

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING	)	RESOLUTION NO. 93-1849A
A MEMORANDUM OF UNDERSTANDING	)	
BETWEEN MULTNOMAH COUNTY AND	)	Introduced by Rena Cusma,
METRO REGARDING THE TRANSFER OF	)	Executive Officer
REGIONAL PARKS, NATURAL AREAS,	)	
GOLF COURSES, CEMETERIES AND	)	
TRADE/SPECTATOR FACILITIES	)	

WHEREAS, Multnomah County and Metro agreed to develop a Memorandum of Understanding that would transfer County Park facilities, natural areas, and trade/spectator facilities to Metro; and

WHEREAS, Metro has the authority under the 1992 Metro Charter to operate public exhibition, cultural, recreational facilities, and a system of parks and open spaces of metropolitan concern; and

WHEREAS, The Memorandum of Understanding sets forth the principles on which a two-phase consolidation agreement will be forwarded to the governing bodies of Multnomah County; and

WHEREAS, It is understood that this Memorandum of Understanding does not constitute a binding intergovernmental agreement, but it intended as an expression of intent, and to form the basis for an eventual intergovernmental agreement between Multnomah County and Metro; and

WHEREAS, It is understood that the neighborhood parks currently owned by Multnomah County will be transferred to the City of Portland effective on or before January 1, 1994; and

WHEREAS, Adequate financial revenues are available from the Multnomah County Recreation fund to support the transferred programs; now, therefore,

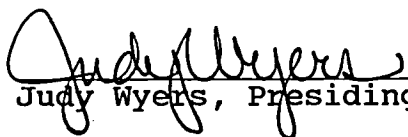
BE IT RESOLVED,

1. That the Metro Council approves the attached Memorandum of Understanding, and authorizes staff to draft an intergovernmental agreement for the purpose of implementing the principles set forth in the Memorandum of Understanding.

2. That the Metro Council direct Metro's representatives in negotiations on the intergovernmental agreement to consider in the negotiations with Multnomah County, the recommendations regarding the regional parks and Expo transfer which the Metropolitan Policy Advisory Committee has forwarded to the Council.

3. Notwithstanding the provisions of the Memorandum of Understanding to the contrary, the Metro Council directs Metro's representatives in negotiations on the intergovernmental agreement to introduce for consideration in the negotiations with Multnomah County the future utilization of Multnomah County's Natural Areas Acquisition and Protection Fund.

ADOPTED by the Metro Council this 14th day of October, 1993.

  
\_\_\_\_\_  
Judy Wyers, Presiding Officer

## MEMORANDUM OF UNDERSTANDING

### Memorandum of Understanding

### Regarding Transfer of Regional Parks,

### Natural Areas, Golf Courses, Cemeteries,

### and Trade/Spectator Facilities

### Presently Owned and Operated by Multnomah County and Metro.

The purpose of this Memorandum of Understanding is to provide for a two-phase consolidation of operation, management, and ownership of all park facilities, natural areas, and trade/spectator facilities presently owned and operated by Multnomah County, including but not limited to Glendoveer Golf Course, Pioneer Cemeteries, and the Portland Exposition Center (EXPO), into the mix of natural spaces and trade/spectator facilities currently owned or operated by Metro. The first phase of consolidation is expected to be of limited duration pending full consolidation, including transfer of ownership of the County facilities to Metro, with the exception of any neighborhood parks. The first phase of consolidation is a management and operation agreement for all County facilities managed and operated within the current Multnomah County Recreation Fund. It is understood between County and Metro that the second phase of consolidation, including transfer of ownership, is of critical importance, and that phase one consolidation of operation and management is merely intended to promote a smooth and harmonious transfer of those County facilities to Metro that are of "metropolitan concern."

This Memorandum of Understanding sets forth the principles on which a two-phased consolidation agreement will be forwarded to the governing bodies of Multnomah County and Metro. The intent of this Memorandum of Understanding is to express the understanding of the terms and conditions that will be formalized as soon as possible and presented to the Metro Council and the County Commission for ratification. By ratifying this Memorandum of Understanding the Metro Council and Executive Officer and the Multnomah County Commission express their intent to approve a consolidation agreement. It is expressly agreed, however, that this Memorandum of Understanding does not constitute a binding intergovernmental agreement in and of itself, but is intended to form the basis for an eventual intergovernmental agreement between Metro and the County. This Memorandum of Understanding is not intended to benefit any individual, employee, group of employees, corporation, or other legal entity other than METRO and COUNTY. This Memorandum of Understanding shall not be deemed to vest any rights in, nor shall it be deemed to be enforceable by, any third party in any proceeding whatsoever.

## **I. PHASE I CONSOLIDATION**

### **A. Transfer of Operation and Management**

On January 1, 1994, COUNTY shall transfer all operational and management rights and responsibilities for the following programs, activities, properties and/or facilities currently budgeted in the Multnomah County Recreation Fund, along with all funds and revenues related to these programs, to METRO:

1. All park facilities and natural areas currently owned or operated by COUNTY, with the exception of Vance Park;



2. Glendoveer Golf Course;
3. Pioneer Cemeteries, and;
4. EXPO.
5. Any new acquisitions of natural areas by COUNTY, to be transferred

to METRO under this Agreement, shall be made with the joint concurrence of the COUNTY and METRO.

A complete list of all properties contemplated for transfer is attached and incorporated herein as Exhibit 1.

These programs, activities, and facilities shall henceforth be referred to in this agreement as the COUNTY FACILITIES, but, all said facilities other than any neighborhood parks identified in Exhibit 1 will be identified exclusively as Metro-operated Facilities to the public and to users of those facilities, effective January 1, 1994. METRO shall have full power and authority to organize, manage, and operate the COUNTY FACILITIES as METRO deems appropriate.

B. Maintenance of Effort

METRO agrees to exert its best efforts to operate and maintain the Expo Center, cemeteries, parks, recreation facilities, natural areas, established cultural and educational programs, natural and cultural resources, and all related appurtenances being transferred as part of this Memorandum of Understanding in a manner which assures sustainable and continuous public use, safety and enjoyment at a level at least equal to that maintained by the COUNTY prior to the transfer. Provided, however, that METRO may

suspend swimming or other water-related activities in Blue Lake Park whenever METRO determines that such a suspension would be prudent for health or safety reasons.

C. Real and Personal Property

1. Effective January 1, 1994, COUNTY shall transfer to METRO the right to beneficial use of all real and personal property comprising the COUNTY FACILITIES, including any personal property associated with the management or operation of the COUNTY FACILITIES. COUNTY shall not take any action with regard to the real property comprising the COUNTY FACILITIES that would interfere with management and operation of the COUNTY FACILITIES by METRO.

2. During PHASE I of this agreement, COUNTY shall provide Multnomah County Fleet and Electronics service to provide maintenance and upkeep on all equipment associated with the COUNTY FACILITIES. COUNTY shall provide a standard of maintenance and upkeep at least equal to the standard previously kept by COUNTY for said equipment. COUNTY shall bill METRO for the cost of such services, in the same manner and at the same rate as charged to other County areas for comparable services. At METRO'S option, such services and billing shall continue during PHASE II consolidation.

D. Contracts and Licenses

1. Effective January 1, 1994, COUNTY shall assign to METRO all contracts, permits, rental agreements, and licenses to which COUNTY is a party and which are assignable without the consent of other parties. After January 1, 1994, these contracts, permits, rental agreements, and licenses shall be subject to management and control by METRO.

2. Effective January 1, 1994, COUNTY shall assign to METRO all contracts, permits, rental agreements, and licenses to which COUNTY is a party, the assignment to be effective January 1, 1994, or upon obtaining the consent of the other parties thereto, whichever occurs later. Upon assignment, these contracts, permits, rental agreements, and licenses shall be subject to the management and control of METRO.

E. Multnomah County Recreation Fund

All funds less current obligations contained within the Multnomah County Recreation Funds generated by, or attributed to the COUNTY FACILITIES shall be transferred to METRO. COUNTY represents, and warrants, that all funds currently contained within the Multnomah County Recreation Fund are properly contained within that fund in full compliance with all applicable laws and regulations. By way of example and not as a limitation, transfer of funds under this agreement shall include the current balances of special trust funds held by the Parks Division, including the Blue Lake Outdoor Performing Arts Stage fund, the Oxbow Park Nature Center fund, the Willamina Farmer Trust Fund, and the Tibbetts Flower fund, provided, however, that those funds shall be used exclusively for their dedicated purposes, and in accordance with the terms of any applicable trust documents. The Natural Areas Acquisition and Protection fund shall remain the sole responsibility of Multnomah County.

F. Metro Regional Parks/Expo Fund

1. METRO shall establish a new recreation fund as part of the Metro budget, known as the Metro Regional Parks/Expo Fund. All funds formerly in the Multnomah County Recreation Fund shall be transferred to the Metro Regional Parks/Expo

Fund. All revenues generated by the COUNTY FACILITIES shall be placed within the Metro Regional Parks/Expo Fund, and shall be spent only on the operation, management, marketing, maintenance, and improvement of the COUNTY FACILITIES, including any overhead or central services charges which METRO attributes to the COUNTY FACILITIES for provision of services by METRO.

2. In no event shall METRO be required to fund and/or subsidize the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund with funds from any other METRO program, activity, or fund, provided, however, that METRO may, in its sole discretion, transfer METRO funds to the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund, whenever it determines that it is in the regional interest to do so. In the event that METRO does transfer METRO funds to the COUNTY FACILITIES on the Metro Regional Parks/Expo Fund, METRO may transfer such funds back to METRO whenever and in such a manner as it sees fit. METRO may charge a reasonable rate of interest for METRO funds transferred to the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund. METRO may transfer funds from one COUNTY facility to another as it sees fit. However, no funds from any other Metro program, activity or fund shall be used for maintenance and operation of any neighborhood parks identified in Exhibit 1.

G. EXPO/Multnomah County Fair

1. EXPO shall be managed and operated by METRO by and through its Metropolitan Exposition-Recreation Commission; subject to whatever changes the Metro Council may from time to time make in the management, operation, or existence of its Metropolitan Exposition-Recreation Commission.

2. METRO shall implement the EXPO master plan, dependent upon METRO's determination of the availability of resources to implement the plan.

3. Multnomah County represents and warrants to METRO (a) that the current arrangements surrounding the Multnomah County Fair, the Multnomah County Fair Board, and Multnomah County, which, inter alia, require the Fair to pay a fee for the use of EXPO, are lawful, proper, and in full compliance with the provisions of any agreements, deeds, duties, or contracts, express or implied, which exist regarding the Fair or EXPO, and (b) that Multnomah County has full authority to enter into this Memorandum of Understanding and any subsequent intergovernmental agreements insofar as EXPO and the Multnomah County Fair are concerned. The provisions of Section L(1) shall include any claims made by or on behalf of the Multnomah County Fair, the Multnomah County Fair Board, any users of the Fair, or any parties claiming contractual rights, including claims of any third party beneficiaries, with respect to EXPO, the Fair or the COUNTY'S actions with respect to EXPO or the Fair. The Multnomah County Fair shall continue to be the sole and exclusive responsibility of COUNTY. METRO shall continue to make EXPO space and expertise available for the Multnomah County Fair, through a contract(s) with the Multnomah County Fair Board. COUNTY may specify the dates for the fair.

4. Both the COUNTY and METRO recognize the value of the County Fair to the community and are committed to the future success of the County Fair. Based on its historical relationship to the Expo Center, special considerations may be granted to the Multnomah County Fair, upon the joint concurrence of both the COUNTY and METRO.

Continuation of such special considerations shall be jointly reviewed by the COUNTY and METRO within three years of the transfer of COUNTY FACILITIES.

H. Park Facilities, Cemeteries, Natural Areas, and Glendoveer Golf Course

All park facilities, natural areas, cemeteries, and golf courses transferred pursuant to this Memorandum of Understanding shall be incorporated into a new Metropolitan Parks and Greenspaces Department, to be established, operated, and managed by METRO; provided, however, that these facilities may be combined for operations purposes with other programs, projects, or operations, as determined to be appropriate by METRO, provided that METRO shall notify COUNTY prior to any major realignments or reorganizations.

I. Personnel

All staff presently budgeted in the County Recreation Fund shall be transferred to METRO pursuant to ORS 236.610 et seq. METRO agrees that all COUNTY employees transferred to METRO by this agreement shall be held harmless from any layoffs or reductions in force directly related to the City of Portland/METRO/OAC agreement. All COUNTY employees transferred to METRO by this Memorandum of Understanding shall be permitted to transfer any accrued vacation time and any accrued sick time with them to METRO. COUNTY shall be responsible for any obligations which might exist with respect to accrued compensation time. COUNTY shall pay to METRO an amount determined to be the cash equivalent of the amount of vacation leave transferred by each employee. METRO shall provide space in its new Metro Regional Center for the Parks administrative staff transferred as part of this Memorandum of Understanding. This Memorandum of

Understanding is not intended to benefit any individual, employee, group of employees, corporation, or other legal entity other than METRO and COUNTY. This Memorandum of Understanding shall not be deemed to vest any rights in, nor shall it be deemed to be enforceable by, any third party in any proceeding whatsoever. It is the specific intention of the COUNTY and METRO that the rights of any employees transferred under this Memorandum of Understanding shall be governed exclusively by ORS 236.610 to 236.650 and adjudicated via the procedures provided by those statutes and no other.

J. User Fees

METRO shall have the sole responsibility and authority to set user fees for any or all of the COUNTY FACILITIES except that METRO shall not increase user fees for COUNTY FACILITIES prior to July 1, 1994, without the joint agreement of the COUNTY and METRO.

K. Excise Tax

METRO shall have the sole responsibility and authority to exact an excise tax on all programs and activities comprising, or taking place at, the COUNTY FACILITIES, except that METRO shall not increase or impose such an excise tax prior to July 1, 1994, without the joint agreement of the COUNTY and METRO. Any excise tax receipts shall not be restricted to the benefit of the COUNTY FACILITIES, but shall be used for any public purpose deemed appropriate by METRO.

L. Indemnification

1. COUNTY, to the maximum extent permitted by law and subject to and within the limits of the Oregon Tort Claims Act, ORS 30.260 to 30.300, shall defend,

indemnify and save harmless METRO, the Metropolitan Exposition-Recreation Commission, and their officers, employees, and agents from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place prior to January 1, 1994, arising from the operations of the County Facilities.

2. METRO, to the maximum extent permitted by law, subject to and within the limits of the Oregon Tort Claims Act, ORS 30.260 to 30.300, shall defend, indemnify and save harmless COUNTY, and its officers, employees, and agents from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place on or after January 1, 1994, arising from the operations of the COUNTY FACILITIES by METRO or Metro ERC. Provided, however, that during PHASE I of this Agreement, METRO'S duties of indemnification and defense shall be limited to the amount transferred by COUNTY to METRO as provided in subsection I(F)(1).

3. The foregoing indemnification, defense, and hold harmless provisions are for the sole and exclusive benefit and protection of METRO, Metropolitan Exposition-Recreation Commission, and COUNTY, and their respective officers, employees, and agents, and are not intended, nor shall they be construed, to confer any rights on or liabilities to any



person or person other than METRO, COUNTY, and their respective officers, employees, and agents.

M. County Ordinances/Services

1. All COUNTY resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES in force and effect on September 1, 1993, shall remain in force and effect with regard to the COUNTY FACILITIES until superseded or repealed by any ordinance, resolution, executive order, procedure or rule duly adopted or promulgated by METRO, subject, however, to any restrictions contained in paragraphs J and K. In the case of EXPO, METRO may delegate its authority to supersede or repeal previous COUNTY directives to the Metropolitan Exposition-Recreation Commission. COUNTY shall cooperate and assist METRO in the implementation of any METRO action to supersede or repeal previous COUNTY directives that may require COUNTY action to amend COUNTY ordinances.
2. METRO shall have full power and authority to enforce any COUNTY ordinances, resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES, to the full extent that COUNTY possesses such authority. In the case of EXPO, METRO may delegate its enforcement authority to the Metropolitan Exposition-Recreation Commission.
3. Notwithstanding any other provisions herein, COUNTY shall continue to provide any health-related or law enforcement services that it has previously provided to the COUNTY FACILITIES, including but not limited to the provision of inmate labor services, in at least the same manner and to the same extent that such services were provided

prior to transfer. COUNTY may bill METRO for the cost of such services only to the extent that COUNTY bills other COUNTY programs for the cost of such services. In addition, the COUNTY shall continue to pay property assessments on COUNTY FACILITIES and shall continue its annual contribution to the Oregon Historical Society, for the operation of the Bybee-Howell House, until implementation of PHASE II (transfer of ownership). Provided, however, that METRO shall pay the impending sewer assessment and property taxes for Glendoveer Golf Course out of the County Recreation Funds transferred to METRO.

N. Transition Team

To ensure a smooth transition of services, a transition team will be established consisting of the Director of Environmental Services from Multnomah County, the Deputy Executive Officer of METRO, and the Manager of the Metro ERC facilities. This team will be responsible for information sharing among the agencies, resolution of minor contract disputes, and coordination of services. This transition team will meet as needed until PHASE II of this Agreement.

O. Reporting Requirements.

METRO shall provide the Director of Environmental Services with a written report on activities within the COUNTY FACILITIES on a quarterly basis. This report shall include a financial status on the COUNTY programs, a summary of activity level at each facility, and a brief narrative of unusual or important issues or situations that have occurred during the reporting period. This report is due to the COUNTY no later than October 25, January 25, April 25 and July 25.

In addition, METRO shall advise the Director of Environmental Services in writing immediately in the event of fee changes, ordinance revisions, significant organizational changes within COUNTY programs, and/or major changes in policy which affect COUNTY FACILITIES or programs.

P. Termination.

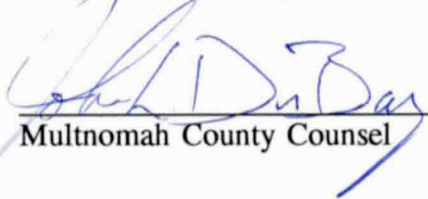
The parties shall negotiate a mutually agreeable termination procedure in the intergovernmental agreement which the parties' intend to enter into, based on this Memorandum of Understanding.

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II. PHASE II CONSOLIDATION

Effective no later than July 1, 1996, COUNTY shall transfer to METRO full ownership of those of the above facilities which METRO has determined are public cultural, trade, convention, exhibition, sports, entertainment, or spectator facilities, or parks, open spaces, or recreational facilities of "metropolitan concern," provided that, at METRO'S option, transfer may be delayed pending acquisition by METRO of an appropriate regional funding base. Neighborhood parks identified in Exhibit 1 are intended to be transferred to the City of Portland during Phase I. Any such parks not transferred shall remain in COUNTY ownership. Effective no later than July 1, 1996, the provisions of PHASE I CONSOLIDATION shall no longer apply, except for those provisions which by their specific terms go beyond PHASE I.

APPROVED AS TO FORM

  
Multnomah County Counsel

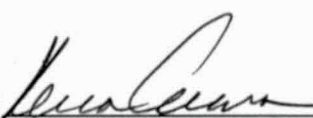
MULTNOMAH COUNTY

By:   
Beverly Stein, County Chair

APPROVED AS TO FORM

  
Metro General Counsel

METRO

By:   
Rena Cusma,  
Executive Officer

ds  
1148J

APPROVED MULTNOMAH COUNTY  
BOARD OF COMMISSIONERS  
AGENDA # R-12 DATE 10/14/93  
DEB BOGSTAD  
BOARD CLERK

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# PORTLAND PARKS AND RECREATION



1120 SW FIFTH AVE, SUITE 1302, PORTLAND, OREGON 97204-1933  
TELEPHONE (503) 823-2223

FACSIMILE (503) 823-5297



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CHARLIE HALES, COMMISSIONER

CHARLES JORDAN, DIRECTOR

September 21, 1993

Charlie Ciecko, Director  
Department of Environmental Services  
Parks Services Division  
1620 S.E. 190th Ave.  
Portland, Oregon 97233

Dear Charlie:

Charlie Hales and Sharron Kelley have held frequent talks about the transfer of Multnomah County's parks program to Metro. Of particular concern to Commissioner Hales is Metro's assumption of responsibility for municipal park functions. His response, rather than seeking to delay the transition, is to negotiate the City's management of Glendoveer after its assumption by Metro. He and Commissioner Kelley also agreed that Multnomah County's neighborhood parks, either within Portland's city limits or ultimate service boundary, should be transferred to the City on January 1, 1994.

The parks to be transferred are:

1. Dickinson, SW 55th and Alfred
2. Gilbert Heights, SE 130th and Holgate
3. Gilbert Primary, SE 134th and Foster
4. Holladay East, NE 128th and Hollday
5. Lincoln, SE 135th and Mill
6. Lynchview, SE 164th and Mill
7. Lynchwood, SE 170th and Haig

Letter to Charlie Ciecko  
10 Multnomah County Parks  
September 21, 1993  
Page 2

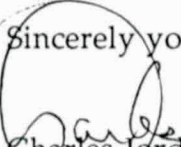
8. North Powellhurst, SE 135th and Salmon
9. Parklane, SE 152nd and Main
10. Raymond, SE 115th and Raymond

If Portland is to take these parks by January 1, we should receive Board of Commissioners approved agreements and deeds by early November. This will give the City time to: (1) file ordinances asking City Council to accept the ten parks; (2) approve the agreements, and (3) file deeds with the County Assessor before the deadline.

I have enclosed the deed and agreement for Orchid Street Park. We would prefer that the remaining sites be transferred to the City using the language in the Orchid Street Bargain and Sale Deed. It says, as you may recall, that under certain circumstances and insuring the money is used for other park acquisition that the City can trade or sell sites. It is unlikely that we would do so, but this latitude would be very helpful in managing and developing our parks inventory. As you and John Sewell discussed, the City will prepare one omnibus agreement accepting all ten parks, and the County will prepare ten Bargain and Sale Deeds and property descriptions.

