complaint, City officials have attempted to guide the programming choices of a nonprofit organization.
Invariably, this undermines the nonprofit organization's ability to plan, program, and fundraise and often
leads to a compromised relationship and failed organization and facility.

An annual "program audit" presentation by the nonprofit organization trustees to the City Council should
provide an opportunity for full City Council review (with public input) as well as a chance for the two
parties to agree to any changes in the operation and programming.

**Plans and budgets for the rehabilitation of the Estate should be jointly approved by the City Council and
the nonprofit Board.**

The steps that will lead to the successful operation of the Estate will require the close cooperation of the
City and the new nonprofit. On the one hand, because the City owns the facility, City officials have a
responsibility to protect the asset by reviewing and approving plans. On the other hand, much of the funding
for the rehabilitation and eventual operation of the facility is being provided by the private sector, as
represented by the nonprofit, and it must therefore have input and approval on rehabilitation plans and
budgets going forward.

One of the trickiest steps in creating the new nonprofit will be selecting the initial trustees. If this is done
effectively, the plan outlined here can work. If it becomes side-tracked by in-fighting or political
considerations, it can undermine the project permanently. The initial group of trustees should include:

- At least one individual who has had experience in major construction and/or rehabilitation projects on
the scale of this project or larger;
- At least one individual with interest in historic preservation;
- At least one County-based CEO with strong ties to the business community in the region;
- At least one individual with links to one of the foundations in the area (either as current or former
trustee or staff);
- At least two people who reside in Pismo Beach and at least two who reside elsewhere in the County
who can bring a regional perspective and constituency to the Board.

Obviously, it is advantageous if people can be found who have more than one of the characteristics listed
above.
The role of the trustees should encompass organizational policy and planning for the nonprofit, liaison with the CEAC, fundraising, financial management, supervision of the contract Fundraising Consultant/Fundraiser, volunteers and community public relations.

While a major focus of the trustees will be fundraising, they will have other responsibilities that must be clearly delineated when they are invited to serve. These include:

- Determining the organization's mission and setting policies for its operation;
- Ensuring that the provisions of its incorporation document, bylaws, MOU with the City, and the laws governing nonprofit organizations are being followed;
- Setting the organization's overall program from year to year and engaging in longer range planning;
- Establishing fiscal policy and boundaries, with budgets and financial controls;
- Providing adequate resources for the activities of the organization through direct financial contributions and a commitment to fundraising;
- In the future, selecting, evaluating, and if necessary terminating the contract of the Fundraising Consultant/Fundraiser;
- Developing and maintaining a communication link to the community, promoting the work of the organization.

A Board committee structure should be established that allows for maximum input from a broad range of individuals.

As already suggested, Board committees need not be limited to trustees, but should include other community members with something to contribute. The one exception to this rule would be the Executive Committee that should be limited to the four officers and no more than three other trustees. Committees are an effective mechanism for the Board to get work done (ideas generated and recommendations reviewed) though all legal action must be formally approved by the City Council.

Recommended committees might include:

- Executive - to carry out Board activities and decision-making between meetings;
- Finance - to make recommendations on financial procedures and controls, to assist in budget preparation, review financial statements, review audit results, and recommend retention of an auditor;
- Development - to plan and coordinate all fundraising activity (except the fund-raising benefit event which should be handled by a separate committee);
- Nominating - to identify, screen, and recommend prospective trustees;
- Buildings and Grounds - to monitor the condition of buildings and grounds and make recommendations for repairs and improvements;
- Marketing - to review and recommend marketing and public relation strategies;
- Benefit - to plan and implement the annual fundraising event;
- Investment - to recommend policies with respect to cash reserves and endowment funds and to evaluate the performance of investment advisors (Please note: actual investment decisions should be made by the City Council; the role of the committee is to monitor performance and, from time to time, to recommend other investment advisors/managers).

Not all of these committees need to be set up immediately. The team needs to be kept small and focused in the first five years. However, within a reasonable amount of time, all committees should be active.
FUNDRAISING CONSULTANT
Capital improvement costs and on-going operations will need to be addressed through fundraising campaigns focused on donations and both off and on-site efforts. While a portion of operating costs can be recaptured through event/rental revenue, it will be essential to generate funds for maintenance, operations and renovation of the Estate through donations, sponsorships and a Fundraising Strategic Plan.

To ensure that operation & maintenance (O&M) costs are met, a contracted Fundraising Consultant, or equivalent should be hired. This person’s responsibilities should include:

- Working with the Board and a designated City staff person to develop a Fundraising Strategic Plan;
- Identification and pursuit of grant funding opportunities for cultural, historic, public access, education, park improvement and other aspects of the Estate;
- Exploring “off-site” fundraising opportunities such as events at other venues, online campaigns, and product sales. Off-site fundraisers could include events such as a winemaker dinner at a local winery, benefit night at a local theater, a golf tournament or a 5K “Fun Run” through Pismo Beach;
- Pursuing historic designation for the Estate to enhance opportunities for grants and fundraising;
- Defining a message that clearly communicates public benefit/access to Estate;
- Positioning the Estate as a unique, regional, cultural treasure with a compelling message and call to action;
- A public access strategy that focuses on smaller events in the garden including classes, garden luncheons, wine maker dinners and cultural events. While some of these events could generate revenue, their primary focus would be positioning the Estate as a special public resource attractive to donors;
- Creating partnerships with local businesses and community members to develop public access via classes at the Estate (yoga, painting, gardening and lectures);
- Exploring opportunities to generate revenue and exposure to potential donors with wine maker dinners, garden luncheons, classical/jazz music dinners, etc. There are numerous events in the region such as Jubilee by the Sea Jazz Festival, Bubblyfest by the Sea, Morro Bay Music Festival, etc. which could be partners for premier, limited access special fundraising events at the Estate.

CHAPMAN ESTATE COMMUNICATIONS
The City should develop and maintain a Chapman Estate page on the City website to facilitate management of the Estate. This page should include:

- A mission statement for the Chapman Estate – “A Cultural Center and Gardens for the Central Coast” (Mission Statement should define “the message” to be used with fundraising efforts);
- Information regarding the Estate, including location, history, site features, and access opportunities;
- Calendar/schedule of events, gatherings, open days and any other access to the Estate, including operating hours allowing events and/or event set-up beginning no earlier than 8 AM. Guest departure and event tear-down to be completed by no later than 10 PM;
- Signage at the entry to Chapman Estate which would:
  - Acknowledge the gift from Mr. Chapman;
  - Provide basic information about public access to Estate (consider use of QR code to link to website with more information about estate);
  - Serve as a location for posting notices and contact information.
- Conditional Use Permit and any other terms & requirements for use of Estate;
- Online permit applications for use of the Estate;
- Information to facilitate coordination regarding the SEC permit process;
- List of qualified vendors/service providers;
- Good neighbor policy;
- Sign-up opportunity for any community member or member of the public to receive emails or direct
mails notifying them of the activities and events scheduled at the Estate;
- Comment box to enable the public to provide comments, feedback, input, suggestions, or complaints regarding the Estate or any event held at the Estate;
- Contact information for event organizers;
- Evaluation form for event organizers to complete after an event, as required by permits.

