

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 12-01

**For The Purpose of Raising Facility Rental Rates for Fiscal Years 2012-13, 2013-14 and 2014-15 at the Portland Metropolitan Exposition Center (Expo)**

**WHEREAS**, the Metropolitan Exposition Recreation Commission (MERC) sets the rental rates for MERC Facilities; and

**WHEREAS**, Expo staff recommends that MERC increase Expo's rental rates in accordance with the market and other considerations regarding discounted space.

**BE IT THEREFORE RESOLVED** that MERC approves the increases to Expo's facility rental rates for Fiscal Years 2012-13, 2013-14 and 2014-15 as set forth in Exhibit A.

Passed by the Commission on January 4, 2012.

Chair



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Secretary-Treasurer



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Approved As To Form:  
Daniel B. Cooper, Metro Attorney

By:



Nathan A. Schwartz Sykes, Senior Attorney



**Non-Ticketed Rental Rates FY 13-15**

Locations	Square Footage	FY 12		FY 13		FY 14		FY 15	
		Rental Rates Preapproved by Commission	Percent Increase from FY 12	Rental Rates	Percent Increase from FY 13	Rental Rates	Percent Increase from FY 14	Rental Rates	
<b>Combination Exhibit Halls</b>									
ABCDE+	328,500	19,325	3.00%	19,905	3.01%	20,505	3.02%	21,125	
CDE+	244,500	16,150	3.00%	16,635	3.01%	17,135	3.01%	17,650	
ABCD+	220,500	13,725	3.02%	14,140	3.01%	14,565	3.02%	15,005	
DE+	184,500	13,400	3.96%	13,930	3.63%	14,435	3.39%	14,925	
ABC	144,000	8,550	1.40%	8,670	3.00%	8,930	3.02%	9,200	
AC	108,000	6,450	0.93%	6,510	3.00%	6,705	3.06%	6,910	
AB	84,000	5,000	0.90%	5,045	2.97%	5,195	3.08%	5,355	
<b>Exhibit Halls</b>									
A	48,000	2,950	3.05%	3,040	2.96%	3,130	3.04%	3,225	
B	36,000	2,200	3.18%	2,270	3.08%	2,340	2.99%	2,410	
C	60,000	3,700	3.11%	3,815	3.01%	3,930	3.05%	4,050	
D1	36,000	3,035	3.13%	3,130	3.04%	3,225	2.95%	3,320	
D2	36,000	3,035	3.13%	3,130	3.04%	3,225	2.95%	3,320	
D	72,000	6,075	3.05%	6,260	3.04%	6,450	2.95%	6,640	
E1	54,000	4,450	3.03%	4,585	3.05%	4,725	2.96%	4,865	
E2	54,000	4,450	3.03%	4,585	3.05%	4,725	2.96%	4,865	
E	108,000	8,900	3.03%	9,170	3.00%	9,445	3.02%	9,730	
<b>Meeting Rooms</b>									
A101	700	200	2.50%	205	2.44%	210	2.38%	215	
D101	494	135	3.70%	140	3.57%	145	3.45%	150	
D102	330	110	4.55%	115	4.35%	120	4.17%	125	
D101-2	824	240	6.25%	255	3.92%	265	3.77%	275	
