

## MINUTES OF THE METRO COUNCIL REGIONAL FACILITIES COMMITTEE MEETING

Wednesday, April 22, 1998

Metro Council Chamber

Members Present: Ruth McFarland (Chair), Patricia McCaig (Vice Chair), Lisa Naito

Members Absent: None.

Chair McFarland called the meeting to order at 1:36 PM.

### 1. INTRODUCTIONS

None.

### 2. CONSIDERATION OF MINUTES OF APRIL 8, 1998

**Motion:**

Councilor McCaig moved to adopt the Regional Facilities Committee minutes of April 8, 1998.

**Vote:**

Chair McFarland and Councilors Naito and McCaig voted aye. The vote was 3/0, and the motion passed unanimously.

### 3. METROPOLITAN EXPOSITION-RECREATION COMMISSION (MERC) QUARTERLY REPORT TO COMMITTEE—SUMMARY BUSINESS PLANS

Mark Williams, General Manager, MERC, said the report for this quarter will consist of four summary business plans: MERC, Portland Center for the Performing Arts (PCPA), Oregon Convention Center (OCC), and Portland Metropolitan Exposition Center (Expo). The Civic Stadium, which is also a MERC facility, is not included in the presentation because it has an existing business plan and its future is being actively and publicly discussed by the advisory committee. All four summary reports are attached to the meeting record, along with the 1996 plan for the Civic Stadium. Mr. Williams explained that this is the second business plan MERC and its facilities have done, the first being in 1994. Prior to that MERC operated without any business plans.

Mr. Williams said the context today is different from what it was in 1994, primarily because of the success of the 1994 plans. The intent of the 1994 plans was to achieve financial stability. To do that, costs were slashed, net earnings were boosted within a market-based framework, MERC functions were streamlined and consolidated, operational funding was rationalized, and subsidies were obtained from the city of Portland to assist with operating the stadium and the Center for the Performing Arts. In addition, transient lodging revenues have been shared with the Performing Arts Center and arts group through revamping a Multnomah County ordinance. The current business plans were designed against a backdrop of these successes.

Mr. Williams then presented highlights from each report, accompanied by PowerPoint visuals. The information he presented is detailed more fully in the business plan summaries.

For each facility, Mr. Williams summarized its mission, the goals and objectives set in 1995, progress in the past three years toward those goals and objectives, and goals and objectives for the next three years.

[Editor's note: All the information Mr. Williams presented is contained in the business summaries attached to the meeting record. These minutes present a distilled version of his presentation and a few remarks not contained in the business plans.]

Mr. Williams said the business plans for the facilities are guided by the overall mission of MERC, which is to provide stewardship in the operation, management, development and promotion of the region's public assembly and convention facilities. In addition, MERC as the umbrella organization, seeks to build more regional facilities to meet future needs.

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The business plans share similar goals. All aim to promote diversity in their operations, provide staff with training to enhance customer service, and provide cost-effective entrepreneurial management accountable to public purposes and regional governments. All seek to maximize the financial return to the community, attract regional and public investment, plan for future expansion or renovation, and provide high-quality events and services to the region. All seek to use the facility more efficiently, hold costs down, and maximize customer service quality. All seek to expand public awareness of their value and services.

Regarding OCC, the goals could change if the voters do not approve the bond measure in November to complete the Center. Anticipating that the bond will pass, one of the objectives is to put together the completion funding package. Whether the measure passes or not, work will continue on a capital improvement package for the existing building, which has already been approved by the Council.

Councilor Naito asked about the wisdom of adding staff resources to a general public awareness effort. She asked if that was part of the budget. She said she understood the need for specific marketing, but questioned a generic "feel good" campaign. Mr. Williams said the plan did not necessarily call for adding staff, but rather reallocating resources within the center. He said marketing will be a focus as well, but much of that will be put on hold until after the November election, to see if the focus should be on retaining current businesses or seeking new business.

The PCPA business plan reflects an attempt to balance two almost competing purposes. On the one hand, it has as one of its main missions to provide a home for many local non-profit performing groups. On the other hand, it must generate as much revenue as possible to keep the buildings going. The PCPA has come a long way since 1994, when it was threatened with closure. Now it is financially stable, and all four venues operate at 140% of efficiency, based on industry standards for capacity.

Chair McFarland asked if by 140% he meant that there are fewer "dark" days than the industry believes would be appropriate. Mr. Williams said the industry has stated figures for what constitutes 100% full facility, and the PCPA is way above that.

Mr. Williams said when he first began working for the PCPA as its attorney, the problem was dark nights. The problem now is balancing competing uses--folks who want to be in the same space at the same time. This is a more desirable problem, even though it's a more difficult one.

In addition to the goals the Center shares with the other MERC facilities, it also aims to broaden its role in the community by expanding arts education programs and taking the performing arts into the community. It plans to engage young people in the performing arts. Further, because the current venues are filled to capacity, there is a need for more theater space in the community. And although the PCPA's theaters are filled to capacity, many community theaters are operating below capacity, with many non-profit arts groups facing financial problems.

Expo, in addition to the goals it shares, plans to add new levels of service in response to requests from clients. Chair McFarland asked for examples of what those services might be. Chris Bailey, Manager of the Expo Center, said that normally only the four walls are rented to Expo clients. The client provides its own physical setup, catering, and staff. Recently, clients have requested services more like those provided at a convention center--e.g., meeting rooms, tables, chairs, audio-visual equipment, access to utilities, and additional staff.