Develop a simple protocol for notifying and soliciting neighborhood input on estate events to encourage neighborhood input and facilitate tracking of the input. The City's website should be the primary means of communication regarding events and activities at the Estate. Opportunity must be provided for the neighbors and other interested persons who do not access the Internet to be informed of those Estate activities.

TOURS AND INFORMAL PUBLIC ACCESS
A series of docent-led and self-guided tours should be developed for individual visitors and tour groups. Research indicates that several formats for tours should be developed:
- Self-guided tours during public access hours;
- School group tours tied to the State's curriculum framework;
- Regularly scheduled group tours for local residents;
- By-appointment group tours for out-of-town visitors;
- By-appointment, in-depth, special interest group tours (historians, horticultural enthusiasts, etc.).

The schedule of tours would require a substantial docent recruitment, training, and team-building program. A self-guided tour should be designed for use during public admission hours, with interpretive information along the tour route as described above.
4 – FUNDRAISING

This part of the Strategic Plan is devoted to fundraising and is based on analysis of financial need. There are four topics covered:

• Context
• Capital Needs
• Event/Programmatic Revenue & Cost Assumptions
• Fundraising Strategic Plan

CONTEXT

In order to understand the fundraising issues, it is important to summarize the context of the finances surrounding the Chapman Estate:

1. The City of Pismo Beach accepted ownership of the Estate via a gift from Mr. Clifford W. Chapman’s estate on January 1, 2014.
2. The gift of the Estate also included an endowment of approximately $300,000.
3. The City appropriated $192,000 of the endowment to maintain the Estate property and to initiate repairs and improvements to address health, safety and accessibility needs. Currently the City utilizes contract services, Public Works crews, and volunteers to maintain the Estate Grounds. The technical reports noted below reveal the need for immediate repair and improvements to the property.
4. Per the conditions of the bequest, Mr. Don Shidler continues to reside in the Estate home under a residential lease with the City. The lease agreement states that its intent is to provide for use of the Premises and the Property in substantially the same manner as they were used prior to the death of Clifford W. Chapman. It further states that Tenant and City shall each use their best efforts to cooperate with each other to carry out that intention during the term of the Lease.
5. Annual operating costs are approximately $60,000 per year. Without the benefit of income or fundraising, the endowment will disappear in 2-3 years and City funds will be required.
6. During the due diligence period, the City commissioned a variety of technical reports to determine the condition of the Estate buildings, structures and grounds. The reports include:
   • Accessibility Survey & Report (Central Coast Access Specialists, LLC, 8/14/13)
   • Arborist Report (Bunyon Bros., 8/9/13)
   • Shoreline Stabilization Recommendations Report (Terra Costa, 7/15/13)
   • Chimney Inspection Report (Big Steve’s Chimney Service, 8/21/13)
   • Cultural Resources Assessment (Rebecca Loveland Anastasio, 11/13)
The City has completed a number of short-term repairs and improvements to enable continued occupancy of the Chapman House for Mr. Shidler and for ADA access to the grounds. Access and other improvements have included:
- Curb cut for property access;
- Ramp from curb cut to Koi Pond;
- Widening the walkway (from curb cut to Koi Pond);
- Widening walkway on south side of Koi Pond;
- Installing a decomposed granite path and pad to place ADA port-a-potties;
- A new ADA compliant gate;
- Window replacement;
- Tree trimming and landscape maintenance.

A variety of repairs/improvements are needed for health and safety and to preserve the Estate as a City asset, including but not limited to:
- Foundation and Support (concrete stem wall, subfloor insulation);
- Exterior components (door, window, stucco repair);
- Grounds and drainage (safety rails at bluff edge, stair rail and loose bricks, stairway repairs);
- Roofing (leak repairs, downspout fitting replacements, improved rain gutters, attic repairs);
- Plumbing, water heater, fuel gas system and heating and cooling systems (shut off leak repair, inadequate drainage, flue and gas pipe repairs);
- Electrical system (improved amp service, GFCI improvements, repair of ungrounded outlets);
- Fireplace and chimneys (cleanout repair and needed masonry and spark arrestors);
- Miscellaneous repairs due to age/decay (window replacement, bathroom ventilation, termite damage, handrails, safety rails, etc.).

**CAPITAL NEEDS**

This section of the Strategic Plan includes an overview of the Estate’s capital needs to adapt the existing physical assets for new uses. This includes a review of the Estate’s physical condition and constraints. These include ADA access and safety improvements and restoration of certain iconic elements (Ground Enhancement Improvements), such as repair of the windmill and Begonia House, renovations of the guest house and restroom, and ultimately upgrades to the house when it becomes available for public use. This magnitude of costs for major improvements will need to be addressed with major fundraising campaigns, which should be carefully designed including seeking major donors to undertake specific projects. A summary of these assumed costs is shown below in Table 1. It must be emphasized that the approximate capital improvement costs are based on estimates made in summer 2013, and that future costs at the time of implementation will be higher due to inflation and the continuing aging and deterioration of the property.
Existing Annual Maintenance (Grounds only) - Currently, annual maintenance costs are related to upkeep of the existing improvements. The following represents the list of existing improvements:

- Planting and supplemental irrigation systems
- Tree trimming
- Water features – entry fountain, Koi Pond, and swimming pool
- House cleaning and upkeep
- Utilities
- Insurance

Currently these costs, plus a 20% contingency, amount to approximately $60,000. With additional improvements, these costs may increase or decrease based upon operating demands.

Future Improvements (Grounds only) - The property, while exhibiting a variety of exterior spaces that accommodate events ranging from a relatively few attendees to larger events, lacks a cohesiveness that would improve functionality, safety and access. For the purposes of this plan, these improvements have been categorized into ADA access and safety improvements and grounds enhancement projects. A preliminary site assessment reveals that a prioritization of improvements is essential to having the property maintain its original “bones”, while designing and implementing a comprehensive and attractive masterplan.