If you have questions about the request or need help in facilitating the transfer, please call John at 823-5116. He has worked on the transfer of the other 22 sites from the County to the City and is very familiar with the procedure.

Sincerely yours,



Charles Jordan  
Director

c: Charlie Hales  
Sharron Kelley  
Richard Devlin  
Merrie Waylett  
Rena Cusma  
~~Judy Wyers~~  
John Sewell

Attachment

SAMPLE FORMAT

Metro authority to operate/own current Multnomah County Programs/Facilities

TO: Metro Council & MPAC Members
FROM: MPAC Chair, Gussie McRobert & MPAC 2nd Vice Chair, Judie Hammerstad
DATE: September 9, 1993

Based on May 7, 1993 Memo:
TO: Councilor George Van Bergen
FROM: Daniel B. Cooper, General Counsel
RE: Metro authority to operate/own current Multnomah County Programs/Facilities

ANALYSIS BASED ON METRO CHARTER

PURPOSE STATEMENT

Metro's purpose in accepting the transfer of Multnomah County Programs/Facilities is

CRITERIA FOR ACCEPTING TRANSFER:

- 1. Satisfies criteria for "metropolitan concern" or goes through MPAC approval process or authorized under Charter as an "assigned function".
2. Revenue neutral or positive.

1. GLENDOVEER GOLF COURSE page 5 & 6

1) CHARTER AUTHORITY Section 6(1)(b) authorizes Metro "[a]cquisition, development, maintenance and operation of...public sports facilities." This subsection contains no requirement that a "sports facility" be "of metropolitan concern," or restricting Metro involvement to the "metropolitan aspects" of the facility.

2) ACTION Approval by MPAC not required

3) POINTS OF CONSIDERATION

- 1. City of Portland expertise & interest in including Glendoveer in its system of golf courses.
2. Revenue Consequences.

## 2. EXPOSITION CENTER page 7

- 1) CHARTER AUTHORITY Metro has independent authority to acquire, develop, operate, and maintain Expo pursuant to Chapter II, Section 6(1)(b) of the 1992 Metro Charter, either by intergovernmental agreement or fee title, without restriction. Because the exercise by Metro of Section 6 powers is directly authorized by the Charter, no further voter approval, or approval by MPAC is required. Finally, there is no requirement that transfer of Expo be of "metropolitan concern."
- 2) ACTION Approval by MPAC not required.
- 3) POINTS OF CONSIDERATION
  1. Funding for Operations & Maintenance.
  2. Immediate capital requirements.
  3. Future capital requirements.
  4. Other committee review and recommendations:
    - a. Metro Facilities Finance Committee.
  5. Revenue Consequences.

## 3. PARKS, OPEN SPACES, AND BOAT RAMPS page 7

Parks – Blue Lake (recreational facility)  
Open Spaces – Oxbow  
Boat ramps – Chinook Landing Marine Park

- 1) CHARTER AUTHORITY Section 6(1)(d) authorizes Metro "[a]cquisition, development, maintenance and operation of...a system of parks, open spaces and recreational facilities of metropolitan concern." Second, this provision imposes a requirement of "metropolitan concern" in order to justify direct Metro involvement under Chapter II, Section 6.
- 2) ACTION
  1. Determination of criteria for "metropolitan concern" by Metro Council.
    - a. If criteria indicates that facilities are of metropolitan concern, no action by MPAC required.
    - b. If criteria indicates that facilities are not of metropolitan concern, MPAC or vote approval required.
- 3) POINTS OF CONSIDERATION
  1. Relationship to Greenspaces program
  2. Other committee review and recommendations:
    - a. Greenspaces – Oxbow
    - b. Facilities Finance Committee – Blue Lake & Marina
  3. Revenue Consequences.



4. PIONEER CEMETERIES page 13 & 14

- 1) CHARTER AUTHORITY Chapter II, Section 6(1)(b) authorizes Metro acquisition, development, maintenance and operation of "public Cultural...facilities." The question is whether the Pioneer Cemeteries can rationally be considered to be, "public cultural facilities." There is no requirement that the Pioneer Cemeteries be, "of metropolitan concern."
- 2) ACTION The question of whether Chapter II, Section 6 of the Metro Charter would authorize Metro to accept transfer of these cemeteries must still be addressed. page 14
- 3) POINTS OF CONSIDERATION
  1. Most pioneer cemeteries are operated by private and/or nonprofit groups, (families, community groups). Since these cemeteries are still being marketed privatization should be considered.
  2. "A threshold question is whether the County may lawfully delegate or assign to Metro any of the functions imposed upon it by the Legislature with respect to these cemeteries." page 13
  3. Revenue Consequences.



**MULTNOMAH COUNTY OREGON**

*Cassy Short*

DEPARTMENT OF ENVIRONMENTAL SERVICES  
 2115 S.E. MORRISON  
 PORTLAND, OREGON 97214  
 (503) 248-5000

BOARD OF COUNTY COMMISSIONERS  
 GLADYS McCOY • CHAIR OF THE BOARD  
 DAN SALTZMAN • DISTRICT 1 COMMISSIONER  
 GARY HANSEN • DISTRICT 2 COMMISSIONER  
 TANYA COLLIER • DISTRICT 3 COMMISSIONER  
 SHARRON KELLEY • DISTRICT 4 COMMISSIONER

MEMORANDUM

TO: JENNIFER SIMS  
 FROM: BETSY WILLIAMS *BHW*  
 SUBJECT: PIONEER CEMETERIES BUDGET  
 DATE: SEPTEMBER 7, 1993

Pursuant to Councilor Moore's question at the Government Affairs committee meeting last week, following is a brief summary of the County's 1993/94 budget for Pioneer Cemeteries:

Personnel Services (includes 2.0 FTE & approx. \$53,000 for temporary help)	\$ 147,809
Materials & Services - Direct	75,050
Internal Service Costs (includes approx. \$42,000 for Motor Pool costs)	<u>59,853</u>
<b>TOTAL BUDGET</b>	<b>\$ 282,712</b>
<b>OPERATING REVENUES</b>	<b><u>(134,156)</u></b>
<b>RECREATION FUND SUBSIDY</b>	<b>\$ 148,556</b>

DRAFT

MULTNOMAH COUNTY PARKS/EXPO TRANSFER  
Proposed Action Schedule

<u>Date</u>	<u>Action</u>	<u>Key Staff</u>
August 11	MPAC presentation	Carlson/Engstrom/Sims/ Waylett
August 12	Metro in-house meeting Decision to proceed?	Carlson/Engstrom/Sims
August 19	Council Government Affairs presentation Direction to staff	Carlson/Engstrom/Sims
August 25	MPAC discussion	Carlson/Engstrom/Sims/ Waylett
September 2	Council Government Affairs - Resolution & MOU Public hearing	Carlson/Engstrom
September 16	Council Government Affairs - Resolution & MOU Public hearing	Carlson/Engstrom
October 7	Council Government Affairs - Resolution & MOU Public hearing	Carlson/Engstrom
October 14	Council public hearing and action on MOU and resolution	Carlson/Engstrom
October ?	Metro in-house meeting on IGA	Carlson/Engstrom/ M. Williams
October 21	Council Government Affairs - Resolution and IGA Public hearing	
October 28	Council public hearing and action IGA	Carlson/Engstrom
January 1, 1994	Effective date of transfer	

**PARKS AND EXPO CENTER FINANCIAL PROJECTIONS  
KEY ASSUMPTIONS**

1. Excess resources generated at the Expo Center and Glendoveer Golf Course would be available to support county parks and cemetery activities.
2. County parks, Glendoveer Golf Course and cemetery functions would be managed jointly with the Metro Greenspaces program.
3. MERC would manage the Expo Center in conjunction with other MERC facilities.
4. The fund balance is transferred with the functions.
5. The Fair is treated as any other Expo Center user. A revenue neutral pass through of fair-related racing revenues is budgeted.
6. Expo fee increases go into effect July 1, 1994.
7. There would be selective implementation of the Expo Center capital improvement plan, including only life-safety projects and other projects necessary to keep the facility functional.
8. Excise tax would be imposed as an add-on charge to all eligible revenue sources beginning July 1, 1994. The amount generated would be transferred back as needed to cover costs.
9. Revenue producing capital projects would be constructed using revenue bonds and/or private contractors. Operations and debt service would be covered by project revenues.

**Multnomah County Parks and Expo Transfer  
Updated Summary Financial Projections  
August 11, 1993**

Metro Adopted Budget	Revised			
	FY 1993-94	FY 1994-95	FY 1995-96	FY 1996-97

**Resources**

Fund Balance	\$187,372	\$450,000	\$207,868	\$177,027	\$128,625
Parks Revenues	1,788,524	1,788,524	1,867,229	1,968,290	2,071,386
Expo Revenues	1,549,532	1,549,532	1,659,981	1,702,608	1,821,229
Excise Tax Earned on Parks and Expo	0	0	191,829	199,514	211,833
General Fund Support	80,000	0	0	0	24,445
<b>Total Resources</b>	<b>\$3,605,428</b>	<b>\$3,788,056</b>	<b>\$3,926,907</b>	<b>\$4,047,439</b>	<b>\$4,257,518</b>

**Requirements**

Regional Parks	\$2,214,264	\$2,275,201	\$2,363,337	\$2,469,302	\$2,643,646
Expo	1,301,164	1,304,987	1,386,543	1,449,511	1,513,872
Contingency	90,000	100,000	100,000	100,000	100,000
Unappropriated Balance	0	107,868	77,027	28,625	0
<b>Total Requirements</b>	<b>\$3,605,428</b>	<b>\$3,788,056</b>	<b>\$3,926,907</b>	<b>\$4,047,439</b>	<b>\$4,257,518</b>

# MULTNOMAH COUNTY PARK SERVICES DIVISION

## Natural Areas and Regional Facilities

- ① Mason Hill - 3 Acres
- ② Sauvie Island Boat Ramp - 1 Acre
- ③ Multnomah Channel - 11 Acres
- ④ Bybee House & Howell Park - 73 Acres
- ⑤ Bell View Point - 10 Acres
- ⑥ M. James Gleason Memorial Boat Ramp - 6 Acres
- ⑦ Broughton Beach - 9 Acres
- ⑧ Beggars Tick Marsh - 20 Acres
- ⑨ Glendoveer Golf Course & Fitness Trail - 232 Acres
- ⑩ Blue Lake Park - 185 Acres

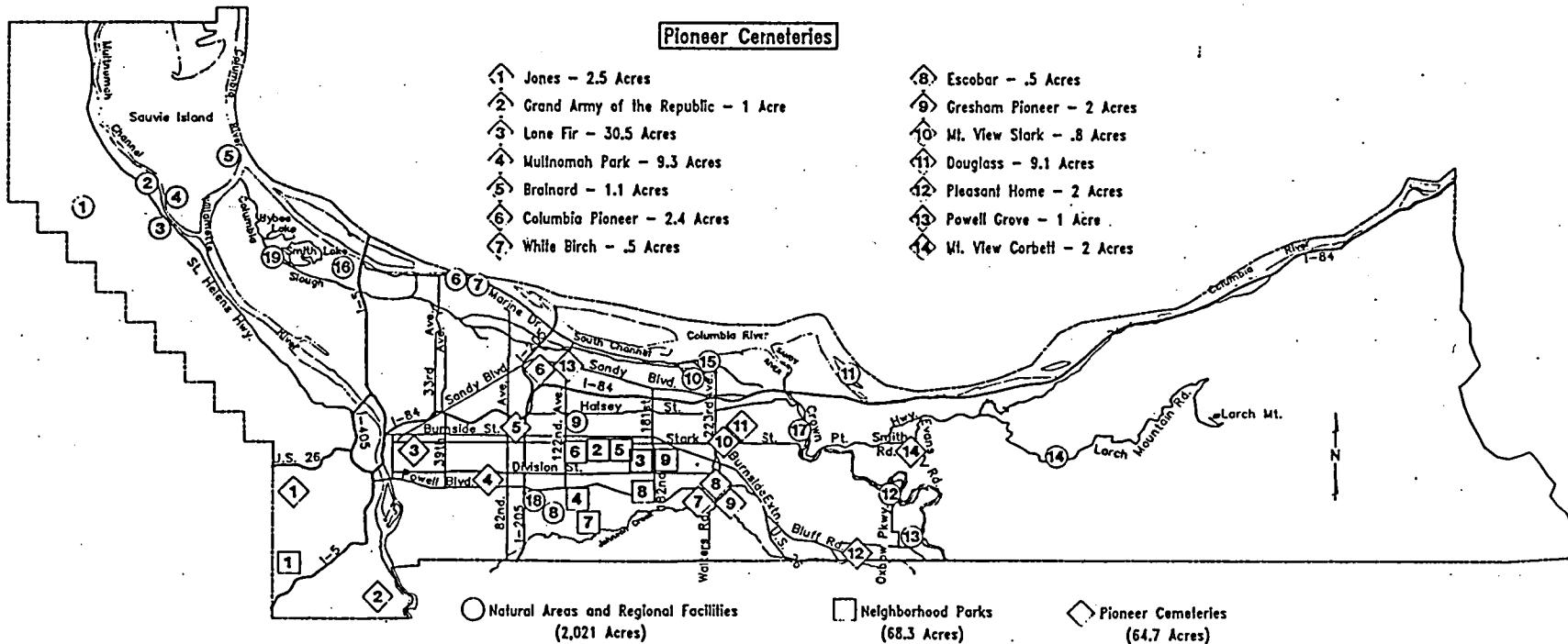
- ⑪ Gary & Flogg Islands - 132 Acres
- ⑫ Oxbow Park - 1000 Acres
- ⑬ Indian John Island - 64 Acres
- ⑭ Larch Mountain Corridor - 185 Acres
- ⑮ Chinook Landing Marine Park - 67 Acres
- ⑯ Expo Park (Future Overnight Facility) - 12 Acres
- ⑰ Sandy River Access Points (4) - 5.6 Acres
- ⑱ Beggars Tick Addition - .25 Acres
- ⑲ Smith & Bybee Lakes Addition - 5.17 Acres

## Neighborhood Parks

- ① Dickenson - 6.7 Acres
- ② North Powellhurst - 5.2 Acres
- ③ Lynchview - 7.6 Acres
- ④ Gilbert Heights - 3.9 Acres
- ⑤ Parklane - 5 Acres
- ⑥ Lincoln - 6.9 Acres
- ⑦ Gilbert Primary - 4.5 Acres
- ⑧ East Lynchwood - 8.5 Acres
- ⑨ Vance - 20 Acres

## Pioneer Cemeteries

- ① Jones - 2.5 Acres
- ② Grand Army of the Republic - 1 Acre
- ③ Lone Fir - 30.5 Acres
- ④ Multnomah Park - 9.3 Acres
- ⑤ Brainerd - 1.1 Acres
- ⑥ Columbia Pioneer - 2.4 Acres
- ⑦ White Birch - .5 Acres
- ⑧ Escobar - .5 Acres
- ⑨ Gresham Pioneer - 2 Acres
- ⑩ Mt. View Stark - .8 Acres
- ⑪ Douglass - 9.1 Acres
- ⑫ Pleasant Home - 2 Acres
- ⑬ Powell Grove - 1 Acre
- ⑭ Mt. View Corbett - 2 Acres



## STAFF REPORT

For the purpose of approving a Memorandum of Understanding between Multnomah County and Metro regarding the transfer of operations of regional parks, natural areas, golf courses, cemeteries and trade/spectator facilities.

September 8, 1993

Presented by: Richard Engstrom  
Don Carlson

## PROPOSED ACTION

This Memorandum of Understanding (MOU) sets forth the principles on which a two-phased transfer agreement will be developed and forwarded to the governing bodies for their action.

The first phase of the transfer will be of limited duration and will consist of a management and operation agreement for all County facilities managed and operated within the current Multnomah County Recreation Fund.

The second phase would provide for the transfer of ownership of all County facilities managed and operated within the County Recreation Fund.

The approval of this MOU would provide the authority for staff to develop the transfer agreement for subsequent approval by Multnomah County and Metro.

## FACTUAL BACKGROUND AND ANALYSIS

The Multnomah County Board of Commissioners adopted a resolution in October of 1991 supporting the regionalization of certain county service and requested that Metro enter into discussions regarding the feasibility of such an action.

The Metro Council through action by the Governmental Affairs Committee authorized the creation of five task forces to consider the five areas of potential regionalization. After numerous meetings with these task forces, it was determined that the most appropriate area for regionalization of services was in the operation of regional parks and the Expo Center.

Staff presented to the Metro Governmental Affairs Committee a set of assumptions upon which further discussion would be held. This Memorandum of Understanding is consistent with those assumptions, both programmatic and fiscal.

On June 10, 1993, the Metro Council authorized the creation of a task force to negotiate a Memorandum of Understanding with Multnomah County. The task force consisted of Councilors Richard Devlin and Ed Washington and Executive Officer Rena Cusma.

Multnomah County Commissioners Gary Hansen and Sharron Kelley were the County representatives on this task force.

The Resolution of June 10th also directed that the draft MOU be provided to the Metropolitan Policy Advisory Committee for its review and comment prior to council action. MPAC has reviewed this item on August 11, 1993 and August 25, 1993. In addition, the MOU was provided to Clackamas and Washington Counties for their review and comment prior to Council action.

It should be noted that this draft of the MOU does reflect a recent change in modifying language regarding the transfer of neighborhood parks.

### SUMMARY OF MEMORANDUM OF UNDERSTANDING

The MOU sets forth principles upon which a two-phased transfer agreement will be forwarded to the governing bodies of Multnomah County and Metro.

Upon approval of the MOU, an intergovernmental agreement will be developed to be approved by both governing bodies.

It is contemplated that phase 2 will encompass the transfer of ownership of park facilities and the Expo Center to be concluded no later than July 1, 1996.

The agreement would transfer all:

Park facilities and natural areas currently owned and operated by Multnomah County which includes:

    Glendoveer Golf Course

    Pioneer Cemeteries

In addition, the Expo Center would be transferred and operated by the Metropolitan Exposition Recreation Commission (MERC).

The only exceptions would be Vance Park and neighborhood parks.

The Multnomah County Fair would continue to remain under the purview of Multnomah County with an assurance that dates would be available at the Expo Center.

### LEGAL AUTHORITY OF TRANSFER

The 1992 Metro Charter authorizes Metro to operate public exhibition facilities and a system of parks, open spaces and recreation facilities of metropolitan concern. (See memorandum from Dan Cooper, General Counsel regarding Metro authority to operate / own current Multnomah County programs / facilities dated May 7, 1993, included as part of notebook materials presented to Governmental Affairs Committee on September 2,



1993.) Neighborhood parks owned and maintained by Multnomah County are now excluded from this agreement.

In addition, Metro's approved budget contains expenditure authority for the proposed transfer.

### FINANCIAL ANALYSIS

A set of assumptions was developed to guide the financial feasibility of the proposed transfer. The key assumptions were:

1. Excess resources generated at the Expo Center and Glendoveer Golf Course would be available to support county parks and cemetery activities.
2. County parks, Glendoveer Golf course and cemetery functions would be managed jointly with the Metro Greenspaces program.
3. MERC would manage the Expo Center in conjunction with other MERC facilities.
4. The fund balance is transferred with the functions.
5. The Fair is treated as any other Expo Center user.
6. Expo fee increases go into effect July 1, 1994.
7. There would be selective implementation of the Expo Center capital improvement plan, including life-safety projects and other projects necessary to keep the facility functional.
8. Imposition of the Metro excise tax would be authorized as an add-on charge to all eligible revenue sources beginning July 1, 1994. The amount generated would be transferred to the recreation fund as needed to cover costs.
9. Revenue producing capital projects would be constructed using revenue bonds and/or private contractors. Operations and debt service would be covered by project revenues.

Financial projections based on these assumptions make it revenue neutral for Metro through FY 1995-96. These projections are conservative and do not take into account any revenue enhancements or efficiencies that might occur from Metro operation. (See Updated Financial Projections dated August 11, 1993 which are included as part of your notebook materials.)

### RECOMMENDATION

The Executive Officer recommends approval of Resolution 93-1849

GOVERNMENTAL AFFAIRS COMMITTEE REPORT

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RESOLUTION NO. 93-1849, APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN MULTNOMAH COUNTY AND METRO REGARDING THE TRANSFER OF REGIONAL PARKS, NATURAL AREAS, GOLF COURSES, CEMETERIES AND TRADE/SPECTATOR FACILITIES.

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Date: October 5, 1993

Presented by: Councilor McLain

**COMMITTEE RECOMMENDATION:** At its September 16, 1993 meeting the Governmental Affairs Committee voted 3-0 to recommend Council adoption of Resolution No. 93-1849. Voting were Councilors Gates, Hansen, and Wyers. Councilors Gardner and Moore were excused.

**COMMITTEE DISCUSSION/ISSUES:** Deputy Executive Officer Dick Engstrom presented the staff report. He referred to presentations made at the two previous Governmental Affairs Committee meetings, when financial and policy information was provided. At those meetings, the committee reviewed the principles in the draft Memorandum of Understanding (MOU). Key points in the MOU include a listing of the facilities proposed for transfer, an expectation that an Intergovernmental Agreement will be negotiated between Multnomah County and Metro to actually effect the transfer of operational authority, and a further expectation that transfer of title should take place in 1996.

Senior Assistant Counsel Mark Williams summarized the changes made to the MOU since the previous meeting. First of those was the deletion of the "neighborhood parks" from the ownership phase of the agreement. This change followed a commitment at the September 2 meeting from Portland Commissioner Charlie Hales, that Portland would be willing to take over operation and ownership of the neighborhood parks from the County. Both the County and Metro officials are supportive of City ownership of the neighborhood parks. The revised MOU now says that Metro will operate the neighborhood parks until an agreement between the City and County is concluded, transferring their operation to the City. Even if that transfer is not made, the MOU indicates that Metro will not take over ownership of those neighborhood parks. Mr. Williams summarized that there are housekeeping changes, including a change in the effective date of transfer from September 1993 to January 1, 1994. Other such changes dealt with the indemnification section (which was still not resolved as of the meeting date), and revisions to the section dealing with the County Fair. The changes dealing with the Fair clarify that the Fair is Multnomah County's responsibility; Metro will make dates available for the Fair to run at the Expo Center, but its operation and other issues will continue to be Multnomah County's responsibility.

