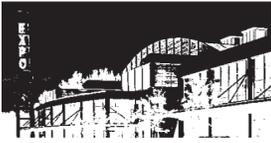

MERC Commission Meeting

December 7, 2016
12:30 pm

Expo Center
2060 N. Marine Drive
Rooms D202-203



600 NE Grand Ave.
Portland, OR 97232
503-797-1780

www.oregonmetro.gov



Metro | *Exposition Recreation Commission*

Agenda

Meeting: Metro Exposition Recreation Commission Meeting
Date: Wednesday, December 7, 2016
Time: 12:30 – 2:30p.m.
Place: Expo Center, D202-D203

CALL TO ORDER

- | | | | |
|-------|-----|--|---|
| 12:30 | 1. | QUORUM CONFIRMED | |
| 12:35 | 2. | OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS | |
| 12:40 | 3. | METRO COO COMMUNICATIONS | Martha Bennett |
| 12:50 | 4. | COMMISSION/COUNCIL LIAISON COMMUNICATIONS | Elisa Dozono, Sam Chase |
| 12:55 | 5. | INTERIM GM COMMUNICATIONS | Scott Cruickshank |
| 1:00 | 6. | FINANCIAL REPORT, pages 5-17 | Serin Bussell |
| 1:05 | 7. | VENUE BUSINESS REPORTS | Robyn Williams, Matt Pizzuti,
Matthew P. Rotchford |
| 1:20 | 8. | TRAVEL PORTLAND QUARTERLY REPORT, pages 19-39 | Steve Faulstick |
| 1:35 | 9. | EQUITY IN CONTRACTING ANNUAL REPORT, pages 41-65 | Gabi Schuster |
| 1:55 | 10. | METRO DIVERSITY, EQUITY AND INCLUSION UPDATE, pages 67-81 | Patty Unfred |
| 2:15 | 11. | CONSENT AGENDA | |
| | | <ul style="list-style-type: none"> • Record of MERC Actions, November 2, 2016, pages 83-85 | |
| 2:20 | 12. | ACTION AGENDA | |
| | | Resolution 16-32: For the purpose of approving a Distributed Antenna System License Agreement at the Oregon Convention Center, pages 87-114 | Matthew Uchtman |

ADJOURN

MERC Commission Meeting

December 7, 2016
12:30 pm

6.0 Financial Report

OCTOBER 2016

FINANCIAL INFORMATION

For Management Purposes only



OREGN

Oregon
Convention
Center



Memo



Metro

600 NE Grand Ave.
Portland, OR 97232-2736

Date: December 7, 2016
To: Commissioner Elisa Dozono, Chair
Commissioner Karis Stoudamire-Phillips, Vice Chair
Commissioner Deidra Kryz-Rusoff, Secretary-Treasurer
Commissioner Terry Goldman
Commissioner Damien Hall
Commissioner Judie Hammerstad
Commissioner Ray Leary
From: Ben Rowe – MERC Finance Manager
Re: Financial information for the month of October Fiscal Year 2016-17

2016-17 October Summary

Total MERC event revenues (charges for services and food & beverage), year to date (YTD), closed 14.8% below prior year. However, FY15-16 was a banner year for MERC venues, so closing October with YTD event revenues at 6.2% above the three-year historical average is a positive outcome. Total MERC event revenues closed 10% above YTD budget projections and expenses closed 3% below YTD budget projections. OCC closed October with revenues 8% above October budget projections, 2% above prior year October revenues, and 13% above the three-year historical average for revenue. P5's October closed at 19% above prior year October and 22% above three-year historical average for revenue. Expo's October closed at 9% above prior year October and 4% above the three-year historical average for revenue.