<table>
<thead>
<tr>
<th>IMPROVEMENT ITEM</th>
<th>ESTIMATED COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADA Access &amp; Safety Improvements</td>
<td></td>
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<tr>
<td>ADA parking space/Catering/Loading</td>
<td>$60,000</td>
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<tr>
<td>Safety Improvements</td>
<td>$105,000</td>
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<td>Lower front lawn</td>
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<td>Upper front lawn</td>
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<td>Western ocean terrace</td>
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<tr>
<td>Promontory</td>
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<td>Subtotal</td>
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<tr>
<td>Grounds Enhancement Improvements</td>
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<tr>
<td>Windmill</td>
<td>$35,000</td>
</tr>
<tr>
<td>Begonia House</td>
<td>$20,000</td>
</tr>
<tr>
<td>Pavilion and Koi Pond</td>
<td>$15,000</td>
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<tr>
<td>Lighthouse</td>
<td>$20,000</td>
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<td>Restroom Building</td>
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<td>Swimming Pool</td>
<td>$TBD</td>
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<td>Flat Work / Site Work</td>
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<td>Landscaping</td>
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<td>Electrical</td>
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<tr>
<td>Guest House Renovation</td>
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<td>Construction of Kitchen/Restrooms east of Koi</td>
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<td>Seawall Restoration</td>
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<td>Subtotal</td>
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<td>Total Approximate Capital Needs</td>
<td>$2,496,721</td>
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</table>

Table 1 – Approximate Capital Needs
Updated costs associated in Table 1 can be determined on a case-by-case basis and would include design, construction, management, and related details. The costs for these items can also be established on a more general basis to enable the preparation of an overall budget to determine the related funding requirements.

ADA Access & Safety Improvements - The American’s with Disabilities Act (“ADA”) sets standards for construction of accessible public facilities. Under the Title III of the ADA, no individual may be discriminated against on the basis of disability with regards to the full and equal enjoyment of the goods, services, facilities, or accommodations of any place of public accommodation. Public accommodations include most places of lodging (such as inns and hotels), recreation, transportation, education, and dining, along with stores, and places of public displays.

To obtain the City’s goal of providing the community with safe access to the Estate, the City shall consider the use of General Funds for the necessary improvements. The Strategic Plan Ad-hoc Committee has identified the following site specific areas (reference Appendix F) that will require modifications to enable full compliance with the ADA:

- **Access from the main entry (Area A) to the western ocean terrace (Area G) would require a new accessible pathway from the entry fountain to connect with the existing walkway that leads to the stone lighthouse. The existing walkway will need to be widened (minimum of 48-inches) and checked to make certain that the appropriate slope percentage is maintained (less than 5% without handrails, maximum 8.33% with handrails, with a maximum length of ramp of thirty-feet for intermediate landings). This modified pathway would connect to the existing path that leads to the stone lighthouse.**

- **Access from the main entry (Area A) to the upper lawn area (Area B). Currently, a foot path winds its way from the entry, over an arched bridge to the secondary entrance from the street. While this whimsical access can be maintained, a new accessible pathway should be designed and installed to access the upper lawn area. A minimum 5-foot x 5-foot ADA pad is required at the end of the pathway.**

- **Access from the main entry (Area A) to the moon gate and, ultimately to the Koi Pond (Area D) will require the existing stairs to be relocated and a new ADA ramp installed. This will allow for the moon gate to remain “in place” with only minor modifications.**

- **Once at the Koi Pond (Area D), access along the east side of the Begonia House will require widening to the minimum 48-inches. This pathway leads to the property’s secondary access to the street, which is currently compliant. Access into the Begonia House is currently in conformance with the ADA, while a new ADA pad should be installed in the upper lawn area at the Begonia House sliding doors.**

- **Access from the Koi Pond (Area D) to the swimming pool area (Area E), also the location of the windmill, will require the design and implementation of a new ADA ramp. The existing stairs from the Koi Pond to the pool can remain, but handrails will add a needed safety element to this access.**

- **Access from the swimming pool (Area E), at the south west corner, to the existing restrooms and guest house will require the design and implementation of an ADA ramp. The existing pathway leading to the promontory (Area F) will also require widening.**

- **ADA access to the promontory (Area F) will involve the design and implementation of a new pathway to the existing lawn area. A new ornamental safety railing will need to be designed and installed along the bluff top for fall protection.**

With each improvement, drainage and erosion control Best Management Practices shall be considered. In addition, all planting areas associated with the aforementioned improvements will also require redesign and modification and/or new supplemental irrigation system design. Plantings should be carefully chosen to enhance the aesthetic quality of the circulation system, be drought tolerant, while displaying longevity. Areas for enhanced plantings (e.g., annual color displays) shall be minimized, but be carefully placed for greatest visual impact.
Grounds Enhancement Improvements - This improvement category includes rehabilitation of iconic elements of the property. While the Chapman Estate is a highly desirable event location, the lack of amenities, such as on site dressing rooms, wedding coordinator/onsite managers, access to the location, and full kitchen facilities, hinders its marketability. Other commonly cited concerns are the lack of indoor space and guest size limitations necessary to accommodate a larger client base. While these improvements will not enable new or more events of various types, they will enhance the property and may result in better marketability and higher rental rates for events such as weddings and/or fundraisers.

Each of the aforementioned elements will require a structural analysis, building and fire code analysis, and a subsequent list of improvements. Once this general assessment is created, these improvements should be prioritized, so that project specific construction documents and related estimates of probable construction costs can be prepared.

In addition to the improvements described above, certain revenue-generating capital improvements were assessed. These improvements are assumed to increase operating revenues, but are not necessary for the basic operation and function of the site. Selected improvements include construction of a new kitchen and restroom building on the eastern portion of the site and renovation of the guest house so that it may facilitate rental income. Cost assumptions are based on the average setup and cleanup rate of local vendors for an event of equal size and the shuttle service necessary to transport guests to and from the Estate.

Other Miscellaneous Improvements - A variety of other projects will also focus on the safety aspects of the Estate, but also provide for an enhanced experience while enjoying the Estate. These include, but are not necessarily limited to, the following:

- Lighting – design for safety, aesthetics, and the ability to have extended evening events;
- Signage – wayfaring, historical, and environmental;
- Heating – permanent installations and moveable space heaters for specific areas;
- Catering Facilities – food preparation, warming, and miscellaneous elements to properly service events;
- Storage Facilities – for tables, seating, linens, etc.;
- Security System – 24-hour surveillance, alarm, etc.;
- Pest Control – termite and fungus assessment of all structures;
- Electrical, mechanical, and plumbing related to the various improvements.