In response to a question from Councilor Gates, Mr. Williams summarized the indemnification issues. They included the extent of Metro's financial liability to indemnify and defend the County



in appropriate circumstances, and the County's responsibility for dangerous or latent conditions prior to Metro's taking over operation. The County wanted their obligation to end when Metro takes ownership, but Mr. Williams wants to preserve Multnomah County responsibility for any such conditions that were created under County ownership and management. He said it may take an amendment to the MOU to reflect final agreement on this question. (Note: Such an agreement has been reached, and proposed language to amend the indemnification section has been forwarded for Council to consider when it considers the resolution.)

Mr. Williams said the changes to language concerning the Fair did not change the original intent, which is to make clear that the Fair is the County's responsibility, and that any claims which may be brought concerning the Fair and its relation to Expo would be the responsibility of the County.

Councilor McLain referred to Commissioner Hales' testimony at the September 2 meeting, pointing out that he had discussed issues concerning the Pioneer Cemeteries and Glendoveer Golf Course. Commissioner Hales said at that time that the City continues to be interested in operating Glendoveer, but would wait until after the transfer to continue discussion of that, in order not to interfere with the process between Metro and Multnomah County. She also said he agreed that the cemeteries were a difficult issue that didn't fit well in any government's portfolio, but the question of what jurisdiction manages them shouldn't hold up the transfer process.

Councilor Wyers asked Mr. Engstrom if the Executive Officer has requested the County to loosen the restrictions on its 3% hotel/motel tax, to allow for its broader use in support of the regional facilities system. Mr. Engstrom said he didn't think that request had been formally made, but the Executive does plan to make it.

Chair Gates opened a public hearing. The first person to testify was Michael Carlson of the Portland Audubon Society. He spoke in support of the resolution, saying it supports the goals and policies of the Greenspaces Master Plan. He said the County Parks were of regional significance, and that this move would save money.

Multnomah County Chair Beverly Stein testified in support of the resolution. She said this is a good move for the County, and is an important building block for a regional greenspaces program, which she supports. Councilor McLain encouraged Commissioner Stein to speak with representatives of the other counties in support of this measure. In response to a question from Councilor Gates, Commissioner Stein said she supports continuing the Multnomah County Fair and will work with its supporters to ensure its continued success. Councilor Devlin asked if Multnomah County would continue to be a strong supporter of the greenspaces program. Commissioner Stein said she would continue

to support the program.

Gregory Flakus spoke to the resolution, saying he supports the concept of consolidating the functions of government. He distributed a summary of the history of the Multnomah County Fair, and stated he wants to be sure the Fair continues as a viable event in the community.

Tom O'Laughlin testified as a renter of the Expo Center. He said he worked with other interested parties on a master plan for Expo some years ago, whose recommendations were not implemented. He expressed his concern that Expo rents would go up, and he didn't know where that money would go. He cited past practice in which Expo made money, but that profit had not been dedicated to improvement and maintenance at Expo. He would be willing to pay higher rent if he knew the money was going back into the building, but the rents were starting to get too high. He urged the Council to remember the users when setting policy and rental rates. Councilor Gates said Mr. O'Laughlin's points were well taken, and consistent with the way Metro tries to run its operations. Councilor Devlin said it is important to maintain the Expo Center, but bear in mind that it should not be upgraded to become another Convention Center; Expo should continue to serve a segment of the market not served by the Convention Center. Councilor Wyers encouraged Mr. O'Laughlin to work with MERC staff.

Councilor Gates read written remarks from Washington County Commissioner Bonnie Hays, in which she encouraged the Council to delay adoption of the MOU. Councilor Wyers said she disagrees with that recommendation. She said she has requested an opinion from counsel which would clarify the roles and responsibilities of Metro and MPAC in this matter. Councilor Devlin said this item would be held until the October 14 meeting of Council in order to give MPAC an opportunity to discuss it again, and he did not support further delay beyond that. He said MPAC's role in this issue is merely to comment, not to approve or disapprove. General Counsel Dan Cooper clarified that the MOU is not a binding document. When an intergovernmental agreement comes to Council, he recommends that an ordinance also be considered which addresses the issue of "metropolitan concern."

Christine Palmer said she is the second largest Expo Center tenant, and supports Mr. O'Laughlin's comments.

Greg Edwards spoke to the resolution. He runs the Portland Swap Meet, and said his organization has spent its funds to upgrade the Expo facility and environs. He said the staff runs the facility well, and he wants to continue that relationship.

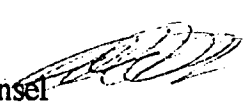
Councilor Hansen moved the resolution. Councilor Devlin asked for clarification of the motion, to show that staff was directed to resolve any outstanding issues and report to Council and its designated negotiators. That was confirmed.



**METRO**

Date: September 28, 1993

To: Dick Engstrom, Deputy Executive Officer  
Don Carlson, Council Administrator  
Casey Short, Council Analyst ✓

From: Mark B. Williams, Senior Assistant Counsel 

Regarding: County/Metro Parks and Expo MOU  
Our File: 7.1.G

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Enclosed is a copy of my letter to John DuBay of County Counsel regarding what is hopefully the last changes that will be necessary to the MOU. Please note that someone will have to formally move that the MOU be so revised when it comes to the full Council. This redline version ought to enable that to occur. Note that this version does not specifically deal with any possible environmental issues. I would recommend dealing with that in the IGA.

Please feel free to contact me if you have any questions or concerns.

gl  
1601

Enclosures

**METRO**

*Mark B. Williams*  
**Tele: (503) 797-1531**  
**FAX (503) 797-1792**

September 28, 1993

John L. DuBay, Chief Assistant  
Multnomah County Counsel's Office  
1120 S.W. Fifth Avenue, Rm. 1530  
Portland, OR 97207

Re: County/Metro Parks and Expo MOU  
Our File: 7.1.G

Enclosed please find revised versions of the indemnification language that we discussed. I believe that this incorporates your requested changes. Let me know if there is a problem.

Sincerely,

Mark B. Williams,  
Senior Assistant Counsel

gl  
1600

Enclosure

cc: Dick Engstrom  
Don Carlson  
Casey Short ✓

K. Excise Tax

METRO shall have the sole responsibility and authority to exact an excise tax on all programs and activities comprising, or taking place at, the COUNTY FACILITIES, except that METRO shall not increase or impose such an excise tax prior to July 1, 1994, without the joint agreement of the COUNTY and METRO. Any excise tax receipts shall not be restricted to the benefit of the COUNTY FACILITIES, but shall be used for any public purpose deemed appropriate by METRO.

L. Indemnification

1. COUNTY, to the maximum extent permitted by law and subject to and within the limits of the Oregon Tort Claims Act, ORS 30.260 to 30.300, shall defend, indemnify and save harmless METRO, the Metropolitan Exposition-Recreation Commission, and their officers, employees, and agents from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place prior to September 1, 1993, ~~January 1, 1994, arising from the operations of the County Facilities or based on any latent, negligent, or dangerous condition which arose or existed in connection with the physical condition or operation of the COUNTY FACILITIES prior to January 1, 1994.~~

2. METRO, to the maximum extent permitted by law, subject to and within the limits of the Oregon Tort Claims Act, ORS 30.260 to 30.300, shall defend, indemnify and save harmless COUNTY, and its officers, employees, and agents from and

against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place ~~on or after September 1, 1993, January 1, 1994,~~ arising from the operations of the COUNTY FACILITIES ~~by METRO or Metro ERC,~~ or claims made after transfer of legal title to METRO ~~or based on any latent, negligent, or dangerous condition which arises after January 1, 1994, in connection with the physical condition or operation of the~~ COUNTY FACILITIES. Provided, however, that ~~during PHASE I of this Agreement,~~ METRO'S duties of indemnification and defense shall be limited to the ~~total amount of funds contained within the Metro Regional Parks/Expo Fund~~ transferred by COUNTY to METRO ~~as provided in subsection I(F)(1).~~

3. The foregoing indemnification, defense, and hold harmless provisions are for the sole and exclusive benefit and protection of METRO, Metropolitan Exposition-Recreation Commission, and COUNTY, and their respective officers, employees, and agents, and are not intended, nor shall they be construed, to confer any rights on or liabilities to any person or person other than METRO, COUNTY, and their respective officers, employees, and agents.

M. County Ordinances/Services

1. All COUNTY resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES in force and effect on September 1, 1993, shall remain in force and effect with regard to the COUNTY





# CLACKAMAS COUNTY

Board of Commissioners

August 31, 1993

SUBJECT: RECOMMENDATIONS REGARDING MULTNOMAH COUNTY  
PARKS TRANSFER

DARLENE HOOLEY  
CHAIR

ED LINDQUIST  
COMMISSIONER

JUDIE HAMMERSTAD  
COMMISSIONER

MICHAEL F. SWANSON  
COUNTY ADMINISTRATOR

TO ALL METRO INTERGOVERNMENTAL AFFAIRS COMMITTEE MEMBERS:

We would like to recommend that consideration of the transfer of Multnomah County Parks to Metro be postponed until there has been an opportunity to review the answers to the attached questions which have been submitted regarding the transfer.

As a regional government, deriving its support from throughout the region, we feel that it is inappropriate for Metro to be engaged in assuming local government service functions that are not regional in nature. This is a fundamental issue as local governments which rely on property taxes may be tempted to transfer any number of their local service obligations with the assumption that adequate funding may follow the service in the short run. However, a long term funding strategy may become a regional responsibility.

We, therefore, recommend that the Metro Council undertake a process to identify matters of metropolitan concern.

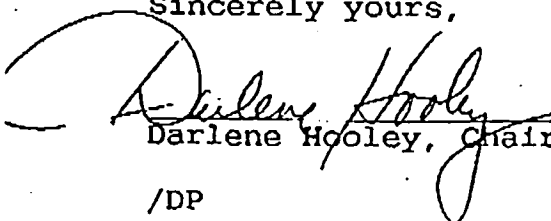
The city of Portland needs to be given the time and opportunity to acquire those facilities within its boundaries, since they are local service providers and have personnel and equipment to operate those sites.

Since this transfer includes the funding from Multnomah County through their dedicated recreational fund, it appears that these facilities are not in jeopardy and that further study of this transfer is justified and warranted.

We strongly urge Metro to pursue functions in planning and policy development over matters of metropolitan concern and to withstand the temptation of taking over local services that will divert you from your regional mission.

We appreciate the opportunity to share the information provided to MPAC members at their August 25th meeting. Thank you for your consideration of our suggestions.

Sincerely yours,

  
Darlene Hooley, Chair

  
Ed Lindquist

  
Judie Hammerstad

/DP



# CLACKAMAS COUNTY

Board of Commissioners

August 20, 1993

Metropolitan Policy Advisory Committee and Staff  
Metro  
600 NE Grand Avenue  
Portland, OR 97232-2736

DARLENE HOOLEY  
CHAIR

ED LINDQUIST  
COMMISSIONER

JUDIE HAMMERSTAD  
COMMISSIONER

MICHAEL F SWANSON  
COUNTY ADMINISTRATOR

ATT: MERRIE WAYLETT

SUBJECT: PROPOSED MULTNOMAH COUNTY PARKS TRANSFER

TO ALL COMMITTEE MEMBERS AND STAFF:

On behalf of Clackamas County, I am submitting the following issues and questions regarding the proposed Multnomah County Parks transfer to Metro.

There are policy issues for Council consideration that are addressed in Metro documents - Metro Charter, RUGGOs, and the Greenspaces Master Plan:

First, Chapter 2 of the Metro Charter states that the Council shall specify by ordinance the extent to which Metro exercises jurisdiction over matters of metropolitan concern. In addition, prior to any future transfer of properties, Metro should prepare findings of fact determining that these facilities are "of metropolitan concern".

Secondly, the RUGGOs also identify areas of "metropolitan significance". We are, however, unaware of what criteria addressing metropolitan concerns with regional significance, if any, has been developed and applied to the transfer of the Multnomah County parks, especially the neighborhood parks, Glendoveer Golf Course, and the cemeteries. Objective 13 on Natural Areas, Parks, and Wildlife Habitat addresses open space, corridor systems, wildlife inventory, and land bank. The RUGGOs do not address any developed parks, golf courses, or cemeteries.

Thirdly, how does the assumption of Multnomah County Parks fit in with the Greenspaces Master Plan?

We strongly urge Metro to pursue functions in planning and policy development over matters of metropolitan concern and to withstand the temptation of taking over local services that will divert them from their regional mission.

In addition, we would appreciate having the following information provided to the members of MPAC for their consideration regarding this transfer:

1) Exhibit 1 which was to accompany the Memorandum of Understanding and includes the inventory of the sites under consideration. Please provide us with the income and annual budget impact on each item in the inventory. We would appreciate it if you would include the current and projected figures as well as the allocated costs and rent.

2) The Expo Master Plan.

In addition, we have the following questions:

3) How does Metro plan to provide for capital improvement needs at these facilities?

4) How would the financial agreement between Multnomah County and Metro be altered if Glendoveer Golf Course and the neighborhood parks are transferred to the City of Portland?

5) What are the sewer assessments and property taxes to be paid on behalf of Glendoveer?

6) Since Parks Administration and Cemeteries are combined in the Multnomah County Parks budget, it is impossible to assign a budget figure to each activity. What are these figures?

7) Since the cemeteries are apparently active and are still marketed and operated for current burials, is it possible to privatize this operation? This suggestion is made noting how profitable the cemetery business appears to be in the private sector.

8) How does Metro justify providing local services such as the marketing of burial grounds and the conducting of recreational programs as described in the Multnomah County Parks Services mission statement?

9) According to the Multnomah County budget there are a total of 31 FTE in Parks and Expo. However, the Metro budget lists 51 FTE. Please clarify the discrepancy.

10) According to the 5 year budget projections from Metro (3/5/93), the beginning fund balance is zero from 1992-1997. However, the beginning fund balance as of August 11th was projected as \$450,000 in '93-'94 and amounts between \$128,000 and \$207,000 per year are listed through 1997. Please break down the figures and sources of this fund balance. The Multnomah County budget lists (and projects) beginning fund balances at zero.

Page 3. Clackamas County re Parks Transfer

11) If a Greenspaces bond measure is not passed by the voters, how does Metro justify the acquisition of a Parks program?

Finally, I would like also to have the answers to Councilor George Van Bergen's memo to Councilor Mike Gates (3/30/93), particularly the items I have circled.

I appreciate your willingness to research and respond to our questions. If anything is unclear, please do not hesitate to contact me.

Sincerely yours,



Judie Hammerstad, Commissioner  
Clackamas County



# METRO

2000 SW First Ave.  
Portland, OR 97201-5398  
(503) 221-1646

# Memorandum

DATE: March 30, 1993

TO: Councilor Mike Gates, Chair, Governmental Affairs Committee  
Casey Short, Council Analyst

FROM: Councilor George Van Bergen

RE: INVESTIGATION OF MULTNOMAH COUNTY PROPERTY TRANSFER

I am concerned about the progress of the investigation of possible transfer of Multnomah County parks and other properties to Metro. I request information on the following:

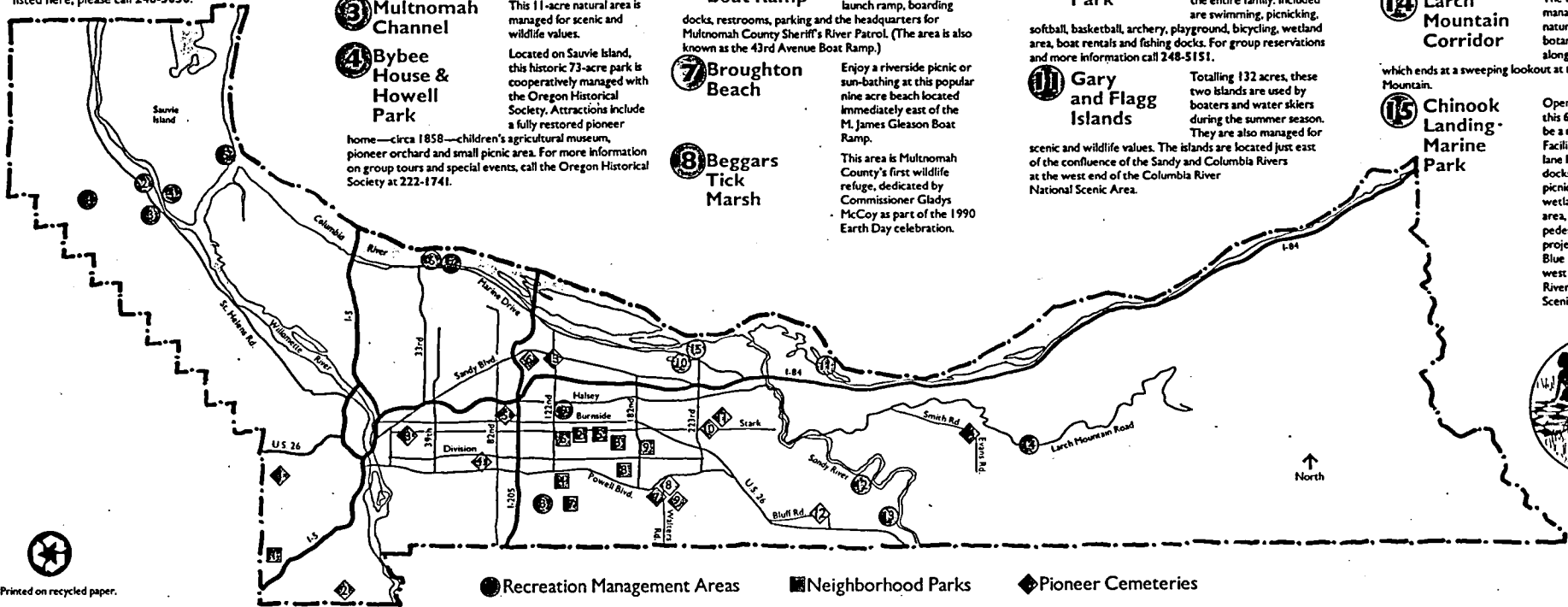
1. Copy of the written request of Multnomah County.
2. Copy of writings of the Council and the Governmental Affairs Committee directing investigation of the transfer.
3. Inventory of specific items by name, location, and other pertinent information.
4. Income and annual budget impact of each item.
5. Obligations to Multnomah County employees in any transfer.
6. Contractual obligations involved with each item, i.e., entrepreneurial golf course, restaurant, etc.
7. Review of Oregon cemetery law concerning pioneer cemeteries and opinion on whether we have authority to manage such cemeteries?
8. Draft of any existing Memorandums of Understanding.
9. What review has been made of this proposal with our patrons at the county and city level within the Metropolitan Service District?
10. A memo from Mr. Short as specific analyst, to this function or to this investigation, as to his review of the budget impact on Metro.
11. A list of personal property to be transferred, a survey of the condition of the property, and where it will be housed in the future.
12. If income properties are transferred, has MERC agreed to supervise and manage without new capitalization?

c: Presiding Officer Judy Wyers  
Don Carlson, Council Administrator

L:\GVB\MEM93.330

# Visit...

explore, enjoy, relax and play in one of the many recreation management areas operated by your Multnomah County Parks Services Division. Regional parks, boat ramps, marine facilities and natural areas offer diverse recreation opportunities for you and your family. For more information on any of the areas listed here, please call 248-5050.



## 1 Mason Hill

This quiet one acre park sits south of Skyline Blvd. at the intersection of Johnson and Munson Roads. On the site of the historic Mason Hill School, the park offers a rustic picnic shelter in a pastoral setting.

## 2 Sauvie Island Boat Ramp

Enjoy this popular boat launch site for spring chinook angling or as a rest stop during a bicycle tour of the Island. Located at the junction of the Burlington Ferry Road and the Multnomah Channel. Facilities include picnic tables, a one lane launch ramp with boarding docks, toilets and parking.

## 3 Multnomah Channel

This 11-acre natural area is managed for scenic and wildlife values.

## 4 Bybee House & Howell Park

Located on Sauvie Island, this historic 73-acre park is cooperatively managed with the Oregon Historical Society. Attractions include a fully restored pioneer home—circa 1858—children's agricultural museum, pioneer orchard and small picnic area. For more information on group tours and special events, call the Oregon Historical Society at 222-1741.

# R

## ecreation Management Areas

## 5 Bell View Point

Near the southeastern tip of Sauvie Island this ten acre natural area is accessible only by boat.

## 6 M. James Gleason Memorial Boat Ramp

Launch your boat into the Columbia River from this popular six-acre site at 43rd Avenue and Marine Drive. Facilities include a four lane launch ramp, boarding docks, restrooms, parking and the headquarters for Multnomah County Sheriff's River Patrol. (The area is also known as the 43rd Avenue Boat Ramp.)

## 7 Broughton Beach

Enjoy a riverside picnic or sun-bathing at this popular nine acre beach located immediately east of the M. James Gleason Boat Ramp.

## 8 Beggars Tick Marsh

This area is Multnomah County's first wildlife refuge, dedicated by Commissioner Gladys McCoy as part of the 1990 Earth Day celebration.

## 9 Glendoveer Golf Course and Fitness Trail

These two eighteen-hole public golf courses offer scenic and challenging play for golfers of all skill levels. Walkers and joggers will enjoy the two mile chip-based fitness trail.

## 10 Blue Lake Park

This 185-acre regional park offers a diverse selection of recreational activities for the entire family. Included are swimming, picnicking, softball, basketball, archery, playground, bicycling, wetland area, boat rentals and fishing docks. For group reservations and more information call 248-5151.

## 11 Gary and Flagg Islands

Totalling 132 acres, these two islands are used by boaters and water skiers during the summer season. They are also managed for scenic and wildlife values. The islands are located just east of the confluence of the Sandy and Columbia Rivers at the west end of the Columbia River National Scenic Area.