D201	1300	355	2.82%	365	2.74%	375	2.67%	385	
D202	784	200	2.50%	205	2.44%	210	2.38%	215	
D203	784	200	2.50%	205	2.44%	210	2.38%	215	
D204	784	200	2.50%	205	2.44%	210	2.38%	215	
D205	204	140	3.57%	145	3.45%	150	3.33%	155	
D202-3	1568	400	2.50%	410	2.44%	420	2.38%	430	
D202-4	2352	600	2.50%	615	2.44%	630	2.38%	645	
D203-4	1568	400	2.50%	410	2.44%	420	2.38%	430	
D201-4	3652	950	3.16%	980	2.55%	1,005	2.49%	1,030	
D201-5	3856	1,100	2.27%	1,125	3.11%	1,160	2.16%	1,185	
E101	525	145	3.45%	150	3.33%	155	3.23%	160	
E102	600	175	2.86%	180	2.78%	185	2.70%	190	
E101-2	1125	320	3.13%	330	3.03%	340	2.94%	350	
<b>Miscellaneous</b>									
Connector	4,500	320	3.13%	330	3.03%	340	2.94%	350	
East Hall	4,400	690	3.62%	715	2.80%	735	2.72%	755	
A Lobby	4,400	410	3.66%	425	3.53%	440	2.27%	450	
A Lounge	1,500	200	2.50%	205	2.44%	210	2.38%	215	
D Lobby	6,400	1,775	3.10%	1,830	3.01%	1,885	2.92%	1,940	
D Lounge	1,240	500	3.00%	515	2.91%	530	2.83%	545	
E Lobby	7,200	2,000	3.00%	2,060	2.91%	2,120	3.07%	2,185	
<b>Parking Lots</b>									
All Parking Lots	803,556	16,071 *		16,071 *		16,875 *		16,875 *	
Boneyard	16,000	320	3.13%	330	3.03%	340	2.94%	350	
Lower Parking Lot 1 East	73,300	1,466 *		1,466 *		1,540 *		1,540 *	
Lower Parking Lot 1 West	138,600	2,772 *		2,772 *		2,910 *		2,910 *	
Lower Parking Lot 1	211,900	4,238 *		4,238 *		4,450 *		4,450 *	
Lower Parking Lot 2	98,000	1,960 *		1,960 *		2,055 *		2,055 *	
Lower Parking Lot 3	147,000	2,940 *		2,940 *		3,085 *		3,085 *	
Lower Parking Lot 1-2	309,900	6,198 *		6,198 *		6,510 *		6,510 *	
Lower Parking Lot 1-2-3	456,900	9,138 *		9,138 *		9,595 *		9,595 *	
Lower Parking Lot 1W-2	236,600	4,732 *		4,732 *		4,970 *		4,970 *	
Lower Parking Lot 1W-2-3	383,600	7,672 *		7,672 *		8,055 *		8,055 *	
Upper Parking Lot 1	86,000	1,720 *		1,720 *		1,805 *		1,805 *	
Upper Parking Lot 2	43,200	864 *		864 *		905 *		905 *	
Upper Parking Lot 3	39,600	792 *		792 *		830 *		830 *	
Upper Parking Lot 4	177,856	3,557 *		3,557 *		3,735 *		3,735 *	
Upper Parking Lot 4 South	21,000	420 *		420 *		440 *		440 *	
Upper Parking Lot 1-2	129,200	2,584 *		2,584 *		2,710 *		2,710 *	
Upper Parking Lot 2-3	82,800	1,656 *		1,656 *		1,740 *		1,740 *	
Upper Parking Lot 1-2-3	168,800	3,376 *		3,376 *		3,545 *		3,545 *	
Upper Parking Lot 1-2-3-4	346,656	6,933 *		6,933 *		7,280 *		7,280 *	
Upper Parking Lot Plaza	11,300	320	3.13%	330	3.03%	340	2.94%	350	