The City’s Financial Commitment to the Campaign
The new nonprofit should request a low-cost bridge loan from the City Council to initially fund the contract Fundraising Consultant/Fundraiser position. The City Council should commit to providing low-cost bridge funding to the new nonprofit but thereafter not be seen as an on-going donor to the Estate.

The City obtained the Estate as a gift from Mr. Chapman in 2014 in addition to an endowment of approximately $300,000. The City has been using these funds for utilities, maintenance and some minor capital improvements.

The transitional costs necessary to get the new organization established and the fundraising machinery up and running are significant. Indeed, for the capital campaign to be successful, initial funds must be appropriated to get the new organization set up, capital campaign counsel hired and a myriad of details tended to if the project is to go forward.

Other responsibilities are clearly in the City's purview. It is generally agreed that the City must be more attentive to code compliance requirements, life safety issues, fire prevention, and any potential visual blight on the grounds. In the interim period before the facility opens to the public, a bridge loan from the City should be provided to create the new nonprofit organization, provide funding for the technical needs related
to a capital campaign, a Fundraising Consultant search, legal costs, and other related start-up expenses as determined by the City Council.

The Chapman Estate project is a partnership. The City's role must be seen as one in which the property is provided and the bridge funds are made available so the project can be a success.

**The City’s Role in Securing Other Income**

In addition to its role in providing the bridge funding portion of the capital campaign, the City should assist in securing other public funding where available.

The nonprofit should explore the possibility of the Chapman Estate qualifying for historic status with the California State Historic Preservation Office. If successful, there exists the potential for additional grant funds for program and audience development and operating/non-capital needs. The City should work with the Fundraising Consultant and the Board in pursuing any grants for capital improvements to the buildings and grounds, as prioritization and coordination of grant/funding requests for capital and non-capital funds is essential.

**The Private Sector Capital Campaign Effort**

A capital campaign feasibility study should be conducted to determine whether the capital need of approximately $2.5 million can be raised and to establish a campaign plan and leadership group.

The next stage should be to commission a formal feasibility study from a fundraising consultant in the area. This study should do an in-depth analysis of the potential to raise the remaining funds, identify potential lead givers and campaign committee leadership, and put a plan in place to complete the campaign successfully.

*An effort should be made to identify spaces within the Estate for naming opportunities as well as program activities that can similarly bear the names of donors. The Estate itself should not be available for a naming opportunity.*

One of the best ways to raise larger gifts will be to allow people to attach their names to spaces within the Estate or on the newly landscaped grounds and terraces with a plaque or other device appropriate to the character of the building. In determining the amount to charge for a naming opportunity, it is important to remember that the amount in no way relates to the cost creating or rehabilitating that space. It is determined by an estimate of how important the space is in the total configuration of the building and what the market might bear relative to a contribution. Thus, a lead gift of $250,000 might be an appropriate amount for one of the more important spaces while a gift of $50,000 might be sufficient for a smaller space. Such determinations would be made in the capital campaign feasibility stage in consultation with the campaign committee.

Other naming possibilities relate to the endowing of an activity, program or staff position. In this case, the amount of the gift should relate to the actual cost of the activity. For example, if a series of concerts is going to cost approximately $10,000 per year, then an endowment gift of $200,000 should be sufficient to endow it for 20 years. With the endowing of activities or staff positions, however, it is important to provide an "out clause" which says that after 25 years if the activity or staff position is eliminated, the organization will find a comparably prominent use for the funding. This allows the necessary flexibility in the operation of the organization and does not lock it into any activity or staff position in perpetuity.

There is, locally, a strong desire to make the Chapman Estate project a community effort. However, there are proper ways to undertake capital campaigns and one way is to approach lead givers first, and other large
givers second, lining up their pledges, assigning naming opportunities as desired, and getting the campaign as close to completion as possible before general solicitation is begun.

In a typical capital campaign, a lead gift is anywhere between 5% and 15% of the total required. In the total campaign of approximately $2.5 million described above, lead gifts should be sought at the $250,000 to $500,000 level, with large gifts classified as those from $50,000 to $250,000.

The alternative to approaching the campaign in this fashion often leaves potential major givers confused and encourages many of them to give at levels that are not commensurate with their potential. Each must be carefully rated, spoken to directly and confidentially about the project and the opportunities that might accrue to a major donor, and be brought into the giving circle early.
Later, when the community is approached for smaller gifts, an appropriate mechanism should be developed for permanently honoring all those who contribute to the renaissance of the Estate.

*If the capital campaign cannot reach the projected goal, reductions must be made in the endowment goal with an associated reduction in the operating budget or an increase in annual fundraising or some combination both.*

Once the Estate is operational, roughly half of the money to operate and program the facility will have to be raised each year. This should be done in four separate categories:

- Individual Annual Fund
- Special Event
- Patrons
- Corporations/Foundations/Government.

The amounts that have been budgeted in these categories are relatively modest given an analysis of other comparably sized nonprofit cultural organizations around the country. However, without a nonprofit having been created, without identified trustees, without staff, and without a track record, it is difficult to be confidently aggressive with these projections. In addition, given the fact that capital campaign pledges will be paid out over several years by some individuals, it is important to think of these early donations to annual operations as a second gift in many cases.

*A modest Annual Fund for gifts under $1,500 from individuals should be initially budgeted at $25,000 and grow to $35,000 by the third year.*

An important source of ongoing unrestricted funds will be from individuals who wish to support the Estate. While this group of individuals could be structured into a "membership," this is not recommended for several reasons:

- Membership often carries with it an expectation of structured benefits that can become costly in relation to the amount raised. While everyone who donates money should probably receive a newsletter, free admission, recognition, and a few other modest benefits, the purpose of their contribution should be to support the Estate;
- Because of current tax laws, the tax deductibility of gifts must be taken into account, and the value of goods and services provided by the nonprofit must be subtracted from the total gift amount. In the recommended scenario, people should be given a full deduction for their gifts;
- Members often expect, and in some cases are legally allowed to assume, an involvement in policy and direction of the organization. The governance structure should allow for broad community involvement and should not encourage the kind of loosely organized interference that some organizations have experienced from a legal membership.
An annual appeal (involving in person, telephone, mail, and internet solicitation) should divide people into giving categories for recognition purposes. All gifts should be sought on an unrestricted basis and not for a specific activity or program. Categories of giving could include:

- Sponsor ($1,000 - $1,499)
- Donor ($500 - $999)
- Contributor ($250 - $499)
- Supporter ($100 - $249)
- Friend (to $99)

Two additional higher categories of giving should also be included - Benefactor and Patron:

- Benefactor ($5,000 and over)
- Patron ($1,500 - $4,999)

These will carry a special benefit as is discussed under the next recommendation.