## 12 Oxbow Park

This 1000-acre regional park is situated in the scenic Sandy River Gorge. Recreational opportunities include camping, fishing, picnicking, hiking, naturalist programs, wildlife viewing and rafting. Call 248-5151 for group picnic reservations. The Sandy River is included in the National Wild and Scenic River Program and the State Scenic Waterway System.

## 13 Indian John Island

A 64-acre natural area between Oxbow and Dodge Parks in the Sandy River Gorge. It is managed for scenic, wildlife and botanical values.

## 14 Larch Mountain Corridor

The Park Services Division manages this 185-acre natural area for scenic, botanical and wildlife values along 4 miles of roadway which ends at a sweeping lookout at the top of Larch Mountain.

## 15 Chinook Landing Marine Park

Opening in the fall of 1991, this 67-acre marine park will be a major boating facility. Facilities will include a six lane launch ramp, boarding docks, River Patrol Office, picnic and viewing area, wetland and wildlife habitat area, restrooms, and bicycle pedestrian paths. The project site is adjacent to Blue Lake Park and at the west end of the Columbia River Gorge National Scenic Area.



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● Recreation Management Areas

■ Neighborhood Parks

◆ Pioneer Cemeteries

# N

## neighborhood Parks

A secondary function of the Parks Services Division is the minimal maintenance of nine neighborhood parks. Each of these areas will eventually be transferred to the municipal jurisdictions of Portland or Gresham. During the late 1970s, Multnomah County owned and operated 38 neighborhood parks. Since the early 1980s the Parks Services Division has been transitioning out of this service and refocusing on regionally significant parks, marine facilities and natural areas.



1	Dickenson	S.W. 55 & Alfred Ct.	6.7 acres
2	North Powellhurst	S.E. 137 & Main St.	5.2 acres
3	Lynchview	S.E. 165 & Market St.	7.6 acres
4	Gilbert Heights	S.E. 130 & Boise St.	3.9 acres
5	Parklane	S.E. 155 & Main St.	5 acres
6	Lincoln	S.E. 135 & Mill St.	6.9 acres
7	Gilbert Primary	S.E. 134 & Foster Rd.	4.5 acres
8	East Lynchwood	S.E. 174 & Haig St.	8.5 acres
9	Vance*	S.E. 182 & Mill St.	20 acres

\*Cooperatively managed with the City of Gresham.  
For information call 669-2531 or 669-2408

# P

## ioneer Cemeteries

The Parks Services Division operates and maintains fourteen Pioneer Cemeteries throughout Multnomah County.

1	Jones	Estb. 1854	S.W. Hewitt Blvd. 2.5 acres	8	Escobar	Estb. 1914	S.W. Walters Road .5 acre
2	Grand Army of the Republic	Estb. 1889	9002 S.W. Boones Ferry Road 1 acre	9	Gresham Pioneer	Estb. 1851	S.W. Walters Road 2 acres
3	Lone Fir	Estb. 1855	S.E. 26th & Morrison .8 acre	10	Mt. View Stark	Estb. 1886	S.E. 257th & Stark .8 acre
4	Multnomah Park	Estb. 1888	S.E. 82nd & Holgate Blvd. 9.3 acres	11	Douglass	Estb. 1866	S.E. 262nd & Hensley Rd. 9.1 acres
5	Brainard	Estb. 1867	N.E. 90th & Glisan 1.1 acre	12	Pleasant Home	Estb. 1850s	Bluff Rd. & Pleasant Home Rd. 2 acres
6	Columbia Pioneer	Estb. 1877	N.E. 99th & Sandy Blvd. 2.4 acres	13	Powell Grove	Estb. 1848	N.E. 122nd & Sandy Blvd. 1 acre
7	White Birch	Estb. 1888	S.W. Walters Road .5 acre	14	Mt. View Corbett	Estb. 1880	Smith & Evans Road 2 acres

The Oregon State Legislature gave Multnomah County the responsibility to maintain these cemeteries.

Visit one of our cemeteries and discover your local cultural heritage. A brochure describing services and current prices is available upon request. For information call 248-3622 or 248-5000.



Multnomah County

# Parks

Services Division





MULTNOMAH COUNTY

1620 S.E. 190th  
Portland, Oregon 97233  
503-248-5050

**SUMMARY OF THE HISTORY OF THE  
MULTNOMAH COUNTY FAIR, FAIRGROUNDS, FAIRFUNDS & ASSETS**

This summary was compiled by the "Friends of the Multnomah County Fair" and is supported by a 25 page compendium with bold face editorial comments. This compendium is in turn supported by a collection of newspaper articles, board orders various letters, etc.. All items are dated for chronological reference and copies of the original documents are in a binder.

Copies of the compendium are available and the document binder is available on loan. Contact The Friends of the Multnomah County Fair, Mary Trupp, Secretary, 503-621-3969, 16430 Powell Blvd. Portland, OR 97236.

Fairs in general have a history that goes back thousands of years. It can be only imagined how they started, but what is known is that they have always been celebrations of their community.

In the Western United States, this manifested itself in the late spring and early summer meetings of the fur trappers, hunters, explorers and native Americans. Contests, trading and celebration were the format and the functions.

The purpose of fairs in the 1860's was described by the Oregon Agriculture Society on April 10, 1865 as "...To examine and study the improvements over the previous year; new gains for the increase of commerce; fruit and garden products for the table and luxury; floral introductions to beautify our homes; stock to increase the value of our herds; arts to decorate our dwellings, cultivate the eye for the beautiful, and introduce numberless articles of utility; machinery to lessen the toils of farming and household..." This could have been said 1,000 years ago and it still applies today but often combined with themes that fit a more urban need.

In fairs centered around areas of higher population density such as cities, the commerce side played a larger role, although agriculture has always been there. Fairs in the Twentieth Century, have established formats that included racing, games, excellence in craft, food, homemaking skills and so on. All of our "blue ribbon" and "first place" "gold medal" references used by manufacturers emanated from fairs. All of the best is represented at fairs.

The Multnomah County Fair had its beginnings as a grange fair in the late 1880s. The Grange ran the fair until 1912 when the name was changed to the Multnomah County Fair and the County Fair



Association was formed. In 1929, after the fair had financial problems it was assisted by the county, although the fair association continued to run the fair. Stock certificates were actually sold to county residents to support the fair, although they received no actual ownership.

In the 1950s, the fair association and the county government clashed over how the funds were managed. There was court action and then both parties got together to form an interim group to run the fair.

Purportedly in 1960 the county took over management of the fair. In fairs throughout the West, the counties typically own the county fairground, although the management of the fair, in all cases except Multnomah County, is by a fair board that reports to county government. Fair managers usually report to the county fair boards.

In Oregon in the early part of the Twentieth Century state statutes began to formulate to tell county governments how to administer these fairs. When they did this they took into consideration previous relationships that agricultural societies had with fairs in their communities. In 1911, the Oregon state legislature authorized each county to appropriate \$2,000 a year for an agricultural fair. At that time the act gave full control of fair management to the county governing body. That management authority changed in 1913 when the legislature directed the county fair boards to manage the fairs and fair property. However, according to ORS Chapter 565, all fairs must have a fair board, with the exception of Multnomah County, which was able to insert into the state language in 1961 that counties over 400,000 in population could use the Board of County Commissioners in lieu of a fair board.

The State statutes also require all counties with less than 400,000 population to have fair funds. Although this language seems to exclude Multnomah County from being required to have a fair fund, the language is ambiguous and other parts of State statute seem to require that it does have a fair fund. In addition, other parts of the State statute give fairs and fair boards special powers and restricts the use of the monies raised by fairs.

In the early 1950s the Commissioners in Multnomah County and in counties throughout the United States began to see the rise in trade shows or "interim events," events happening at times other than the actual fair. These events typically happened at fairs because of their large amount of exhibit space undercover, kitchens, restrooms, and other facilities that are necessary for trade show-like events.

Multnomah County commissioned a number of reports and investigations into the trade show business culminating in a

report that cost \$45,000 and was completed February 26, 1965. This report lays out in pictures and text, the "Multnomah County Fair and Exposition." This would be in conjunction with the Portland Meadows racetrack (the fair had always had its own racetrack). The study also dealt in depth with the subject of the Pacific International Livestock building and considered incorporating that in the exposition center. There were difficulties because of the size of the PI show, a massive show of livestock of over 3,000 head.

Ironically, the Pacific International Livestock Exposition was in such financial trouble then that it appealed to the State Legislature for assistance. The State Legislature in mid 1965 gave the PI \$250,000 which it had to pay back over ten years. They required the PI to turn its facilities over to Multnomah County and pay rent to Multnomah County for the use of the facilities. They were given a ten-year contract. Multnomah County then was responsible for the maintenance of the facility.

At this point the commissioners who were pushing for a fair and exposition complex decided that it did not make economic sense to own both the PI and an exposition site. Consequently, they made the decision to move the fair to the PI buildings. The move actually did not take place until the first fair and expo in 1970.

The fair staff, funds and assets were co-mingled starting in 1965. All of the fair assets, including a \$900,000 fair fund and \$400,000 from the sale of the fair property, what buildings could be moved and all accouterments, staff and equipment were moved from the Gresham County Fairgrounds to the new Multnomah County Fair and Exposition.

Early on the commissioners were still very excited about pursuing their plan. In these days of early interest, the commissioners were involved in actively developing the facility. As time went on, however, and commissioners changed, the management of the facility changed. The old fair director was no longer in place and the new fair director reported to a department head who reported to the county commission. For various reasons public support in the form of a fair association had fallen away. The fair now became something that the county did once a year. It continued as a 12-day event, then 10-day, 6-day, and eventually a 5-day event.

The fair had always been profitable when its racing revenues were added in. The racing revenues are from two sources, one from the State Fairs Commission which until recently has been about \$56,000, and another through the Racing Commission which allows all county fairs to run ten days of non-profit racing at any racetrack within their county. This has in recent years been about \$175,000 or \$225,000 total of the two. Recently, because of the negative effects of video poker and Measure 5, the contributions from these two sources will total somewhere between

\$35,000 and \$70,000. The fair industry across the United States has seen this coming and has done many things to replace or protect these racing revenues.

The Multnomah County Fair has also had a series of setbacks based on not maintaining a fair like atmosphere. Starting in the mid-seventies, the rodeo arena and livestock barns were eliminated. Although new buildings were erected, the floor surfaces are extremely slippery cement. consequently, all livestock shows, with the exception of the fair, have left the facility. Livestock are at the county fair but no less than 20 animals each fair fall on these surfaces, some are injured. The 4H horse show will no longer perform at expo because of the dangers to horses and rider.

No fair-like buildings have been built. All the fair's profits and assets were put into the County General Fund which in turn has invested about \$2,000,000 in the maintenance and additions to the Expo facility over the years. Not much considering that this facility grosses about \$1,800,000, nets between \$600,000 and \$800,000 per year. The managers have been required to be primarily exposition managers, and the fair has taken second place.

In early 1994, because of the loss of racing revenues, there was talk of no longer having a Multnomah County Fair because funds were not available. This talk immediately brought fair supporters out of the woodwork. People who were not involved in the stewardship or success or perpetuation of the fair. There was no role for people outside of county government in the fair. All staff was hired. Although the fair budget was slashed by over \$200,000, this citizen involvement helped the fair show a profit in 1993.

These people that came forward were recognized by the County Commissioners as the people that would be more likely than others to perpetuate the fair if it was to have any future at all. They were asked to propose a plan for the 1993 fair and make a recommendation on the future of the Multnomah County Fair and a potential fair board.

The greatest problem facing the task force was one of how to recommend financing the fair. Immediately a number of interested parties stated that there had been agreements between the county and the grange and other documents that indicated that the Exposition Center was really as it was originally called, the Multnomah County Fair and Exposition Center, i.e., a fairgrounds, and that the profits of the fairgrounds should be available to the fair. However, the county also has a 1985 state attorney general opinion that Expo is not a fairgrounds.

Officials of county government indicated that the facility most likely was going to be turned over to Metro along with a golf

course and county parks. The Expo profits would support the total package. Metro most likely would like this package and the county commissioners would probably like to be out of the parks and exposition business and into the health and social services business.

This, of course, alarmed the supporters of the fair because they saw this as the one tangible asset that the fair has for its survival.

These individuals point to the various facts in the compendium of information that show

1. The fair was "consolidated and merged" with the Expo facility
2. That land was condemned specifically "for county fair purposes"
3. That \$1,300,000 of initial assets and all fair profits have gone to the county's general fund which in turn has reinvested in Expo.

The facility became an exposition facility in 1980, according to a later county audit. In about 1983 or 1984, the profits from the exposition side started to outreach the profits of the county fair. Up until that time, however, the facility would not have been viable without the fair and its cash flow assets and profits. In essence, it appears that beyond the assets and profits of the county fair there are very few (if any) other funds that have gone into the Exposition Center for its acquisition or improvements. Indeed, it does not appear that the county paid any monies for the acquisition of the facility.

In a business merger, when it comes time to separate the assets, a great deal of consideration is given to the assets that the each entity separately brought to the venture. Another analogy is that of a young married couple, one of whom goes off to college and must be supported by the other for years while it gets its education and gets established in business. Then the established and educated party decides that it no longer wants to be part of the union. They find to their surprise that the party who supported them expects a reasonable return on their investment in the educated and established partner.

Written testimony of Bonnie L. Hays

Sept. 15, 1993

Re: Resolution 93-1849

I apologize for not being available to speak to the committee; I had to return to Beaverton to chair tonight's FOCUS (Forum on Cooperative Urban Services) meeting. [Yes, we are still working on the scheduling conflict with this meeting.]

My concerns about your proposed action, passing out of committee with recommendation for Council adoption, lie primarily in the scope of timing. Members of MPAC have expressed interest in this issue, both as a singular issue and as an issue of precedence. Additional information has been requested, and it was perceived that MPAC would have time to digest the information and then respond in your forum. If that is not possible, I would ask that you pass this item forward without recommendation.

As an issue of precedence, it is my understanding that the full Metro Council will

be reviewing and acting upon definition and criteria for "regional concern/significance." It would appear to me that this activity should precede any action on the MOLL, as certain elements may be more appropriately viewed in this context as opposed to being the subject of an IGA. Most specifically, the potential financial consequences of this action may be of regional concern.

I again apologize for my absence and for not being able to elaborate on my request nor to stand for questions.

Bonnie L. Hays

Request:

- 1) Continue this item until after October Council action on criteria for regional concern/significance.
- 2) If not, then pass this forward without recommendation, noting request for MPAC input.

**MULTNOMAH COUNTY PARKS/EXPO TRANSFER**  
**Outstanding Issues**

Overriding question: Do any of these issues warrant inclusion in the MOU?

1. Expo facility not to standard, funds not available to meet needs. Neil Saling has identified \$431,000 in immediate needs at Expo to meet life/safety, ADA and other standards. Only \$168,000 is budgeted in FY 1993-94.

Options:

- a. Require the County to provide funds or complete this work prior to transfer.
- b. Do what we can with available funds and structure MOU to put liability for any impact on the County.

2. The MOU calls for Metro to implement the County's Expo Master Plan subject to funding availability. There is no provision for MERC or Metro to amend the plan.

Options:

- a. Leave as is and ask County to amend the plan if needed.
- b. Get agreement that MERC/Metro may amend the plan.

3. Expo has underground storage tanks and a rumored dump site. MERC/Metro could incur major costs in clean-up for these potential pollution liabilities.

Options:

- a. Conduct a Level I pollution assessment to establish exposure and a benchmark for future liability. Could be at County's expense or shared.
- b. Establish that the County is responsible for any prior liability incurred and will cover clean-up, mitigation and any legal costs.

4. The financial analysis requires either the imposition of excise tax or steep fee increases to make the operations break even.

Does this meet the Council's resolution requirement that the transfer be revenue neutral?

**Options:**

- a. Assume the excise tax is applied or fees increased.
- b. Count on the Tax Study Committee to find a new source and/or assume development of new Expo enterprise activities.
- c. Assume a shortfall and plan to cover with excise tax or General Fund.
- d. Reject the transfer as economically unfeasible.



MEMORANDUM OF UNDERSTANDING

DRAFT

Memorandum of Understanding  
Regarding Consolidation of Regional Parks,  
Natural Areas, Golf Courses, Cemeteries,  
and Trade/Spectator Facilities

OGC # 7.5/G.30

Presently Owned and Operated by Multnomah County and Metro.

The purpose of this Memorandum of Understanding is to provide for a two-phase consolidation of operation, management, and ownership of all park facilities, natural areas, and trade/spectator facilities presently owned and operated by Multnomah County, including but not limited to Glendoveer Golf Course, Pioneer Cemeteries, and the Portland Exposition Center (EXPO), into the mix of natural spaces and trade/spectator facilities currently owned or operated by Metro. The first phase of consolidation is expected to be of limited duration pending full consolidation, including transfer of ownership of the County facilities to Metro. It is understood between County and Metro that the second phase of consolidation, including transfer of ownership, is of critical importance, and that phase one consolidation of operation and management is merely intended to promote a smooth and harmonious transfer of the County facilities to Metro.

This Memorandum of Understanding sets forth the principles on which a two-phased consolidation agreement will be forwarded to the governing bodies of Multnomah County and Metro. The intent of this Agreement to express the understanding of the terms and conditions that will be formalized as soon as possible and presented to the Metro Council and

the County Commission for ratification. By ratifying this Memorandum of Understanding the Metro Council and Executive Officer and the Multnomah County Commission express their intent to approve a consolidation agreement. It is expressly agreed, however, that this Memorandum of Understanding does not constitute a binding intergovernmental agreement in and of itself, but is intended to form the basis for an eventual intergovernmental agreement between Metro and the County. This agreement is not intended to benefit any individual, employee, group of employees, corporation, or other legal entity other than METRO and COUNTY. This agreement shall not be deemed to vest any rights in, nor shall it be deemed to be enforceable by, any third party in any proceeding whatsoever.

#### I. PHASE I CONSOLIDATION

##### A. Transfer of Operation and Management

On or before September 1, 1993, COUNTY shall transfer all operational and management rights and responsibilities for the following programs, activities, properties and/or facilities currently budgeted in the Multnomah County Recreation Fund, along with all funds and revenues related to these programs, to METRO:

1. All park facilities and natural areas currently owned or operated by COUNTY, with the exception of Vance Park;
2. Glendoveer Golf Course;
3. Pioneer Cemeteries, and;
4. EXPO.

5. Any new acquisitions of natural areas by COUNTY, to be transferred to METRO under this Agreement, shall be made with the joint concurrence of the COUNTY and METRO.

A complete list of all properties contemplated for transfer is attached and incorporated herein as Exhibit 1.

These programs, activities, and facilities shall henceforth be referred to in this agreement as the COUNTY FACILITIES, but, said facilities will be identified exclusively as Metro Facilities to the public and to users of those facilities, effective September 1, 1993. METRO shall have full power and authority to organize, manage, and operate the COUNTY FACILITIES as METRO deems appropriate.

B. Maintenance of Effort

METRO agrees to exert its best efforts to operate and maintain the Expo Center, cemeteries, parks, recreation facilities, natural areas, established cultural and educational programs, natural and cultural resources, and all related appurtenances being transferred as part of this agreement in a manner which assures sustainable and continuous public use, safety and enjoyment at a level at least equal to that maintained by the COUNTY prior to the transfer. Provided, however, that METRO may suspend swimming or other water-related activities in Blue Lake Park whenever METRO determines that such a suspension would be prudent for health or safety reasons.

C. Real and Personal Property

1. Effective September 1, 1993, COUNTY shall transfer to METRO the right to beneficial use of all real and personal property comprising the COUNTY

FACILITIES, including any personal property associated with the management or operation of the COUNTY FACILITIES. COUNTY shall not take any action with regard to the real property comprising the COUNTY FACILITIES that would interfere with management and operation of the COUNTY FACILITIES by METRO.

2. During PHASE I of this agreement, COUNTY shall provide Multnomah County Fleet and Electronics service to provide maintenance and upkeep on all equipment associated with the COUNTY FACILITIES. COUNTY shall provide a standard of maintenance and upkeep at least equal to the standard previously kept by COUNTY for said equipment. COUNTY shall bill METRO for the cost of such services, in the same manner and at the same rate as charged to other County areas for comparable services. At METRO'S option, such services and billing shall continue during PHASE II consolidation.

D. Contracts and Licenses

1. Effective September 1, 1993, COUNTY shall assign to METRO all contracts, permits, rental agreements, and licenses to which COUNTY is a party and which are assignable without the consent of other parties. After September 1, 1993, these contracts, permits, rental agreements, and licenses shall be subject to management and control by METRO.

2. Effective September 1, 1993, COUNTY shall assign to METRO all contracts, permits, rental agreements, and licenses to which COUNTY is a party, the assignment to be effective September 1, 1993, or upon obtaining the consent of the other parties thereto, whichever occurs later. Upon assignment, these contracts, permits, rental agreements, and licenses shall be subject to the management and control of METRO.

E. Multnomah County Recreation Fund

All funds less current obligations contained within the Multnomah County Recreation Funds generated by, or attributed to the COUNTY FACILITIES shall be transferred to METRO. COUNTY represents, and warrants, that all funds currently contained within the Multnomah County Recreation Fund are properly contained within that fund in full compliance with all applicable laws and regulations. By way of example and not as a limitation, transfer of funds under this agreement shall include the current balances of special trust funds held by the Parks Division, including the Blue Lake Outdoor Performing Arts Stage fund, the Oxbow Park Nature Center fund, the Willamina Farmer Trust Fund, and the Tibbetts Flower fund, provided, however, that those funds shall be used exclusively for their dedicated purposes, and in accordance with the terms of any applicable trust documents. The Natural Areas Acquisition and Protection fund shall remain the sole responsibility of Multnomah County.