Fiscal Year 2016-17 Economic Dynamics

Several economic and industry dynamics will interact throughout FY 2016-17 resulting in a fiscal year perhaps not as robust as the last two fiscal years. Firstly, FY 2014-15 and FY 2015-16 were both record-breaking high grossing years for the venues. Any comparison to these years is skewed because they were so robust. That being said, each of the venues' event schedule forecast for FY 2016-17 and beyond is unique. Portland's hosted a record number of Broadway performances (12.5 weeks) in FY 2015-16 however has even more (13.5 weeks) currently booked for FY 2016-17. OCC on the other hand may experience the effects of a reduced national convention schedule due to the current upswing in Portland's hotel market. The Portland hotel market began heating up a few years ago which facilitated a disincentive to hoteliers to provide large room blocks for national convention business. While hotel market demand has grown significantly in the last three years, supply has not increased since 2009. Looking to the near future, there are several downtown hotel projects slated to open in the next 36 months, which should greatly improve the market's capacity and opportunity for booking national conventions. Several large repeat clients at OCC and Expo schedule events every two years instead of each year. We have already seen the off year effect of this scheduling pattern at both venues in July. Finally, it is unknown how long the strong consumer confidence and spending which fueled our growth over the past two years can sustain itself. We hope the consumer spending trends we have seen recently will continue throughout the year and at each Broadway show and convention, however we may experience fluctuations in consumer spending influenced by national political and economic events throughout the year. The venues may have yet another great year or we may experience some cooling when compared to our most recent years.

MERC Venues Events & Attendance

Total MERC venues October events and attendance are respectively at 1% and 9% above the three-year historical average.

Total MERC Venues	2015		2016		Change from Prior Year	
	Events	Attendance	Events	Attendance	Events	Attendance
1 st Quarter	293	329,836	284	342,829	(9), (3%)	12,993, 4%
October	181	157,188	166	170,280	(4), (2%)	23,468, 15%
Year to Date	474	487,024	450	513,109	(13), (5%)	36,461, 19%

MERC Venues Revenues & Expense

Total MERC event revenues (charges for services and food & beverage) closed October 0.5% below October 2015. Total year to date (YTD) event revenues closed 14.8% below the prior year, 6.2% above the three-year historical average, and 10% above YTD budget projections. Total venue expenses are 2% below the prior year, 9.3% above the three-year historical average and 3% below YTD budget projections.

Food & Beverage

The total MERC venues food and beverage margin for October is 27% and 22% YTD, 1% below the three-year historical YTD average.

Net Operations

Total MERC YTD net operations is \$1.12 million less than the prior year and \$355,000 greater than the three-year historical YTD average.

Historical Actual Comparison FY 2014-2016 to FY 2016-17

Fiscal Year:	2014	2015	2016	2017	3-yr Hist.	% Diff	% Diff
Revenues	YTD	YTD	YTD	YTD	Average	Average	2016
Food and Beverage	4,854,317	5,617,874	7,796,224	5,686,297	6,089,472	-6.62%	-27%
Charges for Services	5,395,287	7,259,860	8,648,291	8,322,850	7,101,146	17.20%	-4%
Lodging Tax	1,262,966	1,495,487	1,438,348	2,334,725	1,398,934	66.89%	62%
Other	59,977	115,773	72,957	143,234	82,902	72.77%	96%
Total Revenues	11,572,547	14,488,994	17,955,821	16,487,106	14,672,454	12.37%	-8%
Expenses							
Food and Beverage	4,194,271	4,541,076	5,406,069	4,450,307	4,713,806	-5.59%	-18%
Personnel Services	5,285,152	5,709,835	6,157,984	6,374,549	5,717,657	11.49%	4%
Materials and Services	3,323,198	3,821,569	4,390,912	4,888,073	3,845,226	27.12%	11%
Other Operating Expense	1,359,246	1,362,099	1,553,029	1,448,204	1,424,791	1.64%	-7%
Total Operating Expense	14,161,867	15,434,580	17,507,994	17,161,133	15,701,480	9.30%	-2.0%
Net Operations	(2,589,320)	(945,586)	447,826	(674,027)	(1,029,026)	-34.50%	-251%
Food & Beverage Margins	14%	19%	31%	22%	23%	-0.9%	-8.9%

Oregon Convention Center

OCC October revenues closed 2% (\$68,858) above the prior October, 13% (\$369,503) above the three-year historical average, and 8% above October budget projections. OCC hosted 9 (13%) more events and 16,489 (27%) more attendees in October compared to the prior year. October events and attendance are respectively 8% and 22% above the three-year historical monthly average. October expenses are 4% above the prior year, 15% above the three-year historical average, and 7% below October budget projections. OCC's YTD food and beverage margin is 21.6%, 11% below the prior YTD margin.