An annual fund of this kind can, in time, become an important source of contributed income, but annual funds often take from five to ten years to reach their full potential since they need to draw from a broad range of people. Annual fund gifts of under $1,500 could easily bring in between $50,000 and $75,000 by the end of the nonprofit organization's first five years.

*Two special categories of annual givers providing gifts of $1,500 or more should receive a special benefit: namely, eligibility to rent the Estate on one occasion in the year of the gift.*

For those who give $1,500 or more in any year (Patrons and Benefactors), a special benefit should be granted: namely, eligibility to rent the Estate in the year of the gift. The term "eligibility" is used advisedly because there may be more givers at the $1,500 and above levels than there are rental slots and the eligibility should not be seen as a guarantee of a rental.

However, a gift at the $1,500 and above level should be the only way that someone can be considered for a rental. Put another way, anyone who wishes to rent the Estate (with the exception of nonprofit organizations) be required to make a $1,500 contribution. While this might appear as an onerous requirement, the alternative would be simply to set rental rates very high. Most renters would no doubt prefer to make their payments to the City in two parts: one part as tax-deductible contribution and the other part as a straight rental. Because it will be a requirement that all renters pay the City in this way, Patrons and Benefactors should include corporations as well as individuals.

The benefit extended to patrons and benefactors must be structured carefully so that it enjoys the two types of tax advantages. For the donor, it must be a fully deductible gift; and for the City it must not be subject to unrelated business income tax (UBIT) on the basis that it is merely a form of rent. Based on precedents established in other facilities, both of these challenges can be met if the contributions and rent payments are properly designed.

It should go without saying that many people who have no interest in renting the facility but simply want to support it may eventually wish to support the Estate at the Patron or Benefactor category. These individuals should be encouraged. It should be pointed out that this system is in place in comparable facilities.

*A special fund-raising event each year at the Estate should be designed to net $25,000 and grow to $35,000 by the third year of operation.*
The Estate is an ideal place to hold a fundraising event and, properly planned, it could be one of the most desirable fundraising events in the area.

One thing that will make this event even more desirable is for it to be the only fundraiser held at the Estate each year. It is recommended that rentals not include any events that are billed as “fundraisers”.

Finally, it is important to remember that the purpose of this event is fundraising. It should be priced accordingly and can be advertised as “exclusive” even if the general usage of the building is for the community as a whole. This should not be confused with a community event that is structured for its public relations value and merely to generate broad good will.

Grants from corporations, foundations, and government should initially be budgeted at $15,000 with the figure growing to $25,000 by year three.

A final category of support should be built into the operating budget which looks to corporation, foundations, and government for grants. While occasionally these grants may be unrestricted, far more often they will be for a specific activity, project, or program. The challenge for fundraising staff will be to package the regular activities of the Estate into attractive grant proposals rather than pursuing additional projects that will merely incur new expenses and place more demands on staff.

The inclusion of "government" in this grant category suggests that there are levels of government other than the City of Pismo Beach that may be supportive. County, state, and federal sources are all regularly tapped by organizations like the Estate for project grants. However, funding cannot be relied on from year to year.

In addition, local and regional corporations can be approached, especially when there is a high profile project that may give good visibility of community service.

Because none of these sources initially can be counted on for reliable annual support, the amounts projected are modest ranging from $15,000 in the first year to $25,000 in year three.

EVENT/PROGRAMMATIC REVENUE & COST ASSUMPTIONS

It should be noted that these assumptions are meant to provide a general financial overview of the various programs and should not be interpreted as a precise determination of the Chapman Estate’s future costs and revenue expectations, which will require further analysis.

Level of usage for the Estate will be a significant factor in determining potential net event operating revenue and operations and maintenance costs. Accordingly, this analysis bases frequency and programmatic assumptions on input from elected officials, advisory body meetings and stakeholder input.

**Weddings** - Wedding venue rentals of comparable size have a large price variance ranging from the high hundreds up to $20,000 per event. However, these price discrepancies are largely due to the amenity packages provided by each venue. Through interviews with local vendors, the Chapman Estate could reasonably charge within a range of $5,000 to $13,000. Rental fees should be based on the actual expenses of managing and operating the Estate and balancing the wear and tear expenses.

From a review of issues faced at other sites, it is clear that policies, scheduling and regulations will be required which:

- Minimize neighborhood impact;
- Protect the buildings and site form wear and tear;
- Limit disruption of the organization’s mission-related work;
• Synchronize with public access schedules;
• Outline criteria to be met to qualify for a pre-approved vendor list;
• Provide precise and comprehensive lessee performance standards.

Wine Events - Suggestions for large event programming also include wine festivals on the Estate as an opportunity to display the region’s local wineries while promoting cultural enrichment. While ticket prices can cost up to $500 in California, average prices of similar venues average approximately $80 per person. Although generally less revenue effective when compared to private weddings, these events promote local access to the Estate, as well as create a niche cultural community. In addition to transportation, setup, and cleanup costs, marketing is another significant overhead cost critical to establishing a successful and enduring program.

Annual Fundraisers - The funds raised from annual fundraisers would support a contract Fundraising Consultant/Fundraiser position, basic annual operating costs of the Estate, including but not limited to general upkeep, professional marketing services and coordinating scheduled capital improvements. For an on-site event, fundraisers comprising of complementary programs such as silent auctions could potentially raise five-figure donations. According to recent budgets from fundraisers on the property, event costs including food, beverages, setup, cleanup, transportation, marketing, and entertainment, add up to 48% of total ticket sales. These costs are essentially offset by donations, auctions, and raffles. In addition to these annual fundraisers, capital campaigns should be conducted every three to five years to fund large capital improvements.

Neighborhood Events – Neighborhood events include smaller-scale festivals, fairs, and movie nights. Similar to wine festivals, these events promote local access to the property. In terms of ticket pricing, an average price of $20 is comparable with similar events open to the general public in the region. As with the other events, costs include transportation, setup, cleanup, and marketing.

Special Purpose - Special purpose events such as a biweekly, semi-permanent art gallery, local museum, or open grounds is a potential approach to establishing the Estate as a local landmark and building public support.

Although attendance to cultural centers of smaller communities is usually free, depending on the program structure, such as docent tours provided by volunteers and quality of donated collections, an average assumption of $5 per person is reasonable.

Facility Rentals - Facility rentals for private events such as reunions, corporate/religious retreats, garden parties, and luncheons are priced on a sliding scale depending on the size of the event from $1,000-$3,200. Depending on the requests of each client, the price range is typical of seaside locations, large estates, and local landmarks. Costs for larger events such as reunions are expected to be similar. While marketing fees do not apply for private events, they require on-site management.