F. Metro Regional Parks/Expo Fund

1. METRO shall establish a new recreation fund as part of the Metro budget, known as the Metro Regional Parks/Expo Fund. All funds formerly in the Multnomah County Recreation Fund shall be transferred to the Metro Regional Parks/Expo Fund. All revenues generated by the COUNTY FACILITIES shall be placed within the Metro Regional Parks/Expo Fund, and shall be spent only on the operation, management, marketing, maintenance, and improvement of the COUNTY FACILITIES, including any overhead or central services charges which METRO attributes to the COUNTY FACILITIES for provision of services by METRO.

2. In no event shall METRO be required to fund and/or subsidize the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund with funds from any other METRO program, activity, or fund, provided, however, that METRO may, in its sole discretion, transfer METRO funds to the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund, whenever it determines that it is in the regional interest to do so. In the event that METRO does transfer METRO funds to the COUNTY FACILITIES on the Metro Regional Parks/Expo Fund, METRO may transfer such funds back to METRO whenever and in such a manner as it sees fit. METRO may charge a reasonable rate of interest for METRO funds transferred to the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund. METRO may transfer funds from one COUNTY facility to another as it sees fit.

G. EXPO/Multnomah County Fair

1. EXPO shall be managed and operated by METRO by and through its Metropolitan Exposition-Recreation Commission, subject to whatever changes the Metro Council may from time to time make in the management, operation, or existence of its Metropolitan Exposition-Recreation Commission.

2. METRO shall implement the EXPO master plan, dependent upon METRO's determination of the availability of resources to implement the plan.

3. Multnomah County represents and warrants to METRO that its current arrangements with the Multnomah County Fair Board, which require the Fair to pay a fee for the use of EXPO, are lawful, proper, and in full compliance with the provisions of any agreements, deeds, duties, or contracts, express or implied, which exist between Multnomah County and the Multnomah County Fair Board. The provisions of Section L(1) shall include

any claims made by the Multnomah County Fair Board. The Multnomah County Fair shall continue to be the sole and exclusive responsibility of COUNTY. METRO shall continue to make EXPO space and expertise available for the Multnomah County Fair, through a contract(s) with the Multnomah County Fair Board. COUNTY may specify the dates for the fair.

4. Both the COUNTY and METRO recognize the value of the County Fair to the community and are committed to the future success of the County Fair. Based on its historical relationship to the Expo Center, special considerations may be granted to the Multnomah County Fair, upon the joint concurrence of both the COUNTY and METRO. Continuation of such special considerations shall be jointly reviewed by the COUNTY and METRO within three years of the transfer of COUNTY FACILITIES.

H. Park Facilities, Cemeteries, Natural Areas, and Glendoveer Golf Course

All park facilities, natural areas, cemeteries, and golf courses transferred pursuant to this agreement shall be incorporated into a new Metropolitan Parks and Greenspaces Department, to be established, operated, and managed by METRO; provided, however, that these facilities may be combined for operations purposes with other programs, projects, or operations, as determined to be appropriate by METRO, provided that METRO shall notify COUNTY prior to any major realignments or reorganizations.

I. Personnel

All staff presently budgeted in the County Recreation Fund shall be transferred to METRO pursuant to ORS 236.610 et seq. METRO agrees that all COUNTY employees transferred to METRO by this agreement shall be held harmless from any layoffs or

reductions in force directly related to the City of Portland/METRO/OAC agreement. All COUNTY employees transferred to METRO by this agreement shall be permitted to transfer any accrued vacation time and any accrued sick time with them to METRO. COUNTY shall be responsible for any obligations which might exist with respect to accrued compensation time. COUNTY shall pay to METRO an amount determined to be the cash equivalent of the amount of vacation leave transferred by each employee. METRO shall provide space in its new Metro Regional Center for the Parks administrative staff transferred as part of this agreement. This agreement is not intended to benefit any individual, employee, group of employees, corporation, or other legal entity other than METRO and COUNTY. This agreement shall not be deemed to vest any rights in, nor shall it be deemed to be enforceable by, any third party in any proceeding whatsoever. It is the specific intention of the COUNTY and METRO that the rights of any employees transferred under this agreement shall be governed exclusively by ORS 236.610 to 236.650 and adjudicated via the procedures provided by those statutes and no other.

J. User Fees

METRO shall have the sole responsibility and authority to set user fees for any or all of the COUNTY FACILITIES except that METRO shall not increase user fees for COUNTY FACILITIES prior to July 1, 1994, without the joint agreement of the COUNTY and METRO.

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K. Excise Tax

METRO shall have the sole responsibility and authority to exact an excise tax on all programs and activities comprising, or taking place at, the COUNTY FACILITIES, except that METRO shall not increase or impose such an excise tax prior to July 1, 1994, without the joint agreement of the COUNTY and METRO. Any excise tax receipts shall not be restricted to the benefit of the COUNTY FACILITIES, but shall be used for any public purpose deemed appropriate by METRO.

L. Indemnification

1. COUNTY, to the maximum extent permitted by law, shall indemnify METRO, Metropolitan Exposition-Recreation Commission, and their officers, employees, and agents against and defend and hold them harmless from any and all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place prior to September 1, 1993, or based on any latent, negligent, or dangerous condition which arose or existed in connection with the physical condition or operation of the COUNTY FACILITIES.

2. METRO, to the maximum extent permitted by law, shall indemnify COUNTY, and its officers, employees, and agents against and defend and hold them harmless from any and all liabilities, actions, damages, claims, demands, judgments, losses, costs, expenses, suits, and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys'

fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place after September 1, 1993, or based on any latent, negligent, or dangerous condition which arises after September 1, 1993, in connection with the physical condition or operation of the COUNTY FACILITIES. Provided, however, that METRO'S duties of indemnification and defense shall be limited to the total amount of funds contained within the Metro Regional Parks/Expo Fund.

3. The foregoing indemnification, defense, and hold harmless provisions are for the sole and exclusive benefit and protection of METRO, Metropolitan Exposition-Recreation Commission, and COUNTY, and their respective officers, employees, and agents, and are not intended, nor shall they be construed, to confer any rights on or liabilities to any person or person other than METRO, COUNTY, and their respective officers, employees, and agents.

M. County Ordinances/Services

1. All COUNTY ordinances, resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES in force and effect on September 1, 1993, shall remain in force and effect with regard to the COUNTY FACILITIES until superseded or repealed by any ordinance, resolution, executive order, procedure or rule duly adopted or promulgated by METRO, subject, however, to any restrictions contained in paragraphs J and K. In the case of EXPO, METRO may delegate its authority to supersede or repeal previous COUNTY directives to the Metropolitan Exposition-Recreation Commission.

2. METRO shall have full power and authority to enforce any COUNTY ordinances, resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES, to the full extent that COUNTY possesses such authority. In the case of EXPO, METRO may delegate its enforcement authority to the Metropolitan Exposition-Recreation Commission.

3. Notwithstanding any other provisions herein, COUNTY shall continue to provide any health-related or law enforcement services that it has previously provided to the COUNTY FACILITIES, including but not limited to the provision of inmate labor services, in at least the same manner and to the same extent that such services were provided prior to transfer. COUNTY may bill METRO for the cost of such services only to the extent that COUNTY bills other COUNTY programs for the cost of such services. In addition, the COUNTY shall continue to pay property assessments on COUNTY FACILITIES and shall continue its annual contribution to the Oregon Historical Society, for the operation of the Bybee-Howell House, until implementation of PHASE II (transfer of ownership). Provided, however, that METRO shall pay the impending sewer assessment and property taxes for Glendoveer Golf Course out of the County Recreation Funds transferred to METRO.

N. Transition Team

To ensure a smooth transition of services, a transition team will be established consisting of the Director of Environmental Services from Multnomah County, the Deputy Executive Officer of METRO, and the Manager of the Metro ERC facilities. This team will be responsible for information sharing among the agencies, resolution of minor contract

disputes, and coordination of services. This transition team will meet as needed until PHASE II of this Agreement.

O. Reporting Requirements.

METRO shall provide the Director of Environmental Services with a written report on activities within the COUNTY FACILITIES on a quarterly basis. This report shall include a financial status on the COUNTY programs, a summary of activity level at each facility, and a brief narrative of unusual or important issues or situations that have occurred during the reporting period. This report is due to the COUNTY no later than October 25, January 25, April 25 and July 25.

In addition, METRO shall advise the Director of Environmental Services in writing immediately in the event of fee changes, ordinance revisions, significant organizational changes within COUNTY programs, and/or major changes in policy which affect COUNTY FACILITIES or programs.

P. Termination.

The parties shall negotiate a mutually agreeable termination procedure in the intergovernmental agreement which the parties' intend to enter into, based on this Memorandum of Understanding.

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II. PHASE II CONSOLIDATION

Effective no later than July 1, 1996, COUNTY shall transfer full ownership of the above facilities to METRO provided that, at METRO'S option, transfer may be delayed pending acquisition by METRO of an appropriate regional funding base. Effective no later than July 1, 1996, the provisions of PHASE I CONSOLIDATION shall no longer apply, except for those provisions which by their specific terms go beyond PHASE I.

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BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING	)	RESOLUTION NO. 93-1849
A MEMORANDUM OF UNDERSTANDING	)	
BETWEEN MULTNOMAH COUNTY AND	)	Introduced by Rena Cusma,
METRO REGARDING THE TRANSFER OF	)	Executive Officer
REGIONAL PARKS, NATURAL AREAS,	)	
GOLF COURSES, CEMETERIES AND	)	
TRADE/SPECTATOR FACILITIES	)	

WHEREAS, Multnomah County and Metro agreed to develop a Memorandum of Understanding that would transfer County Park facilities, natural areas, and trade/spectator facilities to Metro; and

WHEREAS, Metro has the authority under the 1992 Metro Charter to operate public exhibition, cultural, recreational facilities, and a system of parks and open spaces of metropolitan concern; and

WHEREAS, The Memorandum of Understanding sets forth the principles on which a two-phase consolidation agreement will be forwarded to the governing bodies of Multnomah County; and

WHEREAS, It is understood that this Memorandum of Understanding does not constitute a binding intergovernmental agreement, but it intended as an expression of intent, and to form the basis for an eventual intergovernmental agreement between Multnomah County and Metro; and

WHEREAS, Adequate financial revenues are available from the Multnomah County Recreation fund to support the transferred programs; now, therefore,

BE IT RESOLVED,

That the Metro Council approves the attached Memorandum of Understanding,

and authorizes staff to draft an intergovernmental agreement for the purpose of implementing the principles set forth in the Memorandum of Understanding.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_, 1993.

Judy Wyers, Presiding Officer

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**MEMORANDUM OF UNDERSTANDING**Memorandum of UnderstandingRegarding Transfer of Regional Parks,Natural Areas, Golf Courses, Cemeteries,and Trade/Spectator FacilitiesPresently Owned and Operated by Multnomah County and Metro.

The purpose of this Memorandum of Understanding is to provide for a two-phase consolidation of operation, management, and ownership of all park facilities, natural areas, and trade/spectator facilities presently owned and operated by Multnomah County, including but not limited to Glendoveer Golf Course, Pioneer Cemeteries, and the Portland Exposition Center (EXPO), into the mix of natural spaces and trade/spectator facilities currently owned or operated by Metro. The first phase of consolidation is expected to be of limited duration pending full consolidation, including transfer of ownership of the County facilities to Metro, with the exception of any neighborhood parks. The first phase of consolidation is a management and operation agreement for all County facilities managed and operated within the current Multnomah County Recreation Fund. It is understood between County and Metro that the second phase of consolidation, including transfer of ownership, is of critical importance, and that phase one consolidation of operation and management is merely intended to promote a smooth and harmonious transfer of those County facilities to Metro that are of "metropolitan concern."



This Memorandum of Understanding sets forth the principles on which a two-phased consolidation agreement will be forwarded to the governing bodies of Multnomah County and Metro. The intent of this Memorandum of Understanding is to express the understanding of the terms and conditions that will be formalized as soon as possible and presented to the Metro Council and the County Commission for ratification. By ratifying this Memorandum of Understanding the Metro Council and Executive Officer and the Multnomah County Commission express their intent to approve a consolidation agreement. It is expressly agreed, however, that this Memorandum of Understanding does not constitute a binding intergovernmental agreement in and of itself, but is intended to form the basis for an eventual intergovernmental agreement between Metro and the County. This Memorandum of Understanding is not intended to benefit any individual, employee, group of employees, corporation, or other legal entity other than METRO and COUNTY. This Memorandum of Understanding shall not be deemed to vest any rights in, nor shall it be deemed to be enforceable by, any third party in any proceeding whatsoever.

## **I. PHASE I CONSOLIDATION**

### **A. Transfer of Operation and Management**

On January 1, 1994, COUNTY shall transfer all operational and management rights and responsibilities for the following programs, activities, properties and/or facilities currently budgeted in the Multnomah County Recreation Fund, along with all funds and revenues related to these programs, to METRO:

1. All park facilities and natural areas currently owned or operated by COUNTY, with the exception of Vance Park;

2. Glendoveer Golf Course;
3. Pioneer Cemeteries, and;
4. EXPO.
5. Any new acquisitions of natural areas by COUNTY, to be transferred

to METRO under this Agreement, shall be made with the joint concurrence of the COUNTY and METRO.

A complete list of all properties contemplated for transfer is attached and incorporated herein as Exhibit 1.

These programs, activities, and facilities shall henceforth be referred to in this agreement as the COUNTY FACILITIES, but, all said facilities other than any neighborhood parks identified in Exhibit 1 will be identified exclusively as Metro-operated Facilities to the public and to users of those facilities, effective January 1, 1994. METRO shall have full power and authority to organize, manage, and operate the COUNTY FACILITIES as METRO deems appropriate.

B. Maintenance of Effort

METRO agrees to exert its best efforts to operate and maintain the Expo Center, cemeteries, parks, recreation facilities, natural areas, established cultural and educational programs, natural and cultural resources, and all related appurtenances being transferred as part of this Memorandum of Understanding in a manner which assures sustainable and continuous public use, safety and enjoyment at a level at least equal to that maintained by the COUNTY prior to the transfer. Provided, however, that METRO may

suspend swimming or other water-related activities in Blue Lake Park whenever METRO determines that such a suspension would be prudent for health or safety reasons.

C. Real and Personal Property

1. Effective January 1, 1994, COUNTY shall transfer to METRO the right to beneficial use of all real and personal property comprising the COUNTY FACILITIES, including any personal property associated with the management or operation of the COUNTY FACILITIES. COUNTY shall not take any action with regard to the real property comprising the COUNTY FACILITIES that would interfere with management and operation of the COUNTY FACILITIES by METRO.

2. During PHASE I of this agreement, COUNTY shall provide Multnomah County Fleet and Electronics service to provide maintenance and upkeep on all equipment associated with the COUNTY FACILITIES. COUNTY shall provide a standard of maintenance and upkeep at least equal to the standard previously kept by COUNTY for said equipment. COUNTY shall bill METRO for the cost of such services, in the same manner and at the same rate as charged to other County areas for comparable services. At METRO'S option, such services and billing shall continue during PHASE II consolidation.

D. Contracts and Licenses

1. Effective January 1, 1994, COUNTY shall assign to METRO all contracts, permits, rental agreements, and licenses to which COUNTY is a party and which are assignable without the consent of other parties. After January 1, 1994, these contracts, permits, rental agreements, and licenses shall be subject to management and control by METRO.

2. Effective January 1, 1994, COUNTY shall assign to METRO all contracts, permits, rental agreements, and licenses to which COUNTY is a party, the assignment to be effective January 1, 1994, or upon obtaining the consent of the other parties thereto, whichever occurs later. Upon assignment, these contracts, permits, rental agreements, and licenses shall be subject to the management and control of METRO.

E. Multnomah County Recreation Fund

All funds less current obligations contained within the Multnomah County Recreation Funds generated by, or attributed to the COUNTY FACILITIES shall be transferred to METRO. COUNTY represents, and warrants, that all funds currently contained within the Multnomah County Recreation Fund are properly contained within that fund in full compliance with all applicable laws and regulations. By way of example and not as a limitation, transfer of funds under this agreement shall include the current balances of special trust funds held by the Parks Division, including the Blue Lake Outdoor Performing Arts Stage fund, the Oxbow Park Nature Center fund, the Willamina Farmer Trust Fund, and the Tibbetts Flower fund, provided, however, that those funds shall be used exclusively for their dedicated purposes, and in accordance with the terms of any applicable trust documents. The Natural Areas Acquisition and Protection fund shall remain the sole responsibility of Multnomah County.

F. Metro Regional Parks/Expo Fund

1. METRO shall establish a new recreation fund as part of the Metro budget, known as the Metro Regional Parks/Expo Fund. All funds formerly in the Multnomah County Recreation Fund shall be transferred to the Metro Regional Parks/Expo

Fund. All revenues generated by the COUNTY FACILITIES shall be placed within the Metro Regional Parks/Expo Fund, and shall be spent only on the operation, management, marketing, maintenance, and improvement of the COUNTY FACILITIES, including any overhead or central services charges which METRO attributes to the COUNTY FACILITIES for provision of services by METRO.

2. In no event shall METRO be required to fund and/or subsidize the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund with funds from any other METRO program, activity, or fund, provided, however, that METRO may, in its sole discretion, transfer METRO funds to the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund, whenever it determines that it is in the regional interest to do so. In the event that METRO does transfer METRO funds to the COUNTY FACILITIES on the Metro Regional Parks/Expo Fund, METRO may transfer such funds back to METRO whenever and in such a manner as it sees fit. METRO may charge a reasonable rate of interest for METRO funds transferred to the COUNTY FACILITIES or the Metro Regional Parks/Expo Fund. METRO may transfer funds from one COUNTY facility to another as it sees fit. However, no funds from any other Metro program, activity or fund shall be used for maintenance and operation of any neighborhood parks identified in Exhibit 1.

G. EXPO/Multnomah County Fair

1. EXPO shall be managed and operated by METRO by and through its Metropolitan Exposition-Recreation Commission, subject to whatever changes the Metro Council may from time to time make in the management, operation, or existence of its Metropolitan Exposition-Recreation Commission.

2. METRO shall implement the EXPO master plan, dependent upon METRO's determination of the availability of resources to implement the plan.

3. Multnomah County represents and warrants to METRO (a) that the current arrangements surrounding the Multnomah County Fair, the Multnomah County Fair Board, and Multnomah County, which, inter alia, require the Fair to pay a fee for the use of EXPO, are lawful, proper, and in full compliance with the provisions of any agreements, deeds, duties, or contracts, express or implied, which exist regarding the Fair or EXPO, and (b) that Multnomah County has full authority to enter into this Memorandum of Understanding and any subsequent intergovernmental agreements insofar as EXPO and the Multnomah County Fair are concerned. The provisions of Section L(1) shall include any claims made by or on behalf of the Multnomah County Fair, the Multnomah County Fair Board, any users of the Fair, or any parties claiming contractual rights, including claims of any third party beneficiaries, with respect to EXPO, the Fair or the COUNTY'S actions with respect to EXPO or the Fair. The Multnomah County Fair shall continue to be the sole and exclusive responsibility of COUNTY. METRO shall continue to make EXPO space and expertise available for the Multnomah County Fair, through a contract(s) with the Multnomah County Fair Board. COUNTY may specify the dates for the fair.

4. Both the COUNTY and METRO recognize the value of the County Fair to the community and are committed to the future success of the County Fair. Based on its historical relationship to the Expo Center, special considerations may be granted to the Multnomah County Fair, upon the joint concurrence of both the COUNTY and METRO.

Continuation of such special considerations shall be jointly reviewed by the COUNTY and METRO within three years of the transfer of COUNTY FACILITIES.

H. Park Facilities, Cemeteries, Natural Areas, and Glendoveer Golf Course

All park facilities, natural areas, cemeteries, and golf courses transferred pursuant to this Memorandum of Understanding shall be incorporated into a new Metropolitan Parks and Greenspaces Department, to be established, operated, and managed by METRO; provided, however, that these facilities may be combined for operations purposes with other programs, projects, or operations, as determined to be appropriate by METRO, provided that METRO shall notify COUNTY prior to any major realignments or reorganizations.

I. Personnel

All staff presently budgeted in the County Recreation Fund shall be transferred to METRO pursuant to ORS 236.610 et seq. METRO agrees that all COUNTY employees transferred to METRO by this agreement shall be held harmless from any layoffs or reductions in force directly related to the City of Portland/METRO/OAC agreement. All COUNTY employees transferred to METRO by this Memorandum of Understanding shall be permitted to transfer any accrued vacation time and any accrued sick time with them to METRO. COUNTY shall be responsible for any obligations which might exist with respect to accrued compensation time. COUNTY shall pay to METRO an amount determined to be the cash equivalent of the amount of vacation leave transferred by each employee. METRO shall provide space in its new Metro Regional Center for the Parks administrative staff transferred as part of this Memorandum of Understanding. This Memorandum of

Understanding is not intended to benefit any individual, employee, group of employees, corporation, or other legal entity other than METRO and COUNTY. This Memorandum of Understanding shall not be deemed to vest any rights in, nor shall it be deemed to be enforceable by, any third party in any proceeding whatsoever. It is the specific intention of the COUNTY and METRO that the rights of any employees transferred under this Memorandum of Understanding shall be governed exclusively by ORS 236.610 to 236.650 and adjudicated via the procedures provided by those statutes and no other.

J. User Fees

METRO shall have the sole responsibility and authority to set user fees for any or all of the COUNTY FACILITIES except that METRO shall not increase user fees for COUNTY FACILITIES prior to July 1, 1994, without the joint agreement of the COUNTY and METRO.

K. Excise Tax

METRO shall have the sole responsibility and authority to exact an excise tax on all programs and activities comprising, or taking place at, the COUNTY FACILITIES, except that METRO shall not increase or impose such an excise tax prior to July 1, 1994, without the joint agreement of the COUNTY and METRO. Any excise tax receipts shall not be restricted to the benefit of the COUNTY FACILITIES, but shall be used for any public purpose deemed appropriate by METRO.

