

## **SOUND TRANSIT**

### **MOTION NO. M99-35**

#### **Union Station Great Hall Use Policy BACKGROUND AND COMMENTS**

<b>Meeting:</b>	<b>Date:</b>	<b>Type of Action:</b>	<b>Staff Contact:</b>	<b>Phone:</b>
Finance Committee	6/3/99	Discussion/Recommend Board Approval	Jan Hendrickson	206-398-5097
Board	6/24/99	N/A		
Board	7/8/99	Approval		

#### **ACTION:**

Request for Board approval of a policy governing the use of the Great Hall at Union Station.

#### **BACKGROUND:**

On June 23, 1998, the Board adopted Motion No. M98-51 that authorized Sound Transit to purchase Union Station from Union Station Associates (USA). This action authorized USA to proceed with a total renovation of Union Station and to create Sound Transit's headquarters facility. Part of this renovation, scheduled for completion in September 1999, includes restoring the station's Great Hall, which for the past 20 years has been an active venue in the International and Pioneer Square Districts for various public and private events. Sound Transit staff has met with community leaders, other public agencies, legal counsel, professional event planning firms and others over the past several months to ascertain information and input from which to form the basis of this recommended policy.

#### **RELEVANT BOARD POLICIES AND PREVIOUS ACTIONS TAKEN:**

- Motion No. M98-51, authorizing Sound Transit to purchase Union Station (June 23, 1998).
- Resolution No. R98-49, adopting the 1999 budget (November 12, 1998).

#### **Policy Goals for Great Hall Use:**

- ◆ Provide a centralized, large capacity gathering point for Sound Transit events.
- ◆ Provide organizations in the immediately adjacent communities -- the International District and Pioneer Square -- with an historic, affordable and accessible venue for community-based events.
- ◆ Provide a public venue for appropriate events, ceremonies and celebrations sponsored by public and private parties.
- ◆ Generate revenues that will, at a minimum, cover direct and indirect costs associated with the use of the Great Hall by other parties.
- ◆ Increase public awareness of Sound Transit and foster a positive image of Sound Transit in the many neighborhoods it serves.
- ◆ Mitigate the impacts of Sound Transit's facilities and operations throughout Sound Transit's service area.

## **Policy Guidelines:**

1. Sound Transit Priority Use: Sound Transit will have priority use of the Great Hall, seven days a week, for public meetings and hearings, receptions, Sound Transit sponsored events, and other events that Sound Transit determines are supportive of its mission and goals. Criteria will be established to avoid conflicts between such events and reservations booked by other parties.
2. Sound Transit Neighborhood Events: As a “good neighbor” gesture to residents and businesses in the immediately adjacent communities -- the International District and the Pioneer Square District -- which will be impacted by Sound Transit’s new headquarters, public use of the Great Hall, construction, and added traffic, Sound Transit will offer two bookings a year per district for community events at nominal fees to cover direct costs. Sound Transit will establish a process and schedule for considering requests from organizations in these two neighborhoods. Organizations will be encouraged to plan collectively within each district for maximum benefit to the entire district.
3. Broader Community Events: Sound Transit may provide the Great Hall at nominal cost for neighborhood and broader community events and celebrations sponsored by public agencies.
4. Exhibitions and Displays: The Great Hall may be used for exhibitions and displays such as those related to transportation, the history of Union Station, and the cultures and histories of the of the neighborhoods in the Sound Transit district. Any exhibit or display will be required to be compatible with other Great Hall uses.
5. Events by Other Users: Sound Transit recognizes that Union Station has a history of availability for rental for events such as conferences, school sponsored dances, weddings, receptions, fund raisers, reunions, holiday parties, retirement functions, and events sponsored by non-profit organizations. Sound Transit will establish criteria for appropriate rental uses and will retain professional event management services to oversee any rental activity. Rental fees will be charged in accordance with a rental fee structure to be established by Sound Transit. Rentals will be limited to weekends during the first year of operations unless experience suggests an earlier change. Sound Transit will assess the feasibility of, and may determine to establish, and “enterprise fund” for the purpose of managing the use and costs of the Great Hall.
6. Prohibited Uses: The Great Hall will not be available to private parties for the sale of goods or products for profit, such as trade shows.
7. Use by Sound Transit Vendors: Sound Transit retains flexibility to generate revenues through space rental to vendors (i.e., coffee and food vendors). While Sound Transit does not currently plan to lease space in the Great Hall in this manner; it does plan to explore such uses for the concourse.
8. Fees: Sound Transit will generally charge fees for Great Hall use that will at a minimum offset the direct and indirect costs of the use of the Hall and include the establishment of a sinking fund for maintenance and replacement.
9. Review of Policies: These policies shall be reviewed by the Sound Transit Board after one year of occupancy at Union Station.