Classes or Seminars - Renting out the Estate to local instructors is a considerable addition to local recreation facilities. Potential classes from the preliminary list include yoga, art, and tai chi, while other suggestions such as gardening and cooking had to be pared down due either permanent or temporary property restrictions. A $35 hourly facility rental cost could apply to instructors, which when compared to other recreation facility rentals, are generally lower; justified by the public benefits gained. Daily costs are assumed to be significantly lower than larger scale events since they would require less maintenance and instructors would be responsible for their own classes.
FUNDRAISING STRATEGIC PLAN
The Fundraising Consultant will be responsible for the completion of a Fundraising Strategic Plan. The various components of the Fundraising Strategic Plan should include:

1. Fundraising Events: Identify and promote three to four fundraising events to be held each year. The events should be varied, but strategically relate to the Chapman Estate and/or the community when possible. Events may include: Wine tasting and chamber music, golf tournament, annual auction and an annual Gala. Aside from the Gala, events may not all be held at the Chapman Estate.

2. Develop a donor group that contributes at various annual levels to be identified as members of the Chapman Circle. Develop tiers for donations and develop ways to acknowledge this group of donors including a donor recognition strategy.

3. Development of a Benefactor program for larger donations from patrons of the Chapman Estate. These Benefactors may have two minimum contribution levels that will entitle them to opportunities for naming opportunities of spaces throughout the estate.

4. Develop a Donor Program for businesses or corporations with presence in the City and SLO County. Consider opportunities for in-kind donations for work done on the Estate.

5. Develop an Affiliates strategy for those organizations in the County that would like the opportunity. Key members of the Affiliate Program should be those groups who currently receive the opportunity to hold an annual event at the Chapman Estate and groups such as the Friends of Price House, who value the properties historic and cultural opportunities for residents.

In addition to a Fundraising Strategic Plan, the Fundraising Consultant should develop a marketing strategy that will incorporate the promotion of the Estate as well as fundraising events and donation opportunities. A component of the marketing strategy should be the development of web pages dedicated to information about the Chapman Estate and its importance to the community, as well as easy access to a donation page.

Upon selection, City staff will work with the consultant to develop a fundraising strategy and timeline, including marketing, fundraising events, donor outreach and a recognition plan that will employ methods to ensure a plan is developed that will provide sustainability of the Estate.
5 – NEXT STEPS

Governance/Creation of Nonprofit Organization
• Complete establishment of the 501(c)(3) nonprofit entity, The Chapman Foundation (June 2016 – August 2016);
• The nonprofit should be established under the City of Pismo Beach until such time as the volunteer organization (as yet to be named) can be established to facilitate the handling of donations;
• Complete the process of nominating the initial five trustees of the nonprofit organization for approval by the CEAC/City Council (June 2016 – July 2016);
• Initiate and complete the search for a contracted Fundraising Consultant position for Board review; hire Fundraising Consultant (June 2016 – August 2016);
• Draft MOU between the City and nonprofit organization (June 2016 – July 2016);
• Provide annual report to the City Council.

Management and Operations
• Secure Board/Directors liability insurance for newly-established Board (June 2016 – July 2016);

Fundraising
• Planning of the Chapman Estate annual fundraiser (May 2016 – August 2016);
• Secure City Council approval for bridge funding;
• Contract Fundraising Consultant to develop Fundraising Strategic Plan (August 2016 – Sept. 2016);
• Line up initial lead and large gifts.

Capital/Physical Analysis
• Begin Coastal Development Permit/Conditional Use Permit/CEQA processes (June 2016 – July 2016);
• Upon the lessee's vacation of the premises, the City should initiate immediate efforts to secure the property and eliminate all fire and life safety hazards;
• Identify immediate improvements which will maximize opportunities for activities/uses identified/outlined in this strategic plan, such as improved circulation, access to the promontory, western ocean terrace and the Begonia House improvements;
• Retain architectural team to cost out capital and site improvement plans;
• Prepare schematic designs, design development and construction documents;
• Hire construction manager to prepare time schedules, prepare process for evaluating contractor proposals and monitor costs.
Public Relations

- Create and distribute updates to the community on progress of the project (June 2016 – July 2016);

Programming and Space Allocation

In thinking about ways in which the Chapman Estate’s physical assets can be adapted to new uses, it is necessary to take stock of the physical interior spaces. This future section should identify and discuss opportunities, constraints and work plans for required maintenance/repairs/improvements of the existing interior square footage of useable spaces on the Estate grounds. The text should identify and discuss how the different interior spaces can provide useable area for events.

There is no one room or assembly of areas that is of sufficient size to tell all the histories of Clifford Chapman, the Estate, Shell Beach and San Luis Obispo County, plus allow for rotating exhibitions, community and school-sponsored shows and art and craft exhibits. Therefore, the exhibition functions of the Estate should be divided into several areas, to allow for flexibility of presentation and adequate visitor circulation.

As part of an interpretive plan, a series of smaller text/photo panels should be placed in consistent locations (such as to the left of each entrance) in each area. The topics of these panels could include:

- Special architectural features of the room;
- Original features, furnishings, or attributes no longer existing or visible;
- Oral histories about the original occupants’ use of the rooms.

It is critical to have a starting point for self-guided tours and an initial gathering place for docent-led and school group tours. The primary permanent exhibition should be discussed.

A short video could accompany two-dimensional wall displays. The exhibit and video could emphasize stories of:

- The physical development of the City;
- Local history;
- Contextual history about Shell Beach.

The exhibition should satisfy three target audience groups: an orientation for adult and family self-guided tours, background material for docent-led tours, and curriculum enhancement for California and local history lessons taught to elementary school tour groups.
APPENDIX A
ROLE OF THE CHAPMAN ESTATE ADVISORY COMMISSION

1. To act as an advisory committee to the City Council with respect to all matters related to the operation and administration of the Property;
2. To act as an advisory committee to the City Council with respect establishing reasonable rules and regulation for use of the Property;
3. To act as a community forum to hear request from the public regarding the operation and maintenance of the Property;
4. To act as an advisory committee to the City Council with respect to which nonprofit groups qualify for free use of the Property;
5. To act as an advisory committee to the City Council with respect to establishing a schedule of rates and charges for users other than qualified nonprofits;
6. To act as an advisory committee to the City Council with respect to developing a landscaping plan for the Property, using arborists, geologists and other professionals as appropriate, which shall preserve as much as possible existing trees and plants and provide for replacing plants or trees which are lost for any reason;
7. To act as an advisory committee to the City Council with respect preparing and/or reviewing an inventory of furnishings and artifacts on the Property, determining which, if any, furnishings and artifacts should be retained for further use of the Property and which items if any, should be donated or destroyed;
8. To advise Council as to other matters upon the Council’s request.
APPENDIX B