L. Indemnification

1. COUNTY, to the maximum extent permitted by law and subject to and within the limits of the Oregon Tort Claims Act, ORS 30.260 to 30.300, shall defend,



indemnify and save harmless METRO, the Metropolitan Exposition-Recreation Commission, and their officers, employees, and agents from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place prior to January 1, 1994, or based on any latent, negligent, or dangerous condition which arose or existed in connection with the physical condition or operation of the COUNTY FACILITIES prior to January 1, 1994.

2. METRO, to the maximum extent permitted by law, subject to and within the limits of the Oregon Tort Claims Act, ORS 30.260 to 30.300, shall defend, indemnify and save harmless COUNTY, and its officers, employees, and agents from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits and actions, whether arising in tort, contract, or by operation of any statute, including the Workers' Compensation laws, including but not limited to attorneys' fees and expenses at trial and on appeal, relating to or resulting from any claim based on any act or occurrence that takes place on or after January 1, 1994, arising from the operations of the COUNTY FACILITIES, or claims made after transfer of legal title to METRO or based on any latent, negligent, or dangerous condition which arises after January 1, 1994, in connection with the physical condition or operation of the COUNTY FACILITIES. Provided, however, that METRO'S duties of indemnification and defense shall be limited to the total amount of funds contained within the Metro Regional Parks/Expo Fund.

3. The foregoing indemnification, defense, and hold harmless provisions are for the sole and exclusive benefit and protection of METRO, Metropolitan Exposition-Recreation Commission, and COUNTY, and their respective officers, employees, and agents, and are not intended, nor shall they be construed, to confer any rights on or liabilities to any person or person other than METRO, COUNTY, and their respective officers, employees, and agents.

M. County Ordinances/Services

1. All COUNTY resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES in force and effect on September 1, 1993, shall remain in force and effect with regard to the COUNTY FACILITIES until superseded or repealed by any ordinance, resolution, executive order, procedure or rule duly adopted or promulgated by METRO, subject, however, to any restrictions contained in paragraphs J and K. In the case of EXPO, METRO may delegate its authority to supersede or repeal previous COUNTY directives to the Metropolitan Exposition-Recreation Commission. COUNTY shall cooperate and assist METRO in the implementation of any METRO action to supersede or repeal previous COUNTY directives that may require COUNTY action to amend COUNTY ordinances.

2. METRO shall have full power and authority to enforce any COUNTY ordinances, resolutions, executive orders, procedures, or rules governing, restricting, or regulating the use of the COUNTY FACILITIES, to the full extent that COUNTY possesses such authority. In the case of EXPO, METRO may delegate its enforcement authority to the Metropolitan Exposition-Recreation Commission.

3. Notwithstanding any other provisions herein, COUNTY shall continue to provide any health-related or law enforcement services that it has previously provided to the COUNTY FACILITIES, including but not limited to the provision of inmate labor services, in at least the same manner and to the same extent that such services were provided prior to transfer. COUNTY may bill METRO for the cost of such services only to the extent that COUNTY bills other COUNTY programs for the cost of such services. In addition, the COUNTY shall continue to pay property assessments on COUNTY FACILITIES and shall continue its annual contribution to the Oregon Historical Society, for the operation of the Bybee-Howell House, until implementation of PHASE II (transfer of ownership). Provided, however, that METRO shall pay the impending sewer assessment and property taxes for Glendoveer Golf Course out of the County Recreation Funds transferred to METRO.

N. Transition Team

To ensure a smooth transition of services, a transition team will be established consisting of the Director of Environmental Services from Multnomah County, the Deputy Executive Officer of METRO, and the Manager of the Metro ERC facilities. This team will be responsible for information sharing among the agencies, resolution of minor contract disputes, and coordination of services. This transition team will meet as needed until PHASE II of this Agreement.

O. Reporting Requirements.

METRO shall provide the Director of Environmental Services with a written report on activities within the COUNTY FACILITIES on a quarterly basis. This report shall

include a financial status on the COUNTY programs, a summary of activity level at each facility, and a brief narrative of unusual or important issues or situations that have occurred during the reporting period. This report is due to the COUNTY no later than October 25, January 25, April 25 and July 25.

In addition, METRO shall advise the Director of Environmental Services in writing immediately in the event of fee changes, ordinance revisions, significant organizational changes within COUNTY programs, and/or major changes in policy which affect COUNTY FACILITIES or programs.

P. Termination.

The parties shall negotiate a mutually agreeable termination procedure in the intergovernmental agreement which the parties' intend to enter into, based on this Memorandum of Understanding.

## II. PHASE II CONSOLIDATION

Effective no later than July 1, 1996, COUNTY shall transfer to METRO full ownership of those of the above facilities which METRO has determined are public cultural, trade, convention, exhibition, sports, entertainment, or spectator facilities, or parks, open spaces, or recreational facilities of "metropolitan concern," provided that, at METRO'S option, transfer may be delayed pending acquisition by METRO of an appropriate regional funding base. Neighborhood parks identified in Exhibit 1 are intended to be transferred to the City of Portland during Phase I. Any such parks not transferred shall remain in COUNTY ownership. Effective no later than July 1, 1996, the provisions of PHASE I CONSOLIDATION shall no longer apply, except for those provisions which by their specific terms go beyond PHASE I.

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Council  
10/14/93  
9.5.

**To: Multnomah County Commissioners**

**From: Jack Adams**

**Date: October 14, 1993**

**RE: Transfer of Exposition Center**

**Testimony attached.**

The transfer of the Expo Center is not only a violation of existing statutes, but is not in the best interest of the people of this county. This statement is based on two Attorney General Opinions, ORS Chapter 565, ORS Chapter 630, and the fact that this action will cause the people of Multnomah County to lose valuable income producing property.

The county obtained title to the Expo Center by agreeing to the provisions of a 1965 appropriations bill, HB 1861, which became Chapter 630. This authorized the Secretary of State to issue a warrant to Pacific International livestock inc. for \$250,000 only upon receipt by him of assurances that:

- (1) Pacific International Livestock Exposition Incorporated, had transferred all interest in any real property to Multnomah County, and,

- (2) Multnomah County has agreed to operate and maintain such property in a condition suitable for exposition purposes.

By accepting title to the Expo Center, the county has made a commitment to operate and maintain the Expo site. There is no limit or sunset clause to this commitment, and the assurances made to the Secretary of State are enforceable in the courts.

On March 29, 1966, the Board of Commissioners appropriated \$10,000 for Cornell, Howland, Hayes, & Merryfield to conduct a *"feasibility study on the proposed relocation of the Multnomah County Fair from Gresham, Oregon to the present site of the Pacific International Livestock Exposition."*

On September 20, 1966, the Board of Commissioners, after considering the feasibility study, ordered the County Fair moved from Gresham, and combined with the Pacific International Livestock site.

An Oregonian article dated 9/21/66 reports on the feasibility study and the consolidation of the Fair and Expo, and the article is backed up by County records. The study took a favorable view towards inclusion of the fair, and indicated no additional expenditures on the PI building could be justified unless the fair became part of the facility, and that a combined facility will be entirely self sustaining and would not require a public subsidy. The article also reported that over \$400,000 had been spent by the county to improve the PI site prior to this consolidation action.

After a ten year history documented by county records and newspaper articles, the county was finally in a position to develop a combined Fair and Exposition Center. This was the beginning of an expansion period, for the PI facility, that was finally completed in 1983. No general fund moneys were used after the consolidation order of 9/20/66. The expansion was funded by the Fair Development Fund, the sale of the Gresham fairgrounds, and revenues generated by the fair.

On July 9, 1970, Board order controlling traffic at the Exposition Center, definition "A" of that order states that, *"The 'County Fairgrounds' shall be known as the Multnomah County Exposition Center."*

County records show that from 1966 to 1975, \$1,600,000 of fair funds were spent on improvements and property acquisition to provide a home for the county fair at the PI site. This includes the \$900,000 fair development fund the county received when it took over the management of the fair in 1960, and the money from the sale of the Gresham fairgrounds. The records also show that until 1983, without the county fair being a part of the Expo operation, the Expo Center wouldn't be able to exist unless subsidized by tax dollars.

A response to the 1975 Audit report on county letterhead, subhead, Multnomah County Fair and



Exposition Center states, "All Capital and improvements to the Expo Center came from the Fair Development Fund. The Fund was derived from past Fair profits and the sale of Gresham. In 1970, the Fair Development Fund was abolished and \$565,000 transferred to the General Fund. Since 1970, all Capital improvements to the site or facility have come out of the budget or years revenue. In Fiscal Years 1971 to 1974, this operation contributed \$785,179 to the General Fund. This is a net amount above operating and Capital improvements.

In recapping, since 1965, the Multnomah County Fair has acquired the Exposition Center building and site, building assessed at \$3.9 million and the land, 64 acres, assessed at \$1,600,000, and has contributed \$1,341,000 to the general fund. Keep in mind no general fund or tax dollars have been used for the purchase, remodeling or operation of this facility or its related activities."

According to county staff, the county's opinion that the Expo Center is not the fairgrounds, is based on a 1974 resolution to develop the Exposition Center as a multiple use facility that must stand on its own.

County records indicate that the Board of Commissioners passed this resolution with full recognition that the Exposition Center is the county fairgrounds, and the intent was to develop this facility under ORS statutes governing county fairs that has been recodified to what is now ORS 565.

The 1983 Audit Report states that, "This intent was restated in County Ordinance No. 297 dated February 19, 1982.", but only refers to the requirement that the facility stand on its own. The report also states that a subsequent ordinance and resolution confused the direction of the Center.

The only confusion created, was by incomplete research

into the history of Expo. County records very clearly show that the Expo Center has been the county fairgrounds since the Board of Commissioners ordered the consolidation in 1966. And, the Board has operated the facility under statutes governing county fairs up to the present time.

The records also show that the staff has lost sight of what the Expo Center is. Staff reports since 1982 show the lack of historical information other than to support the information presented. Is this the result of laziness, a lack of work ethics, or a conspiracy to divert county funds for special projects, and ignore state statute.

ORS 565.230 (2) states that: *"In order that the fairgrounds and buildings may be utilized to the fullest extent for pleasure, recreation and public benefit, the board shall at all times have the authority to provide park facilities for the public or to issue licenses and grant permits for the holding of any exhibitions, shows, carnivals, circuses, dances, entertainments or public gatherings upon the fairgrounds."* This clearly states that a county fairgrounds may be developed as multiple use facility, as was the Expo Center.

Is the Expo Center the county fairgrounds? County records indicate that the answer to this is an unqualified yes. The county commissioners moved the fair from the Gresham site to the Expo Center, and improved the facility with funds apparently dedicated to the development of fairgrounds.

ORS 565.230 (2), requires a fair fund by stating that: *"The moneys received from the issuance of such permits and licenses", by a fair board, "shall be deposited to the credit of the fair fund, and warrants drawn against it the same as upon the disbursement of any other fair funds."*

The records show that the county abolished the fair fund in 1970, and did not reestablish the fund until 1985. And then, only when threatened by the state, for not complying with ORS 565.230 (2). County Staff reported to the task force, that in 1985 a deal was cut in Salem which would exempt the Expo Center from having to comply with the statutes. This deal was in response to PI's attempt to force Multnomah County abide by the county's agreement to maintain the Expo site in a condition suitable for exhibition purposes.

PI had filed suit against the county and had a HB 2410 introduced. This bill would require the revenues generated by Expo to be used exclusively for the operation and maintenance of the facility. County staff testified in legislative hearings, that the proposed legislation would be penalized by the county by not allowing the county to use these funds for other purposes. The testimony of county staff contained five (5) references, pertaining to the county's operation of the Expo facility, which were untrue.

The legislature amended the bill to require all other counties in Oregon to restrict the use of their fair funds only for the operation and maintenance of the county fairground. This allowed Multnomah County to use fair funds any way they chose. However, the legislature did not exempt the Expo Center nor did the legislature say the Expo Center was not the fairground.

In fact, the county was already required to have a fair fund under ORS 565.230 (2), the legislature identified the source of money to be deposited in the county fair fund by passing ORS 565.325 (2), *"All moneys received from the activities conducted at the county fair or at the county fairgrounds or facilities, and all moneys received by a county fair as the licensee for pari-mutuel wagering on races conducted at or on behalf of the fair shall be deposited in the county fair fund."*

In response to the problems PI was having with the county, the Attorney General issued opinion #5743 on April 4, 1985. It states in part that, "All revenues derived from the operation of the fairgrounds are considered special revenues and should be deposited into the fair fund. At the end of the year, funds remaining in the fair fund cannot be transferred to the County General Fund unless there is no necessity for maintaining the fair fund."

County Counsel has stated that in 1985, the county changed the policy concerning the Expo Center. If this is true, Why did the county continue to use a county letterhead, subtitled "Fair and Exposition Center" after 1985? The answer can only be, because the county recognized that the Expo Center was still the county fairgrounds, as it still is today. As a task force member, I have received mail from Expo staff with the return address MULTNOMAH COUNTY OREGON, Multnomah County Fair and Exposition Center, 2060 N Marine Drive, Portland, Oregon

Multnomah County, in trying to avoid complying with the statutes, claims that the Expo Center is not the fairgrounds, because the fair constitutes only 15% of the use of Expo, therefore, Expo is a multiple use facility. As previously shown, The Expo Center is a multiple use facility only because it is the county fairground. A conservative estimate is that over \$20,000,000 are unaccounted for, according to ORS 565.230 (2) and ORS 565.325 (2), and the amount could be as high as \$30,000,000, depending on a complete audit.

An Attorney General Opinion has the impact of law, until overturned by the court or the legislature. Each Commissioner, before being seated on the Board, takes an oath of office that requires that commissioner to uphold the laws of this state. Since Attorney General Opinion #5743 has not been overturned by the legislature or a court, the Board of Commissioners are obligated to

comply with this opinion.

In trying to transfer the Expo Center to Metro, the county is again in violation of the law. An Attorney General Opinion, #3538 issued June 23, 1976, states that, *"The County Fair Board has exclusive management authority over the fairgrounds to the extent provided by statute. The county commission may relocate the fairground, but the fair board never loses control of property existing and used as a fairground."* The county has never moved the county fair from the Expo Center, therefore the county is not allowed to lose control of the property because in this county, the Board of Commissioners, is the Fair Board.

The county records show a long history of mismanagement concerning the county fair. This is documented in the internal audits. It is time to turn the management of the fair over to an independent fair board under ORS 565. Such a board will be able to devote it's full attention to the tasks at hand.

AMEND THE COUNTY CHARTER  
TO REQUIRE A COUNTY FAIR

The county charter shall be amended to include the following chapter requiring the county to promote and operate a county fair.

COUNTY FAIR. The county shall promote and operate a county fair in accordance with the ORS 565 and in the following manner:

(1) The county fair shall be defined as:

An Exhibition whose objects and purposes are to disseminate knowledge concerning, and to encourage the growth and prosperity of all agricultural, stock raising, home arts and crafts, horticultural, mining, mechanical, artistic, business and industrial pursuits in this county, and may include the racing of animals and vehicles.

(2) The Board of Commissioners shall appoint a Fair Board consisting of five (5) members. Fair board members shall be selected from, and upon the recommendation of the following groups:

(A) One (1) member shall be a representative of the Grange.

(B) One (1) member shall be a representative of 4-H.

(C) One (1) member shall be a representative of Open Class Competition.

(D) One (1) member shall be a representative of Business and Industry.

(E) One (1) member shall be a representative of the public at large.

(3) The fair board shall account for the fair fund in a manner acceptable to the county budget process, and as proscribed by budget laws

(4) The fair board shall operate fair and fairgrounds in a self sufficient manner, except, should the county fund the fair using ORS 565.330.

(A) The Fair Board may appoint advisory committees to make recommendations on how the board may accomplish its duties.

(5) The Fair Board, by unanimous consent, may transfer money from the fair fund to the county general fund.

(6) The Fair Board shall have the power to hire its own staff. Staff shall be responsible to and will answer to the fair board, and shall have all of the rights and benefits of any other county employee in a comparable position.

(7) The County shall refer a ballot measure to the voters, repealing this chapter before the County Fair may be terminated.

## A COMPENDIUM OF THE MULTNOMAH COUNTY FAIR HISTORY

### SUMMARY OF NEWSPAPER ARTICLES AND OTHER SOURCES CONCERNING THE GRESHAM FAIR AND THE EVENTUAL CONSOLIDATION/MERGER AT THE OLD PACIFIC INTERNATIONAL LIVESTOCK EXPOSITION SITE.

This was compiled by the "Friends of the Multnomah County Fair". **Bold face type** (except dates and document names) indicates editorial comments.

The compendium is supported by a collection of newspaper articles, Multnomah County Board of Commissioners board orders, board minutes and various letters, etc.. All items are dated for chronological reference and copies of the original documents are in a binder.

Copies of the compendium are available and the document binder is available on loan. Contact The Friends of the Multnomah County Fair, Mary Trupp, Secretary, 503-621-3969, 16430 Powell Blvd. Portland, OR 97236.

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A Historical summary of Oregon fairs and their association, dated back to April 10, 1865. This document was compiled in the late-1980s by the Oregon Fairs Association. It mentions, "the purpose of the first fairs in the 1860s, as described by the agricultural society on April 10, 1865, could well apply to today...to examine and study the improvements over the previous year; new gains for the increase of commerce; fruit and garden products for the table and luxury; floral introductions to beautify our homes; stock to increase the value of our herds; arts to decorate our dwellings, cultivate the eye for the beautiful, and introduce numberless articles of utility; machinery to lessen the toils of farming and household..."

"In 1885, the legislature directed a State Board of Agriculture to, among other things, govern the annual state fair. Part of the act allowed the county and district agricultural societies to purchase, receive and hold real estate.

"In 1911, the legislature authorized each county to appropriate \$2,000 a year for an agricultural fair. At that time, the act gave full control of fair management to the county governing body, except that the act did not interfere with district fairs."

"That management authority changed in 1913 when the legislature directed the county fair boards to manage the fairs and fair property."

This historical summary shows the early association and



probably intent on behalf of the state legislatures to promote county fairs and also to protect them as an entity as does ORS Chapter 565.

#### THE LAW

County Fairs have the potential to be political footballs. Consequently, to protect them, the State of Oregon enacted ORS Chapter 565 governing Fairs and Exhibits.

Each county must have a 3 to 5 member Fair Board

Fair revenues must be used for the Fair

Fairs receive annual funds from paramutual racing

Permission for a County tax levy is provided for

Some accounting practices are stipulated

A specific Fair fund is stipulated

Multnomah County does have a unique situation. The Multnomah County Commissioners asked for and received two exceptions.

ORS 565.210 (4) states that in counties over (originally 300,000 in 1961 and changed in 1985) 400,000 population that the County Commissioners may be ex officio members of the Fair Board and act in lieu of appointing a board. In all other counties, no more than one Commissioner may be a board member. (1961 & 1985)

ORS 565.325 (1) states that counties under 400,000 shall establish a fair fund. (1985)

Our County Commissioners do operate as our Fair Board, but they delegate the responsibility to a department head who in turn delegates it to a part time fair manager. No minutes of Fair Board meetings have been found or even memos to tell new Commissioners that they are the Fair Board. Also no minutes have been found indicating that they ever officially declared themselves the Fair Board.

#### EVOLUTION IN MULTNOMAH COUNTY

As early as the mid 1950's the Multnomah County Fair started looking for a new home. Gresham wanted the land for other uses and the thinking was that a new facility could be a year-round exposition center. Fair management and County Commissioners were looking for funds and ideas.

An expo or fairplex was not a new idea. The California State Fair was then changing to Cal Expo as did

many other fairs that saw the opportunity for additional revenues from existing assets.

#### WHO OWNS IT AND WHERE IS THE MONEY

To some it is a step child of Expo. A child that has not been doing well and most likely should be required to stand on it's own two feet.

At the same time there are those who feel that it does stand on it's own and could and would have done better under the stewardship of a citizen board.

Property has been condemned and special rights due only to fair funds, assets or fairgrounds have been used by the facility (now named the "Expo Center" that used to be called the "Multnomah County Fair and Exposition Center").

Some feel if it is to be successful it must have it's own grounds and fair fund. The County position is that there is no fair fund of any great amount and that the Expo grounds do not belong all or in part to the Fair. Possibly the following will shed some light on this subject.

#### LOOKING FOR A NEW HOME FOR THE FAIR

On 2/18/64 The Oregonian reported in reference to the "new county fair at Portland Meadows", Multnomah County Commissioner David Eccles said in February 17, 1964, "Revenue bonds should be guaranteed by the county and paid for solely through the revenue of the county fair in future years."

Eccles also stated that, "These funding innovations similar to Los Angeles, Honolulu, Spokane", that these innovations might be worked into the county fair complex he is proposing for the new site donated last year by the Portland Meadows, Inc. horse racing firm. The innovations included convention and show rooms which are expandable and retractable to various sizes. County commissioners have also talked of financing the new county fair with money in a "savings fund" to be built up with deposits from the general fund each year. "That would take a long, long time," Eccles noted.

At that time the proposed development would be adjacent to the planned Delta Park Recreation Complex. Eccles suggested at one time that the new fair eventually could run around \$15,000,000.

In June of 1964, Multnomah County filed a condemnation suit against Portland Meadows seeking an additional 20 acres at the Meadow property for new fairgrounds. The Oregonian 6/12/64

In November of 1963, the North Portland race track gave 58 acres to the county for a new fair site scheduled to be completed

by 1968.

In February of 1965, the Multnomah County Commissioners assured Gresham city officials that they would work with them in disposing of the property in which the current Multnomah County fairgrounds were located. The county decided to abandon it for a new site near Portland Meadows by 1968. The Oregonian, 2/19/65

In April of 1965, a \$10,000,000 all-year fair center was unveiled to be adjacent to the Portland Meadows race track. It included a permanent amusement park, parking, exposition and exhibit halls; it included 164,000 feet of exhibit space and 40,000 square feet in a permanent exposition building with an area that would seat 6,000 persons, restaurants and 24 acres of parking scheduled to be completed by 1981. It was described as a year-round fair and exposition site.

