



July 10, 2018

Marin County Board of Supervisors
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Dear Board Members:

SUBJECT: Recommended fee proposals to enhance maintenance and facility improvements of the Marin Center facilities

RECOMMENDATION: 1) Adopt the Resolution for a \$1 per ticket Facility Fee for the Fairgrounds, Lagoon Park, Fairgrounds Island, and Exhibit Hall; 2) Approve the advertising fee structure for the Highway 101 Readerboard; and 3) Approve the addition of Processing fees onto all tickets sales through the Marin Center Box Office. This will begin July 11, 2018.

SUMMARY:

On June 12, 2018, your Board approved an updated fee schedule to ensure that the department's standard fees and service charges kept pace with the cost of doing business. In addition to these updates, Cultural Services proposes the following new fees to support deferred and ongoing facility needs at the Marin Center.

The Marin Center facilities, both the physical facility structures and equipment, are aging and in need of renovation and replacement. Cultural Services has been working with the County Administrator's office and the Department of Public Works to conduct a facility assessment for all rental spaces at the Marin Center. The list of necessary upgrades to the infrastructure and the aesthetics is long. Cultural Services has surveyed our colleagues who manage venues in the Bay Area and most of them, rather than substantially increasing rental fees, have implemented a per ticket facility fee, a convenience fee for in person and phone ticket sales, and a pricing structure for extended exposure on any digital signage to help subsidize maintenance and upgrades to their facilities. Consistent with our strategic planning efforts to enhance our facilities and programming, we are recommending the following:

Facility Fee Proposal

We propose to add a per ticket Facility Fee to all tickets for events, programs, and performances on Fairgrounds, Lagoon Park, Fairgrounds Island, and Exhibit Hall to be used directly for maintenance and other renovations at the Marin Center. This proposal follows the Facility Fee structure adopted in 2015 for the Veterans' Memorial Auditorium and the Showcase Theater. No fee will be charged on the first twenty (20) complimentary tickets. Additionally, no Facility Fee will be charged for complimentary tickets offered by the event rental client to Marin County nonprofit organizations through the Marin Center Box office established process.

Since the facility fee program was established in 2015, several important maintenance projects have been completed with this funding including a complete refurbishment of the Veterans’ Memorial Auditorium cooling tower which provides air conditioning to the building and installation of a water treatment system; a rewiring of the Fairgrounds with additional circuit breakers, lockable panel outlets, and other electrical safety measures to ensure operational capacity and worker safety; War Memorial Flag monument retrofit and new lighting with LED bulbs; and replaced dry-rotted roof sheeting, installed new roof drains and new membrane roofing system in the Exhibit Hall building; just to name a few.

The County is also investing an additional \$1 million for upgrades to the Marin Center facilities. Planned expenditures include renovation and accessibility upgrades to the men’s and women’s restrooms in the Marin Veterans’ Memorial Auditorium from plumbing fixtures, toilet partitions, floor and wall tile, paint, and lighting; replacement of all carpeting in the auditorium space, including lobbies and aiseways; as well as stabilizing and leveling the floor to address settlement and realign and secure the glazing system around the atrium in the Green Room.

Advertising Charges for Readerboard

We propose to charge our rental clients for extended exposure on the Highway 101 readerboard above and beyond the contracted timeframe.

Veterans Memorial Auditorium – 4 weeks free (immediately prior to performance date)
Each additional week \$500
On sale announcements: \$500 per week or \$100 per day
Slide changes within timeframe \$100

Showcase Theater, Fairgrounds, Exhibit Hall – 2 weeks free for (immediately prior to performance date)

Each additional week \$250
On sale announcements: \$250 per week or \$50 per day
Slide changes within timeframe \$50

Processing Fees for In-person and Phone Tickets Sales

We propose to add a processing fee to all tickets sold through the Marin Center Box Office including in-person sales. We already add a processing fee to all online/web and phone sales so to be consistent, we want to add the same fee for all sales. This is industry standard practice.

In the past year alone, 58% of ticket sales were online and we anticipate this number to grow in the coming years.

FISCAL IMPACT: This is a cost-covered proposal and will not impact the General Fund net county costs. We estimate the revised fees will result in additional revenues of

approximately \$132,500 per year. These fees will be used exclusively to enhance the facilities and will not supplant General Fund support of the facilities. Specific revenue estimates for the proposed fees are as follows:

Facility Fee: \$10,000 based on tickets sales for the relevant venues for FY16/17 (not including the Marin County Fair)

Processing Fee: \$120,000 based on 20,000 in person transactions @ \$6 each

Readerboard Fee: \$2,500

We will work with the County Administrator’s office to monitor the fee revenues and will return to your Board in FY 2018-19 with any recommended expenditure adjustments for facility maintenance enhancements.

Please let me know if you have any questions or concerns.

REVIEWED BY:	<input checked="" type="checkbox"/> County Administrator	<input type="checkbox"/> N/A
	<input checked="" type="checkbox"/> Department of Finance	<input type="checkbox"/> N/A
	<input checked="" type="checkbox"/> County Counsel	<input type="checkbox"/> N/A
	<input type="checkbox"/> Human Resources	<input checked="" type="checkbox"/> N/A

Respectfully submitted,



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Director Cultural Services