

HWAPP # 9510 4/24

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July 16, 1976

County of Los Angeles  
Office of Assessor  
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Attention Sheldon Paris, Principal Appraiser, Church and  
Welfare Exemption

Gentlemen:

Your letter of June 16, 1976, expressed concern that there has been a change in the use of Ambassador Auditorium and that it may no longer qualify for the educational exemption provided by Art. XIII of the Constitution. This letter will present our understanding of the building's purpose and current use, and argue that the auditorium should remain exempt from real property taxes.

The present status of Ambassador Auditorium and the College's current concert series, managed for the College by its Ambassador International Cultural Foundation, is best understood in the context of a brief historical summary of the building's design and function.

In developing the master plan for the Pasadena campus, Mr. Herbert W. Armstrong, the founder and Chancellor, envisioned a cultural atmosphere where the development of character in and education of young students could flourish in the finest tradition of the liberal arts. After renovating the Terrace Drive mansions, the first building scheduled for construction was an auditorium where students and the community could gather and share the wealth of talent Mr. Armstrong wanted to bring to the campus.

Really ?

However, other projects were more urgent; the architects' plans were put aside as the College first acquired a gymnasium, then dining hall, additional classroom buildings, and dormitories. Throughout this period the College strove to accomplish its educational objectives, frequently renting the Pasadena Civic Auditorium or using its own gymnasium to

host orchestras and prominent lecturers for the edification of the student body. Some thought the College pretentious when it brought such luminaries as Mendi Rodan of the Israel Philharmonic, Dr. Nagendra Singh of the International Court of Justice at the Hague, or His Excellency King Leopold III of Belgium to perform or lecture before the students of a small college in Pasadena.

But Mr. Armstrong wanted the students to be exposed to even greater experiences. As he remarked at the conclusion of an address by Dr. Franz Josef Strauss of Germany in 1971, he was sorry that he had to assemble the students in the gymnasium to hear his remarks, and he apologized to the students that there was insufficient space for members of the community also to be invited and interact with them in the discussion.

Finally, in January 1972, construction of the college auditorium began. Mr. Armstrong took the occasion of the groundbreaking ceremony to promise the Mayor of Pasadena that the College would spare no effort to attract the finest cultural events in the world to the campus; the new auditorium would help fulfill the educational objectives on which Ambassador College was premised. The inaugural concert, two years later, is an example of exactly what he had in mind. The Vienna Symphony Orchestra under the direction of Carlo Maria Giulini was engaged by the College and flown to Pasadena for the three concerts. Students, faculty, and community attended free of charge, a long-standing policy for all previous activities sponsored by the College.

A series of concerts, lectures, and other notable cultural events followed. The College program at Ambassador Auditorium began to gather considerable attention, and the no-admission-price policy engendered mixed feelings as some in the community were repeatedly unable to obtain admission to the new concert hall since it "sold out" quite rapidly. Eight months after the opening concert the situation came to somewhat of a turning point as the College's efforts to attract top-name talent began to bear fruit. The piano recital by Arthur Rubinstein in early 1975 clearly presented problems which could only become worse: free tickets made some rationing system inevitable, and the "black market" which had developed (and would remain under anything but a pricing scheme) could reflect poorly upon the school.

The simple solution, of course, was to establish an admission price. However, Mr. Armstrong was adamant that no ticket booth should ever be part of the building, that the College's purpose

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was not to use the auditorium to raise funds; the motivating factor was to freely give the students an educational experience through exposure to fine cultural events. And for religious reasons, since the Auditorium is also used as a place of worship as the College chapel, Mr. Armstrong felt strongly that any "commercialization" was simply incompatible and it would be singularly inappropriate for the College to derive any of its financial support from the use of such an edifice.

RATIONALE  
FOR AICF

It was at this juncture when College officials, primarily Stanley Rader, general counsel, and Robert Kuhn, Executive Assistant to the President, conceived of the Ambassador International Cultural Foundation as a vehicle to accommodate the apparently conflicting needs of the institution. Ticket prices would be established, solving the otherwise unmanageable situation at the doors, but all proceeds would be donated to charitable causes. A separate entity to act as conduit for these funds was thought to be organizationally desirable for two reasons: The College Board of Trustees was reluctant to be in the position of dispensing these funds when the accreditation committee then visiting the campus had evaluated the College's endowment resources as in no way more than adequate; and, the Foundation, through participation in other far-ranging charitable causes, could capitalize on its acquired prestige to attract, as managing agent for the College's concert series, a greater variety of talented performers, and thereby aid in the direct fulfillment of the College's goals and educational policies.

Mr. Armstrong felt that such a relationship would be consonant with the institutional objectives of the College, and he became the founder of the new entity with Messrs. Rader and Kuhn Executive Directors. The President and Business Manager of Ambassador College were also named to the Foundation's Board of Directors to ensure that the principal-agent relationship with respect to the management of the concert series would be fully understood by any employees of the Foundation, and to satisfy the College Board that the use of the College facilities in this endeavor would be in direct fulfillment of its primary educational objectives.

The manner in which the Ambassador International Cultural Foundation promoted the concerts to the public may have raised questions in the mind of some; little effort was made to explain the *raison d'être* of the concert series to others outside the campus. However, students were given preferential seating and ticket discounts (especially for the two Horowitz recitals

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where the attendance by students was made an express part of the understanding reached with the Maestro); they served as ushers and parking attendants for all concerts; and, on occasions when especially popular artists were engaged, additional student seating was made available in the student center and gymnasium where large-screen, closed-circuit video projection and stereo broadcast were presented without charge. Most of the general public and press clearly understood the concerts to be part of the Ambassador College program. The College's name was used to the exclusion of any mention of AICF in many of the reviews appearing in the *Los Angeles Times* and *Pasadena Star-News*. And the perspective will be made more explicit next season.

The Auditorium as it is presently being used is necessary for the fulfillment of one of the well-recognized functions of a modern liberal arts college: bringing students in contact with the most stimulating educational opportunities in the area of culture and the performing arts. In the case of Ambassador College, that function has long been one of the most important ways through which it seeks to instill its founding philosophies in the hearts and minds of those who would enter its doors. Every facility on the campus is dedicated to that end.

Very truly yours,

RADER, HELGE & GERSON

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Ralph K. Helge

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