Another item the Expo plan calls for is formalizing an advisory committee similar to that of other MERC facilities. Up until now, that function has been filled by an informal users group.

The plan also call for establishing a renovation and replacement fund, to take care of deferred maintenance on some buildings and replace others. MERC has a contract with a company that plans to build a marina on the property. That project is currently in the middle of the permit process. That project presents opportunities for cross-marketing when the marina is finished.

#### **4. ORDINANCE NO. 98-735, FOR THE PURPOSE OF LOWERING THE MINIMUM FOR THE GROUP DISCOUNT CLASSIFICATION FROM 25 TO 20 PERSONS AND GRANTING**

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### COMPLIMENTARY ADMISSION TO THE DRIVERS AND ESCORTS OF PRE-FORMED TOUR GROUPS AT METRO WASHINGTON PARK ZOO

Jane Hartline, Marketing Manager for the Zoo, explained the reason for the resolution. She said the standard was set in the past, when tours arrived in regular buses. Now they arrive in tour buses, which hold fewer people. The buses of today typically hold a maximum of 22 people. Also, a survey of tour operators and others in the industry revealed that the industry standard for group rates begins at 20 persons, and some begin as low as 10. Further, the driver of the bus and escort normally receive complimentary admission. This resolution would simply make the Zoo's policy competitive within the industry.

Chair McFarland opened a public hearing at 2:15 PM. No one came forward to testify, so the hearing was closed.

**Motion:**

Councilor Naito moved to recommend Council adoption of Ordinance No. 98-735.

**Vote:**

Chair McFarland and Councilors McCaig and Naito voted aye. The vote was 3/0 in favor, and the motion passed unanimously.

Councilor Naito will carry the motion to a meeting of the full Council.

### 5. RESOLUTION NO. 98-2635, FOR THE PURPOSE OF AUTHORIZING THE RELEASE OF REQUEST FOR PROPOSAL #98-25-PKS FOR DESIGN AND ENGINEERING SERVICES FOR IMPROVEMENTS TO HOWELL TERRITORIAL PARK AND OXBOW REGIONAL PARK

Heather Nelson-Kent, Manager of Planning and Capital Development, Regional Parks and Greenspaces, explained the resolution. She said that the bases for the improvements are the master plans for Howell and Oxbow Parks. The money comes from the local share of the bond money Metro is managing for Multnomah County and a new opportunity grant for \$245,000 recently received from the state for Oxbow Park. She said the Request For Proposal (RFP) combines Phase I design and engineering services for Oxbow and Howell for early improvements. (A copy of the RFP is attached to the meeting record.) Early improvements include infrastructure improvements, underground water upgrades, electric utilities upgrades, and possible road realignment and campground development at Oxbow.

Chair McFarland asked what the bottom-line difference would be in the budget, given the grant for Oxbow. Ms. Nelson said Metro has currently budgeted \$42,700 for Howell for design and engineering, and \$265,000 for Oxbow. In addition, the grant would provide up to \$49,060 for Oxbow. Chair McFarland asked if it was correct that Metro's budget covers the \$42,700 and the \$265,000. Ms. Nelson-Kent said yes. She said the \$190 left from the \$265,000 grant would be used for construction later. The construction contract would be put out in a separate RFP. Chair McFarland asked if it was correct that this money had already been accounted for in the Parks and Greenspaces budget for 1998. Ms. Nelson-Kent said yes.

Chair McFarland asked about an error in the calculations that had been brought to her attention. She asked which version in front of her had the error in it and whether the error had been corrected. Ms. Nelson said the version in the agenda packet contained the incorrect calculation. The corrected version of the staff report and resolution was the one distributed separately. (The corrected version is attached to the meeting record.) Chair McFarland noted that because the vote would be taken on the corrected version, it need not be designated an "A" version.

**Motion:**

Councilor McCaig moved to recommend Council adoption of Resolution No. 98-2635

**Vote:**

Chair McFarland and Councilors McCaig and Naito voted aye. The vote was 3/0 in favor, and the motion passed unanimously.

Councilor McCaig will carry the motion to a meeting of the full Council.

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**6. COUNCILOR COMMUNICATIONS**

None.

There being no further business before the committee, the meeting was adjourned at 2:22 PM.

Prepared by,

Pat Emmerson  
Council Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF APRIL 22, 1998**

The following have been included as part of the official public record.

<b>ORDINANCE/RESOLUTION</b>	<b>DOCUMENT DATE</b>	<b>DOCUMENT DESCRIPTION</b>	<b>DOCUMENT NUMBER</b>
<b>MERC Business Plans</b>	February 1998	MERC Summary Business Plan 1998-2001	042298RF-1
	February 1998	OCC 1998-2001	042298RF-2
	February 1998	PCPA Summary Business Plan 1998-2001	042298RF-3
	June 1996	Civic Stadium Business Plan	042298RF-4
	February 1998	EXPO Summary Business Plan	042298RF-5
<b>Resolution No. 962635</b>	April 21, 1998	Staff Report	042298-6
	May 1998	RFP for Design and Engineering Services for Oxbow Regional Park and Howell Territorial Park	042298-7