

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
BUILDING COMMITTEE/SPECIAL MEETING

Thursday, February 16, 2017

The Building Committee of the Board of Trustees of the War Memorial of San Francisco met at 2:00 p.m. on Thursday, February 16, 2017, in the Trustees' Board Room, War Memorial Opera House, Chair Pelosi presiding.

ROLL CALL

Committee Members Present: Chair Pelosi, Trustee Levin, Trustee Shultz, Trustee Wilsey, President Horn, *Ex officio* Vice President Bechtle, *Ex officio*

Committee Members Absent: Trustee Walker

Non-Committee Members Present: Trustee Lui; Trustee Davis

Staff Present: Elizabeth Murray, Managing director; Jennifer Norris, Assistant Managing Director

Request from San Francisco Symphony to initiate a per ticket "Hall Improvement Fee" for ticketed Symphony events in Davies Symphony Hall effective with the sale of 2017-18 Symphony Season tickets:

Chair Pelosi reported that in advance of today's meeting, Committee members received the January 5 letter from the San Francisco Symphony requesting to initiate a per ticket "Hall Improvement Fee" for ticketed Symphony events in Davies Symphony Hall effective with the sale of 2017-18 Symphony Season tickets. Committee members also received a two-page summary of the proposal outlining the purpose of the proposal, the details of the per ticket fee, and a list of specific improvement projects the Symphony would propose to fund from the fee.

Chair Pelosi welcomed and asked Derek Dean and Russell Kelban from the Symphony to address the Committee on the proposal.

Derek Dean stated that the Symphony would like to charge Symphony patrons a \$3.00 fee in the Orchestra and Loge sections and a \$2.00 fee in all other sections in order to fund a series of improvements focused on enhancing the patron experience before and after concerts, particularly in the lobby areas. Mr. Dean said research shows that patrons are looking for a more dynamic experience and the purpose of the improvements is to give patrons a more social and expansive experience and provide opportunities to meet new people.

Mr. Dean reviewed some of the specific projects the Symphony would like to implement from the Hall Improvement Fee. He said that the Symphony estimates annual Hall Improvement Fee revenue of approximately \$950,000, and the Symphony hopes to implement \$6 million in improvements now and then use the Hall Improvement Fee to pay off the initial expense and loan expense and interest. They expect that project payback will take seven years.

Before opening the floor for discussion, Chair Pelosi noted that the Board of Trustees has previously approved the San Francisco Opera's and Ballet's per ticket facility fee for Opera and Ballet performances in the Opera House subject to certain conditions including that the Opera and Ballet provide quarterly reports to the War Memorial on facility fee income and expenditures; any change in the amount of the facility fee is subject to consideration and approval by the War Memorial Board of Trustees; the War Memorial Board of Trustees must approve in advance all projects to be funded by facility fee revenues; and design and development of projects funded by facility fee revenues remain under the purview of, and must be approved by, the War Memorial Board of Trustees.

Chair Pelosi stated that should this proposal be recommended by the Committee, and later approved by the Board of Trustees, we are not, by doing so, giving final approval of the specific projects outlined by the Symphony. The Symphony would still need to make detailed improvement proposals to the Trustees for each proposed improvement.

Following discussion, and on motion of Trustee Shultz, seconded by Vice President Bechtle, the following recommendation was unanimously adopted:

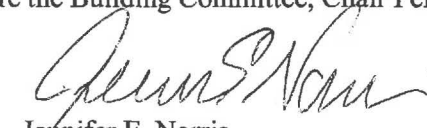
RECOMMENDED, By the Building Committee of the War Memorial Board of Trustees to approve the San Francisco Symphony's request to initiate a per ticket "Hall Improvement Fee" subject to the same conditions set forth by the Trustees for the Opera/Ballet Facility Fee.

Public Comment:

Chair Pelosi called for public comment on items within the jurisdiction of the Building Committee of the Board of Trustees, but not on the agenda. There being no public comment, Chair Pelosi closed public comment.

ADJOURNMENT

There being no further business to come before the Building Committee, Chair Pelosi adjourned the meeting at 2:25 p.m.



Jennifer E. Norris
Executive Secretary