## **NEXT STEPS:**

Upon Board approval, Sound Transit will procure professional event management services through an open and competitive RFP process to operate and manage all Great Hall events. Staff recommends that

the Great Hall operations be evaluated during the 2001 budget process for the viability of this policy. Any policy changes would be brought before the Board at that time. Staff expects to be in a position to book external events as of February 2000.

#### **FUNDING:**

Budget and accounting policies related to use of the Great Hall are still under development, but staff recommends that the agency would generally charge fees for Great Hall use that would offset the operating costs of the use of the Hall for the event.

Expenses related to the Great Hall will be included in the agency's facilities budget, which is currently charged to the Finance and Administration Department. The Proposed 2000 Budget will contain an estimate for Great Hall expenditures for 2000.

The agency will charge fees for use of the Great Hall, if approved by the Board, which would cover general overhead costs (management, heating, janitorial services, some security services) and event specific costs (special security or fire protection services, room configuration etc.). These charges will be recorded as miscellaneous revenue, an estimate of which will be included in the Proposed 2000 Budget.

#### **ALTERNATIVES:**

1. Do not allow any use of the Great Hall by others than Sound Transit.
2. Redefine the priority uses to be made available to others.
3. Redefine the conditions for use by others.

#### **CONSEQUENCES OF DELAY:**

Delay would impact Sound Transit's ability to quickly integrate into its new neighborhood. A delay in a decision will also impact bookings for events, as they are typically booked six to nine months in advance. This would affect potential revenues that could be generated.

#### **LEGAL REVIEW:**

The Legal Department has reviewed and approved the proposed policy, the background and comments, and the Motion.

## **EXHIBIT A—GREAT HALL USE POLICY:**

The Union Station restoration project is expected to contribute to the on-going revitalization of the International and Pioneer Square Districts. It is anticipated that the Great Hall will become a notable focal point for Sound Transit, intermodal transportation, the community and the region. These policy recommendations are made with several goals in mind:

### **Goals:**

- ◆ Provide a centralized, large capacity gathering point for Sound Transit events.
- ◆ Provide the immediately adjacent communities, the International District and Pioneer Square, with a historic, affordable and accessible venue for community-based events.
- ◆ Provide a limited public venue for appropriate events, ceremonies and celebrations for use by public and private parties.

### **Policy guidelines:**

The following are recommended policy guidelines for use of the Great Hall and are listed in priority order.

1. Sound Transit Priority Use: Sound Transit will have priority use of the Great Hall, seven days a week, for public meetings and hearings, receptions, Sound Transit sponsored events, and other events that supports Sound Transit's mission and goals. Fees may be charged and will depend upon the type of use.
2. Sound Transit Neighborhood and Broader Community Events: With prior written approval of Sound Transit, the International District and the Pioneer Square District would each receive bookings for two events each year that directly support its respective community. In addition, Sound Transit may provide the Great Hall for broader community events and celebrations. Sound Transit would agree to charge only nominal fees, to cover costs for increased janitorial, maintenance and security.
3. Exhibitions and Displays: The Great Hall may be used for exhibitions and displays deemed appropriate by Sound Transit. Examples include displays related to Sound Transit's mission or the history of Union Station, displays on the history of the adjoining neighborhoods, and so on. Any exhibit or display will be required to be compatible with other Great Hall uses.
4. Events by Other Users: Sound Transit recognizes that Union Station has a history of availability for rental for more general events, and wishes to continue this practice. Sound Transit finds appropriate use of the Great Hall to include events such as conferences, school sponsored dances, weddings, receptions, fund raisers, reunions, holiday parties, retirement functions, and events sponsored by non-profit organizations. Sound Transit will retain professional event management services to oversee this rental activity, and will require that it be contained to weekends only during the first year of operations or until such time as experience suggests a change. The Great Hall will not be available to private parties for the sale of goods or products for profit, such as a trade show.
5. Great Hall Rental Fee Structure: Sound Transit will generally charge fees for Great Hall use that will offset the direct and indirect costs of the use of the Hall for the event. A rental fee structure will be developed and implemented accordingly.

6. Use by Sound Transit Vendors: Sound Transit's Board wishes to retain longer term flexibility to generate revenues through space rental to vendors (i.e., coffee and food vendors). While the Board does not currently plan to lease space in the Great Hall in this manner, it does plan to explore such uses for the concourse. Adoption of this Great Hall use policy in no way precludes the Board from such future action.

**NEXT STEPS:**

Upon Board approval, Sound Transit will procure professional event management services through an open and competitive RFP process to operate and manage all Great Hall events. Staff recommends that the Great Hall operations be evaluated during the 2001 budget process for the viability of this policy. Any policy changes would be brought before the Board at that time. Staff expects to be in a position to book external events as of February 2000.

