

**METROPOLITAN EXPOSITION RECREATION COMMISSION**

**Resolution No. 14-23**

For the purpose of approving and transmitting to the Metro Council a budget amendment to the Metropolitan Exposition Recreation Commission (MERC) Fund for current fiscal year 2014-15.

**WHEREAS**, Metro Code 6.01.050 provides that MERC shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations; and

**WHEREAS**, Metro Code 6.01.050(d) further provides that once MERC's budget has been adopted by the Metro Council, any changes in the adopted appropriations must be ratified in advance by the Metro Council; and

**WHEREAS**, MERC previously approved and transmitted to the Metro Council the fiscal year 2014-15 budgets for the MERC Fund; and

**WHEREAS**, MERC staff request amendments to the current budget for the reasons described in the attached Staff Report;


**BE IT THEREFORE RESOLVED**, that the Metropolitan Exposition Recreation Commission approves a budget amendment to the MERC Fund as described in the attached Staff Report for the fiscal year beginning July 1, 2014 and ending June 30, 2015 for inclusion as part of the total Metro budget for this period and requests that the Metro COO present this to the Metro Council for ratification.


Passed by the Commission on July 9, 2014.

Approved as to form:

Alison R. Kean, Metro Attorney

  
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Chair

By:   
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Nathan A. S. Sykes, Deputy Metro Attorney

  
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Secretary/Treasurer

## MERC Staff Report

**Agenda Item/Issue:** For the purpose of approving and transmitting to the Metro Council a budget amendment to the Metropolitan Exposition Recreation Commission (MERC) Fund for current fiscal year 2014-15.

**Resolution No.:** 14-23

**Presented By:** Tim Collier, Director of FRS

**Date:**

7/9/2014

**Background and Analysis:** Due to continued opposition to the Oregon Convention Center Hotel project and the additional risk that it brings to the project, Metro has agreed to share pre-development costs with Mortenson. This contribution to pre-development costs is in an amount not to exceed \$600,000, made available as a reimbursement to Mortenson for select pre-development costs on a 40/60 pro-rata basis. These funds will be an advance on the Metro Grant of \$4.0 million. Sharing these costs provides a path for the project to move forth despite the opposition. These funds were not budgeted as a line item for the 2014-15 budget, as we were waiting for Council to approve the Development and Financing Agreement, which they did with Resolution 14-4520 on June 26, 2014. This budget amendment requests the transfer of \$600,000 from the Oregon Convention Center contingency to contracted professional services.

**Fiscal Impact:** The Oregon Convention Center Contingency includes a grant of \$4.0 Million for the Convention Center Hotel Construction. The \$600,000 in this amendment will be transferred from contingency to fund the MERC portion of the pre development costs as a part of that grant.

**Recommendation:** Staff recommends that the Metropolitan Exposition-Recreation Commission adopt Resolution 14-23, For the purpose of approving and transmitting to the Metro Council a budget amendment to the Metropolitan Exposition Recreation Commission (MERC) Fund for current fiscal year 2014-15.