ESTATE USES SUGGESTED IN STAKEHOLDER INTERVIEWS

Potential uses for short and long term income generating and community access raised by various stakeholders during the interviews are listed as follows:

RETREATS
Corporate retreats
Executive retreats
Writing workshops, yoga workshops
Religious retreats

EVENTS
Weddings – ceremony only, reception at hotel
Weddings – limited size
Weddings + receptions – shuttle from hotel
Weddings – wedding party stays at house
Reunions
Wine events – tastings, winemaker dinners, sunset wine bar at the windmill
Non-profit fundraisers
Neighborhood events (community access, local tours)
Sponsor dinners
Mozart festival, acoustic music festivals
Acoustic music picnics (guitar, flute, quartets, etc.)
Free holiday events - Easter Egg Hunt on the grounds, Christmas evening carols & chocolate
Garden parties, high teas
Fine arts fair (not crafts fair)

GATHERINGS
Classes - painting, tai chi, yoga, garden, cooking
Volunteer days
Movies at the pool site (the pool may or may not be retained)
Open grounds, with docent – supervision
Luncheons
Local groups could have more frequent access to some areas

RENTALS
Guest house rental (such as a honeymoon suite)
Supplemental guest house (new guest house – ADA accessible)
Main house rental
Rent rooms (non-profit offices?)

SPECIAL PURPOSE
Tours of house and/or grounds – docent tours (like Hearst Castle)
Pismo Beach Museum of Art (e.g. Huntington Library & Gardens)
Cultural Center (with receptions for art shows, poetry readings, literature, etc.)
Historic museum (Chapman Estate, Shell Beach, Pismo Beach, etc.)
Photo shoots
Use as a set for Hollywood filming
Sculpture garden

**SPONSORSHIPS**
Sponsorships from Clifford & Don’s friends
Cal Poly: Horticulture Dept., Architecture Dept., Grad projects, Koi Club
Memorial tiles, pavers, benches, etc.
Garden Clubs, Rotary

**OTHER CONSIDERATIONS**
Consider on-site fundraisers
Consider off-site fundraisers – winemaker dinners, etc.
Weather window for outdoor events is limited – April, May, August-October are usually good
Maintenance needs to be pristine to support income generation
Need an event planner
## MARKET DEMAND FOR ESTATE USES

### Cultural Center
- **Art Gallery**
  - **Features:** Permanent and traveling exhibits, educational programs, performances, and special events.
  - **Daytime Hours:** Full Day
  - **Cost:**
    - Revenue from ticket sales: \( + \text{Revenue per visit} \times \text{Number of visits} \)
    - Fee for events: \( + \text{Fee per event} \times \text{Number of events} \)
    - Operating costs: \( - \text{Operating costs} \)

- **Museum**
  - **Features:** Permanent and traveling exhibits, educational programs, and special events.
  - **Daytime Hours:** Full Day
  - **Cost:**
    - Revenue from ticket sales: \( + \text{Revenue per visit} \times \text{Number of visits} \)
    - Fee for events: \( + \text{Fee per event} \times \text{Number of events} \)
    - Operating costs: \( - \text{Operating costs} \)

- **Open Grounds**
  - **Features:** Open space for public events and activities.
  - **Daytime Hours:** Full Day
  - **Cost:**
    - Revenue from ticket sales: \( + \text{Revenue per visit} \times \text{Number of visits} \)
    - Fee for events: \( + \text{Fee per event} \times \text{Number of events} \)
    - Operating costs: \( - \text{Operating costs} \)

### Facility Rental
- **Corporate Retreats**
  - **Features:** Conference space, catering services, and recreational facilities.
  - **Daytime Hours:** Daily
  - **Cost:**
    - Revenue from ticket sales: \( + \text{Revenue per visit} \times \text{Number of visits} \)
    - Fee for events: \( + \text{Fee per event} \times \text{Number of events} \)
    - Operating costs: \( - \text{Operating costs} \)

### Market Demand Analysis
- **Large Events**
  - **Features:** Weddings, corporate events, and social gatherings.
  - **Daytime Hours:** All Day
  - **Cost:**
    - Revenue from ticket sales: \( + \text{Revenue per visit} \times \text{Number of visits} \)
    - Fee for events: \( + \text{Fee per event} \times \text{Number of events} \)
    - Operating costs: \( - \text{Operating costs} \)

- **Small Events**
  - **Features:** Meetings, banquets, and seminars.
  - **Daytime Hours:** Full Day
  - **Cost:**
    - Revenue from ticket sales: \( + \text{Revenue per visit} \times \text{Number of visits} \)
    - Fee for events: \( + \text{Fee per event} \times \text{Number of events} \)
    - Operating costs: \( - \text{Operating costs} \)

### Market Analysis Summary
- **Overall Revenue:** Calculated based on the total revenue generated from ticket sales and event fees.
- **Operating Costs:** Includes all expenses associated with running the events.
- **Profit:** Revenue minus Operating Costs.
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<th>Rate</th>
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<td>Summer/Fall</td>
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APPENDIX D
SITE OVERVIEW & HISTORY

The Chapman Estate is a well-known feature of the Pismo Beach community. The Estate is located at 1243 Ocean Boulevard, in the predominantly single family, medium density residential neighborhood of Shell Beach. Total acreage of the Estate is approximately one and one half acres, which was established by consolidating seven ocean front residential lots. The properties were acquired and developed over a period of years beginning in 1929 through 1946 by Arthur J. Rogers, who founded the Navy Oil Corporation in California’s Central Valley. Rose and Clifford Chapman purchased the lots comprising the current Estate in 1963 and 1967. Clifford Chapman lived at the Estate with his mother Rose until her death in 1989, and with Mr. Don Shidler from 1963 until Mr. Chapman’s death in 2012.