At that time the county reported that they had a total of \$774,000 in their current fair development fund. The study for this exposition site cost \$41,600. No mention was found in the media of using the Pacific International Livestock buildings prior to this.

Note that all these previous newspaper quotations imply that the Fair was looking for a new venue and when found it would be a Fair and expo center, planned as a year round facility. In addition, the county was looking for ways to fund this new venture.

Board order dated April 7, 1965, from board to fair manager Duane Hennessey transferring \$10,000 from Fair Fund to pay architect's fees.

In April of 1965, while rejecting a court set price of \$122,000 for 20 acres of land adjacent to the proposed new fair site at Portland Meadows, the county stated, "That will not prevent development of a 70 acre site there according to county fair and exposition site plan presented to commissioners last week." At that time it was planned to use 20 acres of city property from adjoining Delta Park to complete the proposed 70 acre fair ground. Also, Commissioner Eccles said, "If plans for the Meadows location cannot be carried out, the county might attempt to construct a less elaborate fair center by expanding the Pacific International Livestock Exposition facility."

#### THE FATE OF THE P. I. FACILITY IS SETTLED

Board order dated April 26, 1965, from the board to the fair manager Duane Hennessey with an attached resolution declining to buy the Portland Meadows property.

Board order dated May 9, 1968, judgment against Multnomah County in favor of Portland Meadows concerning "the acquisition of real property contemplated to be used for the relocation of the

county fairgrounds.

May, 1965. "The legislature recently passed a bill which will allow transfer of the title of the financially unstable PI to the county. Details of the transfer have not yet been worked out."

**ORS Chapter 630 - 6/3/65. The P.I.'s problems.** Concerning the Pacific International Livestock Exposition and its emergency at the time. The state gave the PI \$250,000, but as a condition required it to turn over to Multnomah County 41.6 acres that is part of the present Expo site. It does not appear that the county was required to put up any money. The PI was required to pay the State of Oregon back \$250,000 over a period of time at \$30,000 per year.

It appears that the County took title to the P.I. property for no money.

#### THE FAIR MOVE AND MERGER

Board order dated September 14, 1965, from the board to the fair manager Duane Hennessey appointing him as "manager of the building now known as the PI Exposition Building."

Board order dated October 14, 1965, from the board to the fair manager Duane Hennessey concerning the acquisition of a pick-up truck.

Board order dated November 16, 1965, from the board to the fair manager Duane Hennessey indicating that a \$100 petty cash fund be set up for the Pacific International Building, fund 8019.

Board order dated December 28, 1965, from the board to the fair manager Duane Hennessey that \$75,000 be transferred from the contingency fund to the PI development fund.

Letter dated January 6, 1966, from the board to Duane Hennessey (Fair Manager and Pacific International Building Manager), concerning "all expenditures incurred in the study of the PI area for a stadium and fair facilities."

March 29, 1966, study for moving the Fair. Multnomah County ordered the county into an agreement with C2F. It was a "feasibility study on the proposed relocation of the Multnomah County Fair from Gresham, Oregon to the present site of the Pacific International Livestock Exposition." The cost of the study was \$10,500.

Board order dated April 19, 1966, to Duane Hennessey, Fair Manager, from the board transferring \$25,000 from the contingency fund to the PI Development Fund.

On September 10, 1966, this headline appeared, "*Fair Move, Merger Plan Okayed by County*," subhead, "*P-I Site Complex Plan*."

"The Multnomah County Commission voted unanimously Tuesday to move the county fair from Gresham where it has been for 60 years and consolidate it with the Multnomah County Exposition Center, formerly the Pacific International Building in North Portland. The Commissioners also directed that work begin immediately to develop a comprehensive master plan for an exhibition and recreation complex in North Portland." The commissioners also said, "That they expected to add a grandstand and track and stage the fair at the new location in 1969."

Board order dated September 20, 1966, "Merged facilities". The minutes of the commissioner's meeting state that, "At this time Commissioner Gordon urged the board to agree to move the Multnomah County Fair to the Pacific International site, start immediately with the development of a master plan, and proceed with the acquisition of the land necessary to accommodate the merged facilities, and Commissioners Eccles so moved, and it was so."

Memorandum dated December 21, 1966 to the commissioners from Duane Hennessey (Fair Manager and PI Building Manager), expressing concerns about new location.

Board order dated June 22, 1967, to fair manager in Gresham. ~~(WHAT IS THIS)~~ *DUANE HENNESSEY, MULTNOMAH COUNTY FAIR*  
*"IN THE MATTER OF AUTHORIZING EMPLOYMENT OF APPRAISERS TO APPRAISE LAND FOR THE FAIR AT THE MULTNOMAH COUNTY EXPOSITION SITE"*

Board order dated January 2, 1969, to Duane Hennessey, Fair Manager, concerning transfers to the County Fair Development Fund.

EXPO FUTURE NOT FEASIBLE WITHOUT FAIR

~~(NEED DATE HERE)~~ 9/20/66 *THE OREGONIAN JOURNAL 9/21/66 THE OREGONIAN*

"An engineering consulting firm hired by the county for \$10,000 recently recommended the merger of the fair and exposition center. It also expressed the opinion that additional expenditure of funds on the PI Building could not be justified unless there was a merger of the fair and PI." "The county has \$900,000 in the fair development fund, money presently restricted for use only to the present fair. It expects to get around \$800,000 from the sale of the present 50 acre site in Gresham. Commission Chairman Mel Gordon moved to consolidate the facilities noting it has long been understood that the fair must be moved from Gresham to a more suitable location. He said, "The County Fair, which operates at a profit of about \$85,000 a year, should draw more people because it would be more accessible at the new location; that better exhibit halls should result in improved exhibits and that the remodeled PI arena would permit the fair to stage events not possible at the present fairgrounds."

*ALL NECESSARY EXP TO BE PAID FROM THE COUNTY FAIR DEVELOPMENT FUND*

On September 21, 1966, The Oregonian reported that "69 Event

*Scheduled for Arena." "Tax Increase Not Expected in Consolidation."*

Please note that there are many references to "merger" and "consolidation" which would leave the impression that the facility and fair merged or consolidated.

The definition of merger: "To sink the identity or extinguishment of a lesser estate right or liability in a greater one; a commercial combination of a number of interests or companies in one".

The definition of consolidate: "To make solid, firm or coherent; unite; combination; centralization."

If this is true, it would seem the one being extinguished would be the lesser partner. The PI came to the deal in debt with a profit of about \$15,000 a year on gross revenues of \$66,000. The fair came to the deal with a \$900,000 fair fund plus the value of its land that it still owned (approx. \$400,000). In addition to that, it made \$85,000 per year. In this scenario was it the Expo Center that was extinguished or was it the Fair?

The Oregonian on 9/21/66 also reported that the commissioners voted to "consolidate" the county fair with the county exposition center. "The motion for consolidation was made by Commission Chairman Mel Gordon who consistently has advocated merger of the fair and PI facilities since the county took title to the aging arena and exhibit hall in September 1965. "Gordon noted that a recent \$10,000 study in which the firm of Cornell, Howland, Hayes & Merrifield evaluated the PI site as a potential exhibit, sports and recreation complex, took a favorable view towards inclusion of the fair, and indicated no additional expenditures on the PI building could be justified unless the fair became part of the facility."

*"Improvements Made"* The county has spent more than \$400,000 on improvements at the PI Building. Although relocation of the fair will necessitate purchases of a substantial amount of additional land at the PI site, Gordon said the consulting firm determined that a combined facility will be entirely self-sustaining and require no public subsidy."

#### FAIR FUNDS, PROFITS, ASSETS AND REAL ESTATE

The Oregonian 9/21/66 "According to fair manager, Duane Hennesy, the Gresham Fair has earned a profit between \$90,000, \$100,000 annually in recent years. The fair's development fund currently contains approximately \$900,000, but the commission said sale of the 50-acre Gresham fair site at the highest possible price is essential if the consolidation is to be made effectively. Although financial details have not been worked out, commissioners said they are confident the merger will not result in any tax

increases to county residents. (Please note that no additional land was ever acquired for the consolidated and merged facility or the fair.

*"Expansion plotted."* "Commissioner Dave Eccles said he is hopeful construction of a grandstand and race track as well as refurbishing of the PI building exhibit hall can be completed in time for the 1969 fair. "Gordon said he is convinced the consolidated fair-PI and its location, which is easily accessible from the Portland Metropolitan area, will provide a first-class year-round recreation center for the benefit of the entire community," and predicted annual revenues of \$200,000 per year.

Eccles seconded Gordon's motion for the fair relocation, expressing a belief that the move is the most appropriate action, "under the circumstances." It said it was with much reluctance that he shelved, at least temporarily, his plan for an \$8 million fair and recreation complex adjacent to the Portland Meadows race track.

As of May 3, 1967, the fair fund had about \$700,000, and the exposition center requested \$247,000 for the coming year, including \$210,000 in capital outlay. Commissioner Gordon also explained that the progress report projects revenue and operational cost from a study for the "1966 stadium and exposition facility."

*"Possible fair addition"* adjacent to the exposition center were recommended - 74 acres of land for \$978,000 for construction of a race track complex, parking for 4,000 vehicles, site improvements, the new exhibit building, picnic area with 150 tables." (Certainly this sounds like a fairgrounds as opposed to an exposition center.) "Total cost of the fair addition projects, as indicated in the report, would be \$2,631,000, and exposition building remodeling would total \$1,855,000, for a grand total of \$4,486,000."

It appears that the fair-like improvements were intended but never carried through. 13 acres was acquired somewhere around 1969 for the race track, but the further monies would be spent on the expo buildings and not on horse barns as intended. The facility had no barns for horses and ultimately horse activities were taken elsewhere.

June 27, 1967 Fair funds used for Expo Center - In the Board of Commissioner's minutes, "In the matter of authorizing employment of appraisers to appraise land for the fair at the Multnomah County Exposition site," "ORDERED, unanimously approved, all necessary expenses to be paid from the County Fair Development Fund."

December 14, 1967 - Fair funds used for Expo Center-

"Recommendation, Director of Administrative Services, that some of \$55,000 be transferred from the Fair Development Fund to county Exposition Center Account No. 1510.300 to cover building repair and alterations." "ORDERED, unanimously, that said recommendation be adopted as the order of the board."

This is a copy of the minutes, very few of the actual minutes have been reviewed, although indexes have been reviewed. They seem to show that, as was substantiated later by a fair manager in 1975, that Fair Development Funds were, as a matter of course, used to finance reports, repairs, alterations and new building projects at the Expo site.

In April of 1968, the county commissioners voted to sell the Gresham fairgrounds for \$400,000 (this is money the fair had in addition to its fair fund of up to \$900,000 in years immediately prior).

Board order dated November 10, 1969 purchasing a "sweeper-scrubber for Fair's Division." This device was not purchased for Gresham, but for the new Expo facility

Letter dated December 4, 1969, from the board to Multnomah County Fair Manager concerning transfers of cash for the "Fair-Expo Center purchase of floor sweeper" and "fair utility overexpenditure."

Central Citizens Budget Advisory Committee, December, 1990, page 17, recommendation No. 3, concerning the management should develop a long-range plan for the use and operation of the facility. It goes on to state, "In 1985, Exposition Center Task Force Report estimated the exposition center's replacement value between \$20 and \$50 million. In addition, the exposition center provided over \$800,000 in revenues to the county's general fund during the fiscal year 1-9-88/89. These revenues included income from the fair and the PI. The fair's income included all the indirect costs and rent and cash transfers for capital improvements, in essence, all fair profits including racing revenues.

If the value of the facility was \$20 million in 1985, and considering that the PI asset put up by the county originally had a value of \$250,000, and that the County Fair Fund and land value total was \$1,300,000, then the county fair's portion was approximately 83% of the assets put up to create this fair and exposition center. Eight-three percent of \$20 million would be \$16,600,000. This does not include any profits for the fairs from 1966 to 1990. These profits all went to the general fund.

#### PLANS AND LAND AQUISITION FOR THE FAIR

On February 2, 1969, the Sunday Oregonian showed a map



of one of the proposals the Multnomah County Commissioners may consider for a new fairgrounds. This included a picnic area adjacent to Forest Lake, a race track, grandstand, and adequate parking. "The county is equipped with about \$1 million to finance land acquisition and expanded facilities.

Board order and cover letter dated January 7, 1969, to Mr. and Mrs. Meng concerning "the option given to Multnomah County resulting in the purchase of real property as a portion of the grounds needed for the establishment of a county fairgrounds at the Exposition Center" for a price of \$245,000.

Board order dated February 27, 1969, concerning the "condemnation of real property...which is vested in Portland Union Stockyard Company, a corporation, for Multnomah County Fairgrounds purposes."

Board order dated February 27, 1969, concerning "condemnation of certain real property located in Multnomah County...which is vested in Peninsula Terminal Company, a corporation, for Multnomah County Fairgrounds purposes."

September 18, 1969 - More property purchased for the Fair. Order from the County Board of Commissioners. "In the matter of the condemnation of certain real property located in Multnomah County, Oregon, the title to which is vested in Peninsula Terminal Company, an Oregon corporation, and Portland Union Stockyards Company, an Oregon corporation, for Multnomah County Fairgrounds purposes." The Director of the Department of Administrative Services was directed to draw warrants on "the Multnomah County Fair Development Fund in the sum of \$41,130, payable to Peninsula Terminal Company and Portland Union Stockyards Company." This action showed where the county was adding more property to its Expo complex and calling it, "For Multnomah County Fairgrounds purposes."

Board Order, January 8, 1987, designating 11.5 acres of the 17.1 acres of real property purchased for fair purposes and assigning this responsibility to the County Parks Services. This is the property that was specifically purchased for fair purposes, although the resolution states, "Whereas, 11.5 acres of said property has been held in an undeveloped status by the County Exposition Center." This is in conflict with the original use intended when the property was condemned for "County Fair purposes."

WHERE THE MONEY CAME FROM

Loren Kramer, Director of the Department of Administrative Services for the county, said sources for financing conversion to a fairground facility will be \$500,000 in the fair development fund and some \$400,000 from the sale of the Gresham fair location."

*BOARD minutes Dec 14, 1967*

*\$55000 BE  
TRANSFERRED  
FROM FAIR  
DEVELOPMENT  
FUND  
TO COUNTY  
EXPOSITION  
CTR. NOT  
#1510,300  
TO COUNTY  
BUDGET*

minutes

"The county took over the Exposition Center some five years ago. The facility was a constant money loser."

Kramer said that during the 1968-69 season, however, the schedule is scheduled to gross \$68,000 from space rentals as against \$51,000 in operating expenses.

He said that budgeted total revenue includes \$33,000 to be paid by the Pacific International Livestock Exposition for its annual show dates and \$33,000 from other dates.

"Multnomah County Commissioners voted in September 1966 to consolidate the county fair with the county exposition."

On August 13, 1969, in the Oregon Journal this was reported: "The old fair ground at Gresham as been sold for \$400,000 ...."

"In anticipation of the move to North Portland, County Commission, which in Multnomah County serves as the fair board, began to improve the PI facilities. There still is a long ways to go."

"Multnomah County has about \$700,000 in its fair development fund including \$400,000 from the sale of the Gresham fairground. A like amount has already been spent on improvements at the PI."

Note that the total fair fund once mentioned up to \$900,000 plus \$400,000 from the sale of the Gresham fairground, BUT diminished to \$700,000. It is implied that this money had been spent on improvements at the P.I., A facility that had historically lost money and even since the county had taken it over only made \$15,000 a year, it is difficult to envision the "County Exposition Center" as the dominant partner in this "merger/consolidation."

"Actual construction of new facilities necessarily will be deliberate, the county chairman said, because it is strictly on a pay-as-you go basis. The present fair development fund includes no county tax dollars and represents accumulated surpluses that during the last ten years have averaged from \$100,000 to \$125,000 annually."

Minutes, November 17, 1970, and formal board meeting of the commissioners. (It was stated that the Fair Development Fund was \$600,000 at that time). Also stating that "Commissioner Gordon said the Fair Development Fund got its funds from horse racing, etc., so general revenue funds are not involved."

Letter, dated October 21, 1970, to James Gleason, County Chair, from "Duane Hennessey, Manager, concerning comparative figures on the 1970 operation and the 1969 fair at Gresham." With figures showing fair gross and profits and racing revenues.

Approximately 6/1/75 The Fair and Expo Manager's report indicates Fair funds were all used for Expo. This is a brief financial history of the "Multnomah County Fair and Exposition Center" by the fair manager at that time. This is the item that specifically mentions, "All capital improvements to the Expo Center came from the Fair Development Fund. The fund was derived from past fair profits and the sale of Gresham for \$400,000. In 1970 the Fair Development Fund was abolished and \$565,000 transferred to the general fund. Since 1970 all capital improvements to the site or facility have come out of the budget or year's revenue."

Another document on Multnomah County Fair and Exposition Center letterhead (note that it is specifically called the "Multnomah County Fair and Exposition Center" and titled by the manager, "Fair and Expo Center.") This item appears to be a draft of a cover letter for operations to the fair and Expo Center detailing specific revenue expense sources including the race meet, the fair and the Expo Center as three specific entries.

Board order dated June 26, 1980 to Rena Cusman, Director, DES, concerning "making an additional appropriation in the amount of \$20,850 from the Fair Fund contingency to fair and exposition center capital outlay, to pay sewer connection fee."

Page 2 from the September 1983 audit, Table I, stating that "Over the last six years, the center averaged just over \$265,000 per year in net income from all activities, considering capital improvement expenditures. These figures then stated all are shown as the totals for rental concession, parking, racing apportionment, admissions and other expenditures, along with expenditures for operating and capital improvement. The fair is not split out in these figures between the exposition center and the fair. Note that of the \$265,000 average net income, \$254,000 by law belongs to the fair because they are racing revenues. Also included in the revenue are the concession, parking and admissions that include the proceeds from the fair.

From the Internal Audit, Fair and Exposition Center, September 1983, a revenues and expenditure summary that shows the break out between the fair and expo.

Attorney General Opinion No. 5743, issued April 4, 1985, states that, "All revenues derived from the operation of the fairgrounds are considered special revenues and should be deposited into the fair fund. At the end of the year, funds remaining in the fair fund cannot be transferred to the county general fund unless there is no necessity for maintaining the fair fund."

#### USE OF THE EXPO CENTER DEFINED

Order from the Board of Commissioners dated 12/19/74. "In the matter of establishing a policy governing the use of the Multnomah County Exposition Center" At this time the Exposition Center clarifies its policy towards tenants and states that, "All tenants or persons conducting activities at the Expo Center shall be required to pay current" rental rates. It goes on to say that they are all required to sign leases, that the Expo Center would provide janitorial services for the restrooms, the lobby, the aisles and so on; also that the Expo Center would handle the concessions. "The only exception to the rental policy will be for county-sponsored events as requested by a majority of the Board of County Commissioners. The Board of County Commissioners may waive the rental fee at their discretion, but in any event, the direct cost incurred by the Expo Center, including personnel utilized for the event, materials and utilities consumed during the event, and any other direct costs incurred by the Exposition Center as a result of the event, will be reimbursed to the Expo budget from the budget of the county agency which is sponsoring the event." "No commitment for such a county-sponsored event will be given prior to 30 days before the proposed date."

Unfortunately, it's not absolutely clear whether the county fair is considered another county-sponsored event or if in fact the fair has been construed as a partner in the "combined," "merged" facility, whether this even applies to it. Certainly precedent has been established that is in contrast to this particular order prior and subsequent to this order including the vote of the majority of county commissioners and notice given only 30 days prior. Obviously, a county fair must have its event scheduled a year in advance. It appears that this order would govern incidental or simpler use of the facility. It is conspicuous especially in its absence of mention of the specific county fair.

#### FAIR GROUNDS OR EXPO CENTER, WHAT IS IT? WHO GETS THE MONEY?

Board order, dated July 9, 1970, "pertaining to the use of the Multnomah County Exposition Center by motor vehicles."  
"Section I-Definitions

a. "County Fairgrounds" shall mean the location of the Multnomah County Exposition Center being:"

Schedule of events, 7-8-72, "Multnomah County Exposition Center," indicating events, dates and attendance.

1973 Multnomah County Fair report, 8-5-73, attendance and revenues, exhibits and premiums.

Letter, November 9, 1973, from Commissioner Ben Padrow to Ron Engberg, "Fair and Exposition Center," concerning flexible scheduling.

**Board Order, August 8, 1974, to Ron Engberg, concerning an agreement with Hollywood Lights with a letter attached from County Board Chairman James Gleason to Hollywood Lights stating, "Relative to your letter of May 14, 1974 to Mr. Ron Engberg, Manager, Multnomah County Fair and Exposition Center."**

**Board Order, 10/24/74 to Mr. Ron Engberg, Manager, Multnomah County Fair and Exposition Center, concerning appropriation of \$3,926 to "Fair and Expo Center, Capital, BUC 7120035, for repairs to the horse barn."**

**Portions of 1975 audit on "Multnomah County Fair and Exposition Center" letterhead indicating that the building was assessed at \$3,900,000 and the land, 64 acres, assessed at \$1,600,000, also that the facility had contributed \$1,341,000 to the general fund with the statement that, "Keep in mind now general fund or tax dollars have been used for the purchase, remodeling or operation of this facility or its related activities." It goes on to explain the 1975-76 revenues from paramutual racing, the Expo Center, the fair, etc., and talks about the value of the fair. On the reverse of that is another portion of the audit draft indicating, "Multnomah County's Fair and Exposition facilities are located at 2060 N Marine Drive, Portland, Oregon." This is a report by the office of the county auditor. "The accumulated cost to date of the facilities is in excess of \$1,900,000. It goes on to state that the county participates in four different activities: the annual county fair, the rental of exposition facilities, an annual five-day dog racing meet at the Multnomah Kennel Club, an annual five-day horse racing meet at Portland Meadows. Figures are shown for 1974 for each of those four items. However, "General Fair and Exposition Center operations" are shown as a single figure, they are not broken out, although horse racing and dog racing are broken out.**

**From Jack Adams dated 8/12/93 - This is a summary of Mr. Adams points concerning the Expo Center, the county fair and the funds. Attorney General opinion No. 3538, issued June 23, 1976, states that, "The County Fair Board has exclusive management authority over the fairgrounds to the extent provided by statute. The County Commission may relocate the fairground, but the fair board never loses control of property existing and used as a fairground." ORS 565.230 (1), "Grants the County Fair Board, the exclusive management of the ground and all other property owned, leased, used or controlled by the county and devoted to the use of the county fair, and is entrusted and charged with the entire business management and financial and other affairs of such fair."**

**September 1983 - Internal Audit Report of the Fair and Exposition Center Department of Environmental Services by Ann Kelly Feeny that indicates that the last audit was in 1975. "Studies have been conducted by private consultants to determine**

whether the facilities were efficiently used." Please note that the title of this report by the county auditor at that time refers to the "Fair and Exposition Center." Obviously it has never been made clear to anyone, certainly not the citizens or even county employees, just what this facility is or who owns or is responsible for it.