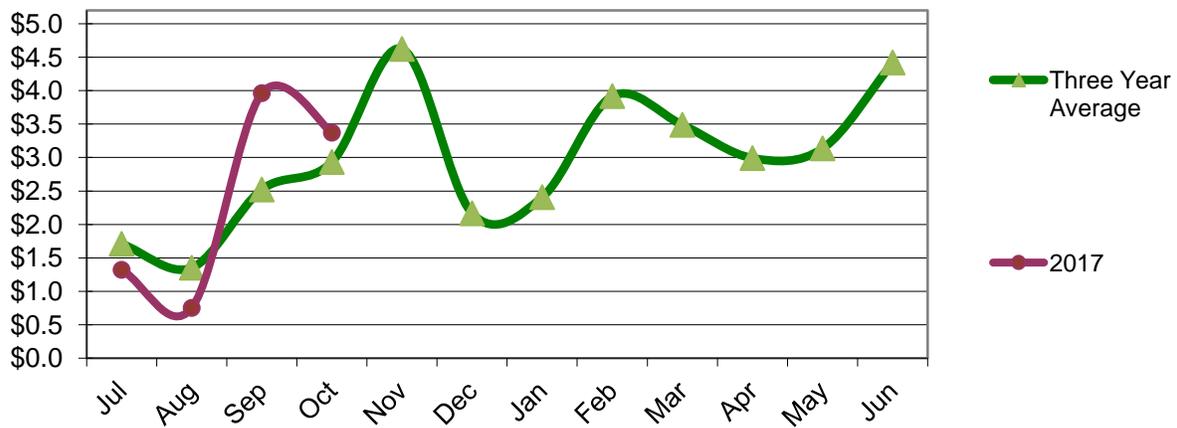
Highest Grossing Events

Event*	Gross Event Revenue	% of September Event Revenue
Collaborate 2016 Viewpoint User Conference	\$590,280	23%
Kumoricon 2016	193,912	8%
American Association for Aerosol Research Annual Conference	122,485	5%
Portland Retro Gaming Expo	107,218	4%
All other Events	1,561,671	61%
Total	\$2,575,665	100%

*Note: revenue reported in this section reflects event receipts in month only and not total gross event revenue.

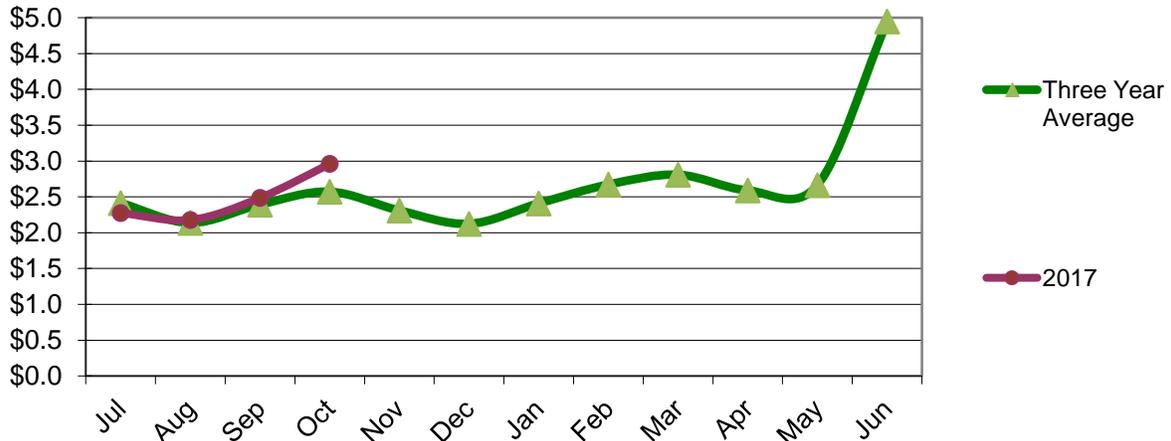
OCC Program Revenues by Month

Shown in Millions



OCC Program Expense by Month

Shown in Millions



Portland's Centers for the Arts

Portland's October revenues are 19% (\$239,142) above the prior October, 22% (\$275,674) above the three-year historical average and 2% below October budget projections. Portland's hosted 9 (-9%) fewer performances, and 6,500 (10%) more attendees compared to the prior year. October performances and attendance are 3% below and 5% above the three-year historical monthly average respectively. October expenses are 16% above the prior year, 43% above the three-year historical average and 9% below October budget projections. Portland's YTD food and beverage margin is 27%, 0.6% above the prior YTD margin.