The Chapman Estate is located in the Shell Beach neighborhood, the City’s General Plan/Local Coastal Plan Area H (Figure LU-11). The Estate’s land use designation is low density residential, with medium density residential across Ocean Blvd., and open space along the nearby bluffs to the north and south. It is located among a variety of homes ranging from small bungalows to large newer houses. The Estate’s location along the bluffs of the Pacific Coast provides natural beauty impossible to replicate. Its location, combined with the beauty of the Estate’s buildings, grounds and gardens make it an extraordinary property. The Estate is comprised of several iconic buildings which were built at various times over a period of many years. The Guest House is the oldest building on the property, and was probably constructed between 1910 and 1915. What is now the Main House, an English Tudor mansion, was built in 1930. The swimming pool, the seawall, as well as stone garden walls were built in the early to mid-1930’s, as was the Windmill. The Estate is sometimes referred to by locals as “The Windmill House” due to the visibility of the bluff-side windmill, which was originally used to pump seawater to the swimming pool; the pool water was heated by flowing a thin stream of water over terra cotta tiles which absorbed heat. A lighthouse and the stone garage were built in the late 1940’s. Additional renovations and additions were made to the buildings and grounds after Mr. Chapman’s purchase of the property, including landscaping, stone and brick garden walls and walks, the Begonia House (where Rose Chapman raised prizewinning Begonias), Koi Pond and Pavilion of One Thousand Moons, and exterior restrooms. These features allowed the Estate to comfortably host large gatherings and events.
The Chapman Estate served as a cultural and philanthropic center for the community for many years. The artists, writers and performers that were invited to speak, perform and stay at the Chapman Estate by Mr. Chapman and Mr. Shidler included Ray Bradbury, Colleen Moore, Audra McDonald, Clare Booth Luce, Ralph Morrison, Elizabeth MacQueen, Dody Goodman, Richard Yako, Katherine Ryan Hyde and Mstislav Rostropovich. Additionally, the neighborhood was invited to numerous holiday events, such as the well-loved “Celebrate America” July 4th celebrations. Over the years, Mr. Chapman and Mr. Shidler also hosted annual charitable events for the Community Action Partnership of San Luis Obispo County (CAPSLO), the San Luis Obispo Symphony, and the San Luis Obispo Opera. These events were enjoyed by many hundreds of attendees, and raised significant funds for those organizations.

As was Clifford Chapman’s desire that the Estate continue to be used for philanthropic events and for public enjoyment, he bequeathed the Estate to the City of Pismo Beach. After his passing in 2012, the City of Pismo Beach gave serious consideration to the bequest, and accepted ownership of the Estate as of January 1, 2014. As per the conditions of the bequest, Mr. Shidler continues to reside in the Estate home under a residential lease with the City. The lease agreement states that its intent is to provide for use of the Premises and the Property in substantially the same manner as they were used prior to the death of Clifford W. Chapman. It further states that Tenant and City shall each use their best efforts to cooperate with each other to carry out that intention during the term of this Lease.

Additional details of the history of the Estate, its surroundings and its owners, can be found in: Cultural Resources Assessment, 2013, Rebecca Loveland Anastasio.
APPENDIX E
COMMUNITY ENGAGEMENT

Since the bequest was made by Mr. Chapman, the City has actively sought the community’s input in its considerations of acceptance of the Estate ownership, and of the activities and uses that are appropriate on the site.

Prior to accepting ownership of the Estate, the City held public hearings and provided opportunities for community input including City Council Meetings of November 5, 2013 and December 3, 2013. After acceptance of ownership, the City Council also established the Chapman Estate Advisory Commission (CEAC) to act as an advisory group on matters related to the Estate. Proceedings of the CEAC are formally noticed and recorded public meetings. The responsibilities of the CEAC are listed in Appendix A.

Due to its location in a residential community, a Conditional Use Permit (CUP) is required. The Planning Commission held public hearings on May 27 and June 24, 2014, and after consideration of the recommendations of CEAC and the Parks, Recreation and Beautification Commission (PRBC) and extensive public comment, approved a CUP for events on the Estate grounds for fundraising and community events, designating a maximum number of people. While developing the CUP to govern use of the Estate for specified public events or gatherings, input was solicited from a significant number of community members, via surveys, in-person and phone interviews. Some neighbors in the Shell Beach neighborhood expressed significant concerns with the proposed level of usage. Primary concerns of community members regarding the CUP were related to traffic congestion, parking on small residential streets, and funding needed for the Estate improvements. An amendment to the CUP allow the CAPSLO fundraising event to be held at its historic size (600 people), was upheld by the City Council on May 5, 2015. The current CUP is included as an Appendix F.

The CAPSLO “Afternoon of Epicurean Delights” event was held on June 7, 2015. Under the terms of the CUP, extensive public notice was given and input sought. Notification was sent to 889 Shell Beach residents prior to the event, a liaison was present during the event to address any neighborhood issues, and an evaluation survey was sent to 889 Shell Beach residents as well as to all event attendees for input after the event. No residents responded to the pre-event mailing, and not one complaint was received after the event. In July 2015, Gates + Associates contacted 60 stakeholders to schedule in-person and phone interviews. The stakeholders included Shell Beach neighbors, Pismo Beach residents, and other people who had expressed interest or concern regarding proposed activities on the Estate. Twenty-seven stakeholders were interviewed on July 31 and August 1, 2015 on the Estate grounds. Input was gathered on the stakeholders’ opinions about appropriate uses for the Estate, appropriate frequency and intensity of use, concerns about impacts, and ideas about sources of funding to maintain the Estate as a public asset. While some stakeholders expressed ongoing concerns about potential impacts to the neighborhood, there was a range of opinions regarding the types, frequency and intensity of access to the Estate, but the prevailing sense was that the Estate is a special place that should be preserved and enjoyed. A list of events and uses that were mentioned, as well as other comments made during these interviews is attached as Appendix B.

A joint workshop with the Chapman Estate Advisory Commission, Park and Recreation Commission and Community was conducted on August 31, 2015. At the workshop, revenue generating options to address cost of Estate maintenance and repairs were discussed. The direction received included:

- Emphasize sponsorship/donations for capital improvements;
- Develop revenue stream to offset operations costs with limited number of events;
- Develop, define & describe the role of “Friends” of the Estate, and hire a dedicated estate program manager to get sponsors;
- Provide public access as soon as possible through classes and regular limited tours of the Estate.
APPENDIX F
CHAPMAN ESTATE USE AREAS
APPENDIX G
VISUAL HISTORY OF IMPROVEMENTS

- Windmill (1934)
- Koi Pond Pump House (recent)
- Pool (ca. 1936-1946?, extensively revised in recent decades)
- Pavilion of One Thousand Moons and Koi Pond (2002)
- Begonia House (ca. 1960s)
- Restrooms (recent)
- Guest House (1910–1930)
- Stone Wall (ca. 1930)
- Pergola
- Original Southeast Wing
- Second Floor Addition (recent)
- Enclosed Patio (recent)
- Original North Wing
- Tower Element (recent)
- North Wing Addition (recent)
- Concrete Seawall (early 1930s)
- Garage (late 1940s)
- Lighthouse (late 1940s)
- Rip-rap Seawall (recent)