It also points out a county ordinance, No. 297, dated 2/19/82. "The ordinance also ordered that the center ... not require an operational subsidy from the county." Historically, the county has wanted the Expo Center to stand on its own two feet. It could not have done it without the income of the county fair which includes the income from racing at Portland Meadows and the Multnomah Kennel Club "as part of the fair function. Racing income from both activities averaged approximately \$99,500 per year over the past six years.

Portion of 1990 audit report. This is a background and brief history that goes on to state, "In 1980, usage of the site as an exposition center began." In fact, the entire complex was not successful as an exposition center without the fair until approximately 1983.

If county fairs are considered an entity as they are in virtually all counties except Multnomah, its assets and revenues are used to improve itself. That's not been done here unless the Expo Center is considered the fairgrounds in which case all monies spent are perfectly legitimate. But if it's not a fairgrounds, the monies have been spent illegally, depending on how you look at the interpretation of the state statutes.

On July 9, 1970, the Board of County Commissioners defined the "county fairgrounds" as being the Multnomah County Exposition Center in a traffic ordinance. That is a definition by the Board of County Commissioners. (Note, Jack Adams has the exact language that should be inserted here)

3-15-85 - Testimony before the House State and Federal Affairs Committee, HB2410. This is testimony by Paul Yarborough, Director of the Department of Environmental Services for Multnomah County. This is Mr. Yarborough's testimony in opposition to "HB 2410 which was introduced at the request of the Pacific International Livestock Exposition. This bill would require the county to dedicate all racing revenues, annual fair revenues and Expo Center revenues for maintenance and improvements to the Expo Center and operation of the county fair and other authorized events. This would restrict the county from using any of these revenues for other county purposes."

In the section titled, "County Assumption and Improvement of the Expo Center," Mr. Yarborough states that the state required

the PI to turn its property over to Multnomah County free and clear and that. "The property was not transferred to serve as the County Fairgrounds. The transfer of title was part of a package deal in which the PI signed a ten-year lease for their annual shows for a total rent of \$330,000, and the County limited its capital obligations to not more than \$300,000.

"Despite the capital limit the county actually spent in excess of \$1,500,000 during that decade upgrading buildings and expanding the land from 41.6 acres to 55 acres.

"The source of these investments was the county general fund. During the last ten years, the county has invested an additional \$1,060,000 in improvements, and has \$110,000 more budgeted this year for parking lot improvements."

What Mr. Yarborough did not point out at this time was that all racing revenues and profits from the fair, if any. "Racing revenues are usually counted with fair revenues, and typically the fair always shows a profit when these are combined." All fair profits have gone to the general fund. These statements apparently were made without consultation with previous fair managers and others who seemed to know in 1975 that the facts were that as of 1975, "All capital and improvements to the Expo Center came from the Fair Development Fund."

What happened between 1975 and 1985 has not yet been made apparent, however, it is likely that the fair continued to make a profit that went to the general fund and that the general fund continued to invest in the Expo Center, but most likely only to the extent that the center remained self-supporting as was required in previous orders of the commissioners and so on. That was the intent, but Mr. Yarborough either did not know that or chose to ignore that fact. Certainly he did not put forward the facts that the initial \$1.1 million (at least) that the fair had was put into the Expo site and that all profits had always gone to the general fund, probably amounting to at least \$800,000 additional at that time - 1985.

The next section fo Mr. Yarborough's presentation says, RELOCATION OF THE COUNTY FAIR. The county fair was not moved to the Expo Center until 1968 (The first county fair was held at the Expo Center in 1970. Mr. Yarborough was incorrect.)

"Prior to 1968, the fair was located on county-owned property in Gresham. The county has not charged the fair budget with Expo Center rent, general' county administrative services, and landscaping and grounds services by the Parks Division."

Nor does that paragraph state that the county plans on

starting to charge rent. However, three fairs later the county started charging rent to its fair, plus indirect costs from the county to the fair began to escalate.

Director Yarborough goes on to state that the fair accounted for approximately 15% of the total annual Expo attendance and that the bulk of attendance and revenues to the Expo Center is produced from more than 50 other leases. In addition, he stated that the Expo Center had been developed and operated as a general purpose exhibition facility for 20 years.

In contrast, in 1975 at least, it was still called the Multnomah County Fair and Exposition Center, and in about 1970, in reference to a traffic ordinance, the Board of Commissioners designated the property the Multnomah County Fair site and a significant portion of the property had been acquired specifically for "Multnomah County fairgrounds purposes." Another point is that all fair profits, including racing revenues, had gone into the general fund, and a similar amount of money was the only money spent on improvements of the Expo facility.

Portion of 1990 audit report. This is a background and brief history that goes on to state, "In 1980, usage of the site as an exposition center began." In fact, the entire complex was not successful as an exposition center without the fair until approximately 1983.

HB2410 was at the request of the Pacific International Livestock Exposition, not the Multnomah County Fair. There was no fair organization, per se, or anyone to defend the fair's rights as an entity. The manager of the fair reported directly to Mr. Yarborough. Consequently, it would have been imprudent of any of the fair staff to testify or comment to the contrary to Mr. Yarborough's remarks.

HB2410 also increased the requirement that counties with populations over 400,000 could use commissioners in lieu of a fair board. It also at that time added an additional caveat that "each county under 400,000 population, according to the last decennial census that holds the county fair shall establish and maintain a Fair Fund." It also went on to state that fair funds would only be used for the fair and that included racing monies. It does not specifically state that counties over 400,000 can use fair proceeds for anything except fairs.

4/4/85 - letter - Answer to an Opinion request OP5743. In answer to Larry Campbell, Minority Leader, and Bill Bellamy, State Representative. This opinion answered eight questions put forth by these two individuals concerning the Multnomah County Fairgrounds.



These opinions are not conclusive in that some seem conflicting.

Again, it is primarily intended to clarify the relationship between the county, its fairgrounds, and the Pacific International Livestock Exposition. Some of the highlights of this opinion are: Section 3, Answer, "The monies received from the issuance of such permits and licenses shall be deposited to the credit of the fair fund and warrants drawn against it the same as upon the disbursement of any other fair funds."

In answer to question 5, Does Multnomah County have a county fair that qualifies for receipts from paramutual racing?, the answer was, "Yes, if the county holds an annual fair at all."

Question No. 6 concerning any restrictions on the use by a county of income from paramutual racing becomes very complicated. However, some specific statements were made. In reference to ORS 565.230 it says, "Appears to have the goal of insuring that revenues generated by the property on which the County Fair is held be used to maintain the fairgrounds and buildings.(1)" A great deal of description attempts to define terms such as "special fund," "reserve fund," "fair fund," and the uses.

1/4/86 - newspaper article - Multnomah County, PI, Settle Past Differences. This is a summary of a deal cut between Multnomah County and the Executive Board of the Pacific International Livestock Exposition. These were the primary forces shaking the tree for House bill 2410. There was no champion of the fair, and the fair came out on the short end.

#### STATE RACING COMMISSION REVENUES FOR ALL COUNTY FAIRS

"A bill passed by the State Legislature this year provides a new formula for distribution of the paramutual racing funds to county fairs. Robert L. Stevens, manager of the State Fair Commission, said the larger counties will gain some advantage over the present provision when the new law takes affect this year".

"It gives each county fair a flat \$20,000 annual grant, a share of a percentage of the paramutual fund based on the county's assessed evaluation, and consideration for grants for construction. The capital improvement grants come from a fund amounting to 10% of the state's return from paramutual betting distributed by the newly-established seven-members County Fairs Commission on the basis of merit. Proposals for construction projects are submitted to the commission by the various county fair boards for evaluation".

"On the basis of the 1968 paramutual funds the distribution to counties for construction would amount to \$218,000".

"Because the Multnomah County Fair receives a share of

paramutual betting receipts, there is a sense in which it is subsidized, but unlike most other county fairs in Oregon, it is not supported by property tax assessment".

#### PARAMUTUAL REVENUES FOR THE MULTNOMAH COUNTY FAIR ONLY

On Friday, November 28, 1969, The Oregonian reported that, "*The Fair Goes to the Dogs.*" At that time the fair policy changed and its horse racing dates at the Meadows race track were traded off for ten days at the Multnomah Kennel Club. "With the sale of the Gresham fairgrounds and the prospective move of the county fair to the county exposition center (formerly the Pacific International Livestock Exposition property) in North Portland, the fair is without a race track of its own. Unwilling, of course, to give up the revenue from racing, the fair thus is compelled to deal with one of the two privately owned race tracks in the county."

The county, with its lack of commitment for funding fair-like facilities, could not protect its racing revenues and consequently traded for race dates where it could. Had the fair stood on its own, it is possible that it would still have its race track.

"....This year, for example, the PI netted about \$107,000 in ten days of horse racing." "The county fair probably could make a similar deal, but the anticipated handle at MKC is so much larger that the fair might be able to take home double the above sum in ten nights of greyhound racing."

The Oregonian, January 25, 1973, the Oregon Racing commission decided to allow Multnomah County only five days of greyhound racing at the Multnomah Kennel Club in 1973 in conjunction with the county fair. At that time the County Commission's action left open the opportunity for the county to reapply for five days horse racing at Portland Meadows. Said Oregon Racing Commission Executive Secretary H. S. Chapman, "State law allows the county ten days of either horse or dog racing in conjunction with the fair."

The MKC racing dates belong to the Fair as part of the deal that the fair would not rebuild it's race track. The profits these revenues created were taken for non fair-like uses.

#### DISPOSITION OF THE OLD SITE

On October 6, 1972, The Oregonian reported that the old Multnomah County fairground site in Gresham is for sale. The price was \$1,250,000.

#### LOSS OF THE LAST LIVESTOCK FACILITIES AT THE FAIR

Letter, August 5, 1974, to Commissioner Mel Gordon, Chairman, from Ron Engberg, Manager, response to a letter of Commissioner Gordon's concerning the condition of the horse barns.

Engberg states it would cost \$21,000 to repair the building, or \$15,000 to tear it down.

"Fair and Expo Center" explanation, March, 1975, possibly part of the 1975 audit. Letter from Ron Engberg, Manager, indicating that "My point is that should we not properly maintain the roofs at this time, we are not in a position to secure the above contract (ten-year contract with the PI for a minimum of \$400,000), as the barns are not usable in their present condition."

As reported in The Oregonian, February 4, 1979, "*County to raise fair's barns, pitch tents.*"

"The Multnomah County Fair and Pacific International Livestock Exposition will go under the big top this summer." County officials decided to raise the deteriorating barns at the Multnomah County Exposition Center and replace them with large tents. At that time it was stated, "We would hope that the tents would only be necessary this summer and by next year we would have new livestock facilities in place at Expo, said Mrs. Barney."

This is the end of the last remaining horse and cattle facilities at the fairgrounds. Millions of dollars were spent on the site, over half of which were Fair profits, but fair-like buildings were not constructed or repaired. The "Goose that laid the Golden Eggs" was put out to pasture. Today there is not even a sign that says "Multnomah County Fair" on the site.

#### OTHER ITEMS OF INTEREST

Letter, December 8, 1986, to Norm Reiter from Tor Lysbaug, Chairman, Expo Advisory Committee. This letter contains a copy of the ordinance for the creation of the advisory committee indicating that the committee should propose policy plans and budget for the expo center and the fair for adoption by the board.

September 14, 1988, Multnomah County Fair Task Force Final Report. This is to determine the best fair dates, recommend enhancements to the fair and study staging a fair that accommodated both 4-H and open class livestock along with a PI junior livestock show. The task force answered the three questions that they were asked to answer, but also volunteered another one. "This task force makes one final recommendation in encouraging the appointment of a 'fair council' by the County Commissioners. Such a council, made up of a group of interested and active citizens, could add fair management in the development of enhanced programming and promotion to insure the fair stands by its mission and goals.

3/15/93 - letter to the County Board of Commissioners from Larry Kressel, County Counsel, questioning the language of the present deed to the site of the fair and whether or not

revenue from the property was restricted to the use of the fair. the county counsel pointed out, concerning the county fair property originally in Gresham, that, "The Multnomah County Fair Association deeded that property to Multnomah County in 1929. The deed to that site contained no restriction." It also asked if the county had a policy requiring fair revenue to be paid into a capital improvement fund. The answer was no, and referred to an August, 1985, Board of Commissioners adopted resolution. It also indicated that, "There is no dedication of funds for the benefit of the fair."

Various parties have come forward to say that the county does not own the fairgrounds, but it seems evident that the county legally does own the fairgrounds, and that, as a matter of fact, according to state statute all fairgrounds are owned by the counties themselves. In fact, ORS 565.230(1) provides, "The [fair] board has the exclusive management of the ground and all other property owned, leased, used or controlled by the county and devoted to the use of the county fair, and is entrusted and charged with the entire business management and financial and other affairs of such fair." Herein seems to lie the core of the issue.

The county governments have been given the stewardship of the fairs. This stewardship obligation would seem to imply that the Board not give away the Fairgrounds or other assets.

Virtually all counties have fairgrounds as this county has had. Multnomah County government at this time maintains that the Exposition site was never intended as a fairground, although it went on to designate it as a fairground legally for other purposes later. The concern of individuals who support the active life of the fair is that it is an entity and requires its own fairground.

The Multnomah County Fair has not been protected as an entity. Certainly since its merger/consolidation with Expo in 1968 its property and funds have disappeared along with all of its profits. When the success of Expo is pointed out, there is no mention of the original investment of all of the fair's assets and its ongoing profit-making ability to shore up Expo year after year.

August 9, 1993 - County Commissioner's Minutes Index to Fair, PI and Expo, 1967-1982.

August 9, 1993 - Index to Fair and Expo dated February 1954-September 1969.

8/12/93 - Summary of a history meeting between Betsy Williams and members of the Multnomah County Fair Task Force. The first part of the presentation by Jack Adams indicated

the fair started in Multnomah County in Gresham, and that it was a grange fair until 1912. After that it changed to the Multnomah County Fair which had its own association. The fair association bought property to expand the fair but had financial problems, and the county participated in helping them financially. Title is transferred in 1929. Although the fair association continued to run the fair, stock was sold to ordinary citizens as shareholders of the fair. In the late 1950s, the management of the fair was accused of various things. In 1960, the county commissioners took over the fair. One of the problems was insurance. The county could get it under its own liability policy. Carnival liability had skyrocketed in the US at that time.

Frank Knapp, another task force member, understood that the grange had leased back the property and ran the fair until 1960. On July 9, 1970, the county approved a traffic ordinance that specifically identified the entire Expo grounds with a legal description as owned by the Multnomah County Fair.

Betsy Williams indicated that in general what had been discussed seemed correct, although the fairgrounds came to the county because of tax delinquency.

In 1954, the county started looking for alternate sites for its fairgrounds. In the 1960s, the Pacific International Livestock Exhibition had problems and a deal was cut with the Pacific International Livestock Exposition, the county and the state. The property was deeded to the county in 1965 with no encumbrances. Shortly thereafter, the county fair was moved to this site. Betsy pointed out the December 1974 resolution concerning a policy governing the use of the Multnomah County Exposition Center as evidence that the county could legally charge the fair rent and cost for support and maintenance and indicated that this became the policy for the future.

Conflict began to develop in 1979 when the PI had to rent tents to house its exposition animals. The facility's barns had deteriorated and had been pulled down in the late 1970s. No new barns had been built. The county agreed to construct two new barns, however, only one was built because costs were underestimated.

A 1983 Expo Center audit faulted the Exposition Center management for failing to enforce its lease with the PI who at that time was two years behind in its rent. The PI was not paying because they felt their barns had not been built. In 1985, the Pacific International went to the state legislature again. At that time an Attorney General's opinion was rendered, and although the county did disagree with part of the opinion, the part indicating that the fair fund should go to the fair, it agreed with most of the bill. The county testified against the bill, HB241, contending the nature of this particular facility was different than most county fairs.

In 1989, there was an understanding reached between certain individuals that if the legislature would exclude Multnomah County with language granting special rights to those counties above 400,000 in population, that the county would create a fair fund and dedicate racing revenues, paramutuals [Multnomah Kennel Club] and other fair revenues to the fair fund.

Expo stayed in the general fund until 1992 when a recreation fund was established, including Expo and the parks. In 1990, the Pacific International and Multnomah County buried the hatchet. they lowered rent for a period of time.

Since 1985, fair funds reside in a special fair fund category and since then indirect costs have been charged against the fair, and the fair has been charged rent.

"Lance" reconstructed the fair fund since 1985, and a financial history was submitted.

Betsy Williams at this time asked the task force to do the following: (1) Let the Board of County Commissioners know what the mission is; what support exists and where the money is coming from; (2) She encouraged the task force to speak to the goals of the county; (3) She encouraged the task force to reinforce the positive things that are possible; and (4) To consider the future of the fair and the economic realities of today, i.e., the public wants the government to be more efficient and the public wants less taxes. Determine how much the fair should be dependent upon government in this climate, and strongly consider the partnerships, sponsorships and volunteerism that would insure that the fair is not a financial burden to the citizens of Multnomah County.

8/12/93 - Multnomah County Fair Financial History, 1985-86 through 1993-94. This is a summary presented by Betsy Williams and prepared by Lance.

Although the task force requested to be participants in the preparation and research of this document, it was not allowed to participate.

Consequently, another document dated 8/22/93 titled, a Review of the "Multnomah County Fair, Financial History, 1985-86 through 1993-94." This document was a draft review of the financial history presented 8/12/93. It is a draft until further materials requested from Multnomah County are received by the task force. In its 8/22 draft form it presents questions that can be fairly presented at that time only.

7/23/93 from Economics Research Associates titled, Table K, Historical Capital Improvements Programs. This indicates that capital improvements made at the fairgrounds from

1980 through 1994 projected no fair-like improvements are noted, only Expo facilities maintenance and improvement. No mention is made of the Multnomah County Fair in any of the improvements.

**Inventory of Records Available at the Multnomah County Fair and Exposition Center dated August 12, 1993, is a list of all items that might be of interest to anyone connected to the Multnomah County Fair or Exposition Center and an opportunity to see what is available.**

**August 12, 1993 from Jack Adams, a citizen expressing his viewpoint of the transfer of the Expo Center to Metro.**

**SUMMARY FROM THE PAST**

In 1975, The then "Multnomah County Fair and Exposition Center" manager, Ron Inberg wrote the following:

"In 1965, Multnomah County took over ownership of the former P.I. Building and property. The County Fair continued to be held at the Gresham fairgrounds through the 1969 Fair. The 1970 Fair was the first held here at the Expo Center."

"All Capital and improvements to the Expo Center came from the Fair Development Fund. The Fund was derived from past Fair profits and the sale of Gresham, \$400,000. In 1970 the Fair development Fund was abolished and the \$565,000 transferred to the General Fund. Since 1970, all Capital improvements to the site or facility have come out of the budget or year's revenue. In the Fiscal Years 1971 through 1974, this operation contributed \$785,179 to the General Fund. This is a net amount above operating and Capital expenditures."

Mr. Inberg was appointed manager in the summer of 1971, he served as assistant manager for 4 years prior to that. Few people were in a position to understand what the facts were at the time, as Mr. Inberg.

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Possibly it is time to grant that the Multnomah County Fair and Exposition Center (the original name of the fairgrounds) is part fairgrounds and part Exposition Center. A merger in 1966 now must be undone so that Metro may take over management and ownership.

**To do that equitably is the challenge.**

## MISCELLANEOUS QUOTES AND TIDBITS

"In essence, we concluded the fair should reflect the more urban development which characterizes our county. The fair should concentrate more on an industrial urban theme than heretofore."

Robert Baldwin, 1/4/61  
Head Multnomah County Planner  
Commenting on two comprehensive studies of the fair made as early as 1954.

"It is difficult to conceive of anything being a more characteristic and persistent nature in the social or natural life of habits of the people of our counties than the county fair, which has its roots deep in the history of our country."

Robert Thornton, 10/23/57  
Oregon Attorney General  
Ruling on the taking of land for county fairs.

Ruling in 1976, Attorney General of Oregon opinion that the fair board never loses control of property used for the fair.

Ruling by the Oregon Attorney General, 1985, "All proceeds from the fair shall be deposited in the fair fund."

County Attorney opinion sometime shortly after 1985, "The county claims that since there is no commitment for a fair venue on the deed, the county can use the land as they deem." (This is totally paraphrased information from Jack Adams.)

Somewhere around 1965, the PI agreed to turn over the title of its property for \$250,000 and agreed to maintain it in an operating condition for shows. Jack Adams.

In 1970 something else was defined, according to Jack Adams.

In 1985 Multnomah County said, ? is no longer a fair grounds, according to Jack Adams.

According to Sam Philip, there has been no fair board since the move from Gresham in 1966

13 acres were purchased adjoining the Expo Center in 1969 with the intent of putting a race track and horse barns and so-on on the property. The money actually went into Expo buildings and it was never developed and sits idle to this day.

Ron Engberg became fair manager December of 1972. He had



been assistant manager prior to that to Spike? Hennesey.