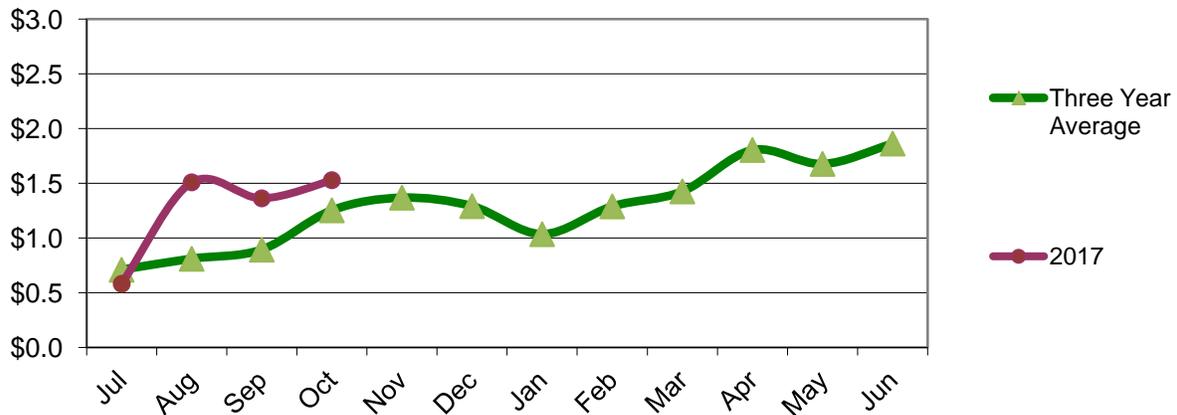
Highest Grossing Events

Event*	Gross Event Revenue	% of September Event Revenue
Giants	\$89,578	6%
Alice Cooper	62,133	5%
Norah Jones	57,633	4%
Brian Wilson	56,198	4%
All other Events	1,113,369	81%
Total	\$1,378,910	100%

*Note: revenue reported in this section reflects event receipts in month only and not total gross event revenue.

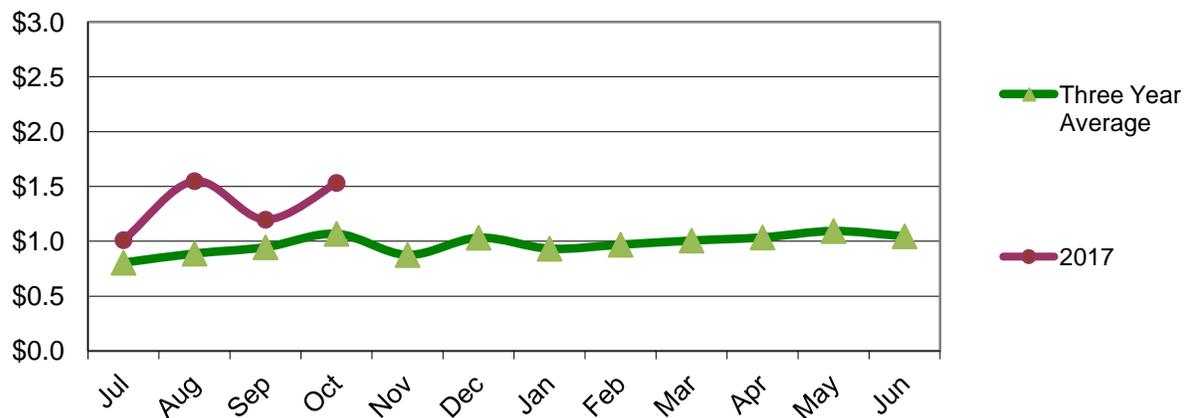
P5CA Program Revenue by Month

Shown in Millions



P5CA Program Expense by Month

Shown in Millions



Portland Expo Center

Expo's October revenues closed 9% (\$47,189) above the prior October, 4% (\$21,570) above the three-year historical average, and 5% below October budget projections. Expo hosted 4 (27%) fewer event and 465 (2%) more attendees in October than the prior year. Events and attendance closed 8% and 2%, respectively, below the three-year historical monthly average. Expo's October expenses are 20% above the prior year, 11% above the three-year historical average, and 18% below October budget projections. Expo's YTD food & beverage margin is 12%, 1.3% greater than the prior YTD margin.

