

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ACCEPTING )  
THE REPORT OF THE CITY OF )  
PORTLAND/METRO FACILITIES )  
CONSOLIDATION ADVISORY )  
COMMITTEE )

Resolution No. 96-2329

Introduced by Ruth McFarland,  
Councilor

WHEREAS, The Metropolitan Exposition-Recreation Commission (MERC), operating under the direction of the Metro Council, manages the Oregon Convention Center, the Portland Center for the Performing Arts (PCPA), the Civic Stadium and the Expo Center; and

WHEREAS, The Convention Center is owned by Metro and requires a continuing subsidy to support its continuing operation and maintenance at a professional level; and

WHEREAS, The Expo Center is owned by Metro; and

WHEREAS, The PCPA and the Stadium are owned by the City of Portland (City), have limited reserves, and will close without continued future subsidy; and

WHEREAS, Under the terms of the Intergovernmental Agreement between the City of Portland and Metro which made Metro responsible for the PCPA and Stadium, it is now necessary to work out the terms for the permanent ownership of these facilities; and

WHEREAS, A City of Portland/Metro Facilities Consolidation Advisory Committee has been created to prepare a recommended strategy for the permanent ownership, financing and management of these facilities; and

WHEREAS, The Advisory Committee issued its final report and recommendations on January 11, 1996; now, therefore,

BE IT RESOLVED:

1. The Council accepts the final report of the City of Portland/Metro Facilities Consolidation Advisory Committee and thanks the Committee members for their hard work, diligence and effort.
2. The Council will undertake further deliberations and actions to implement the Committee's report and recommendations immediately.
3. The Council, subject to the availability of a funding source, concurs with the following recommendations of the Committee:

- a. The facilities should be managed as a flexible financial and operational system.
  - b. The Expo Center should be included in the mix of facilities and its projected net income (after meeting current park support commitment of \$325,000 per year) used within the facility system.
  - c. The Civic Stadium should be operated as provided in the adopted business plan without additional public subsidy for the next four years. The existing financial pool may be used to cover unanticipated shortfalls during this period, however. A separate business plan update effort will determine what should happen at the end of the five-year period.
  - d. The PCPA should be funded with a public subsidy utilizing pooled ER funds. The estimated base need is \$1.5 million for annual needs. The PCPA Advisory Committee has recommended additional tenant support and marketing for an additional \$500,000. Tenant rent relief and additional marketing are goals that will be addressed based on available funding and future policy decisions.
  - e. Major capital improvements for the facilities which cannot be supported with operating revenues may be met through future general obligation or revenue bonds or other sources.
  - f. Metro, if it continues as the responsible government, should, through its continued management and improvement of the PCPA, support the adopted mission statement for those facilities.
  - g. The City of Portland should make an ongoing financial commitment to the operation of the PCPA.
4. The Council agrees with the Committee recommendations that the facilities should operate in as independent, cost effective, and entrepreneurial manner as possible while maintaining a system of accountability to the affected public entities; further, the Council agrees that it is premature to concur with a management structure recommendation until more information is developed.
5. Negotiations to implement the Committee recommendations should involve principally the elected officials or their designees of the City of Portland, Metro and Multnomah County and three citizen advisers representing the arts, hotel, and business communities.

6. After completing the implementation of the Committee's recommendations, the Metro Council may consider Resolution No. 96-2312 initiating a tax study to explore increasing the Hotel Tax in Washington and Clackamas Counties to provide additional support for the arts community and facilities.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_ 1996.

Not Adopted

Jon Kvistad, Presiding Officer

Approved as to Form:

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Daniel B. Cooper, General Counsel

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