\* indicates a set rate  
 FY12 - 0.020 per sq ft.  
 FY13 - 0.020 per sq ft.  
 FY14 - 0.021 per sq ft.  
 FY15 - 0.021 per sq ft.

Ticketed Rental Rates FY 13-15

Locations	Square Footage	FY 12		FY 13		FY 14		FY 15	
		Rental Rates Preapproved by Commission	Percent Increase from FY 12	Rental Rates	Percent Increase from FY 13	Rental Rates	Percent Increase from FY 14	Rental Rates	
<b>Combination Exhibit Halls</b>									
ABCDE+	328,500	16,500	1.94%	16,820	3.00%	17,325	3.03%	17,850	
CDE+	244,500	13,600	3.24%	14,040	3.13%	14,480	3.11%	14,930	
ABCD+	220,500	11,500	3.22%	11,870	3.16%	12,245	3.10%	12,625	
DE+	184,500	11,375	3.91%	11,820	3.55%	12,240	2.94%	12,600	
ABC	144,000	7,075	2.83%	7,275	3.02%	7,495	3.07%	7,725	
AC	108,000	5,325	1.60%	5,410	3.05%	5,575	3.05%	5,745	
AB	84,000	4,150	1.57%	4,215	2.97%	4,340	3.11%	4,475	
<b>Exhibit Halls</b>									
A	48,000	2,400	3.13%	2,475	3.03%	2,550	3.14%	2,630	
B	36,000	1,900	3.16%	1,960	3.06%	2,020	2.97%	2,080	
C	60,000	3,125	3.04%	3,220	3.11%	3,320	3.01%	3,420	
D1	36,000	2,550	3.14%	2,630	3.04%	2,710	2.95%	2,790	
D2	36,000	2,550	3.14%	2,630	3.04%	2,710	2.95%	2,790	
D	72,000	5,100	3.04%	5,255	3.04%	5,415	3.05%	5,580	
E1	54,000	3,775	3.05%	3,890	2.96%	4,005	3.00%	4,125	
E2	54,000	3,775	3.05%	3,890	2.96%	4,005	3.00%	4,125	
E	108,000	7,550	3.05%	7,780	2.96%	8,010	3.00%	8,250	
<b>Meeting Rooms</b>									
A101	700	200	2.50%	205	2.44%	210	2.38%	215	
D101	494	135	3.70%	140	3.57%	145	3.45%	150	
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D201-4	3652	950	1.05%	960	2.60%	985	2.54%	1,010	
D201-5	3856	1,100	0.45%	1,105	2.71%	1,135	2.64%	1,165	
E101	525	145	3.45%	150	3.33%	155	3.23%	160	
E102	600	175	2.86%	180	2.78%	185	2.70%	190	
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Connector	4,500	320	3.13%	330	3.03%	340	2.94%	350	
East Hall	4,400	600	3.33%	620	3.23%	640	3.13%	660	
A Lobby	4,400	385	3.90%	400	2.50%	410	2.44%	420	
A Lounge	1,500	185	2.70%	190	2.63%	195	2.56%	200	
D Lobby	6,400	1,695	3.24%	1,750	2.86%	1,800	3.06%	1,855	
D Lounge	1,240	500	3.00%	515	2.91%	530	2.83%	545	
E Lobby	7,200	1,900	3.16%	1,960	3.06%	2,020	2.97%	2,080	
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Upper Parking Lot 1-2	129,200	2,584 *		2,584 *		2,710 *		2,710 *	
Upper Parking Lot 2-3	82,800	1,656 *		1,656 *		1,740 *		1,740 *	
Upper Parking Lot 1-2-3	168,800	3,376 *		3,376 *		3,545 *		3,545 *	
Upper Parking Lot 1-2-3-4	346,656	6,933 *		6,933 *		7,280 *		7,280 *	
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 FY15 - 0.021 per sq ft.

## MERC Staff Report

**Agenda Item/Issue:** Approval of Portland Exposition Center (Expo Center) facility rental rates for fiscal years 2012-13, 2013-14 and 2014-15.

**Resolution No. 12-01**

**Date:** January 04, 2012

**Presented by:** Matthew Rotchford

**Background:** When the Expo Center facility rates were first established, per the guidelines of the initial inter-governmental agreement, and effective July 1, 1997 and following the completion of Hall E, they included discounts based upon square footage used when exhibit halls were rented in certain combinations. Consequently, the greater the total of exhibit hall square footage rented, the greater the facility rental discount. Discounts ranged from as little as 4% to as much as 27% when all exhibit halls were rented.

During the development of the FY12 budget, and in consideration of increasing expenditures as well as significant long-term financial obligations, staff determined to review the long established discounts toward decreasing those discounts over time and increasing revenue accordingly. Staff surveyed the facility rental rates of several other venues to determine the Expo Center's competitive placement in the region. At that time, the Expo Center remained very competitive with prime space rates ranging from \$.05 - \$.07 per square foot.

At the MERC Commission meeting on March 2, 2011, the Commission considered and approved facility rental rates for the Portland Exposition Center for fiscal year 2011-12 which provided for a 3% rental rate increase for most hall locations and a 6% increase for five of the seven combined exhibit hall locations thereby beginning to reduce the discounts. Additionally, at that meeting, the Expo director reported that staff would continue to review the reduction of discounts and other rental rate considerations toward development of a multi-year rental rate recommendation for Commission consideration.

Staff has reviewed the current rates and has developed a three year schedule of rental rates for your consideration. Overall, this allows for standard 3% increases for individual areas and modest increases in outdoor exhibition space. These final adjustments to the combination hall discounts complete the target range discount goals as listed below:

- 20% (300,000 sq. ft and above)
- 15% (240,000-299,999 sq. ft)
- 10% (150,000-239,999 sq. ft)
- 5% (84,000-149,000 sq. ft)

**Fiscal Impact:** This action anticipates overall increase in rental revenues through focused attention on combination hall discounting and standard room rental increases of 3%.

**Recommendation:** Staff recommends that the Metropolitan Exposition Recreation Commission, approve the Portland Exposition Center facility rental rates for fiscal year 2012-13; 2013-14 and 2014-15 per Resolution 12-01.