## **SOUND TRANSIT**

### **MOTION NO. M99-35**

A motion of the Board of the Central Puget Sound Regional Transit Authority establishing policy governing the use of the Great Hall at Union Station.

#### **Background:**

On June 23, 1998, the Board adopted Motion No. M98-51 that authorized Sound Transit to purchase Union Station from Union Station Associates (USA). This action authorized USA to proceed with a total renovation of Union Station and to create Sound Transit's headquarters facility. Part of this renovation, scheduled for completion in September 1999, includes restoring the station's Great Hall, which for the past 20 years has been an active venue in the International and Pioneer Square Districts for various public and private events. Sound Transit staff has met with community leaders, other public agencies, legal counsel, professional event planning firms and others over the past several months to ascertain information and input from which to form the basis of this policy.

#### **GREAT HALL USE POLICY:**

The Union Station restoration project is expected to contribute to the ongoing revitalization of the International and Pioneer Square Districts. It is anticipated that the Great Hall will become a notable focal point for Sound Transit, intermodal transportation, the community and the region.

##### **Goals:**

- ◆ Provide a centralized, largecapacity gathering point for Sound Transit events.
- ◆ Provide organizations in the immediately adjacent communities-- the International District and Pioneer Square -- with a historic, affordable and accessible venue for community-based events.
- ◆ Provide a public venue for appropriate events, ceremonies and celebrations sponsored by public and private parties.
- ◆ Generate revenues which will, at a minimum, cover direct and indirect costs associated with the use of the Great Hall by other parties.

##### **Policy guidelines:**

1. Sound Transit Priority Use: Sound Transit will have priority use of the Great Hall, seven days a week, for public meetings and hearings, receptions, Sound Transit sponsored events, and other events that Sound Transit determines are supportive of its mission and goals. Fees may be charged and will depend upon the type of use. Criteria will be established to avoid conflicts between such events and reservations booked by other parties.
2. Sound Transit Neighborhood Events: As a "good neighbor" gesture to residents and businesses in the immediately adjacent communities -- the International District and the Pioneer Square District -- which will be impacted by Sound Transit's new headquarters, public use of the Great Hall, construction, and added traffic, Sound Transit will offer two bookings a year per district for community events at nominal fees to cover direct costs. Sound Transit will establish a process and

schedule for considering requests from organizations in these two neighborhoods. Organizations will be encouraged to plan collectively within each district for maximum benefit to the entire district.

3. Sound Transit may provide the Great Hall at nominal cost for broader community events and celebrations sponsored by public agencies or organizations.

4. Exhibitions and Displays: The Great Hall may be used for exhibitions and displays deemed appropriate by Sound Transit. Examples include displays related to transportation, the history of Union Station, the cultures and histories of the adjacent neighborhoods and characteristics of the Puget Sound region.. Any exhibit or display will be required to be compatible with other Great Hall uses.

4. 5. Events by Other Users: Sound Transit recognizes that Union Station has a history of availability for rental for events such as conferences, school sponsored dances, weddings, receptions, fund raisers, reunions, holiday parties, retirement functions, and events sponsored by non-profit organizations. Sound Transit will establish criteria for appropriate rental uses and will retain professional event management services to oversee any rental activity. Rental fees will be charged in accordance with a rental fee structure to be established by Sound Transit. Rentals will be limited to weekends during the first year of operations or until such time as experience suggests a change. The Great Hall will not be available to private parties for the sale of goods or products for profit, such as a trade show.

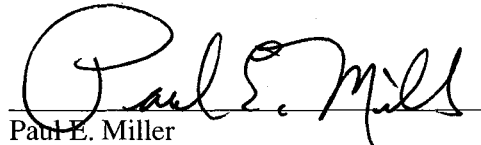
5. 6. Great Hall Rental Fee Structure: Sound Transit will establish a rental fee structure that will offset the direct and indirect costs of the use of the Great Hall, including contributions to a fund to cover the ongoing costs of maintenance and repairs. Sound Transit will assess the feasibility of, and may determine to establish, an "enterprise fund" for the purpose of managing the use and costs of the Great Hall.

6. 7. Use by Sound Transit Vendors: Sound Transit retains flexibility to generate revenues through space rental to vendors (i.e., coffee and food vendors). While Sound Transit does not currently plan to lease space in the Great Hall in this manner, it does plan to explore such uses for the concourse. Adoption of this Great Hall use policy in no way precludes the Board from such future action.

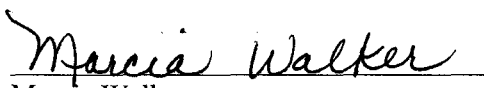
**Motion:**

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the policy governing the use of the Great Hall at Union Station is approved.

Approved by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof on the 8<sup>th</sup> day of July, 1999.

  
Paul E. Miller  
Board Chair

ATTEST:

  
Marcia Walker  
Board Administrator