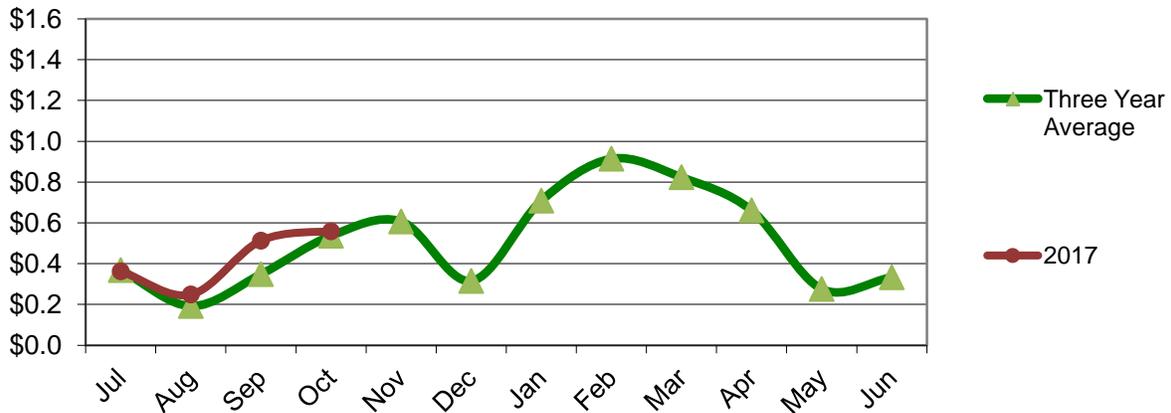
Highest Grossing Events

Event*	Gross Event Revenue	% of September Event Revenue
America's Largest Antique & Collectible Show	\$119,392	24%
2016 Portland Fall Home Show	102,083	20%
Daimler Trucks of North America	54,754	11%
2016 Portland Tattoo Expo	51,670	10%
All other Events	170,434	34%
Total	\$498,333	100%

*Note: revenue reported in this section reflects event receipts in month only and not total gross event revenue.

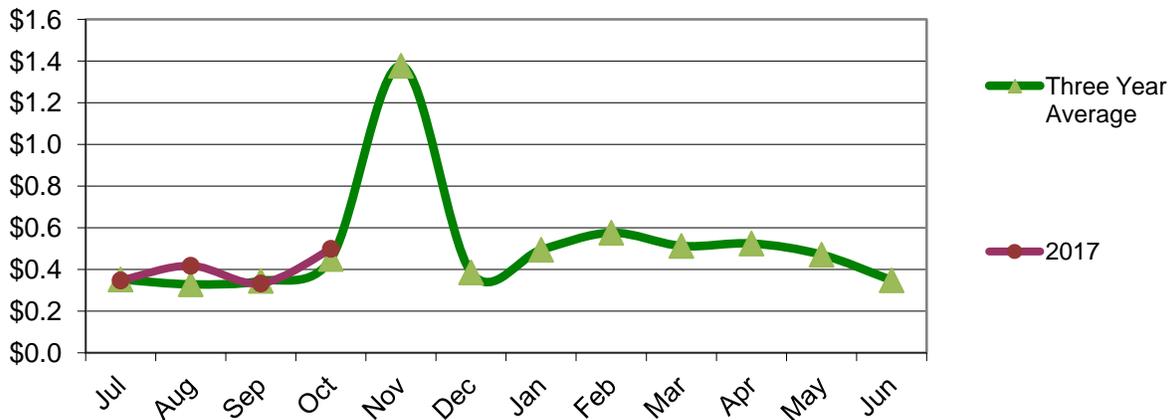
Expo Program Revenue by Month

Shown in Millions



Expo Program Expense by Month

Shown in Millions



MERC Statement of Activity with
Annual Budget

Metropolitan Exposition-Recreation

Commission

October 2016

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actual	Prior Year to Date Actual	Current Year Budget	% of Prior Year	% of Annual Budget
Operations							
Charges for Services	2,927,474	2,828,258	8,322,850	8,648,291	25,283,884	96.24%	32.92%
Contributions from Governments	-	-	-	-	871,029	0.00%	0.00%
Contributions from Private Sources	-	-	-	-	13,000	0.00%	0.00%
Enhanced Marketing VDF	-	-	-	-	486,118	0.00%	0.00%
Food and Beverage Revenue	1,800,068	1,924,451	5,686,297	7,796,224	17,248,329	72.94%	32.97%
Grants	100	-	2,100	-	55,000	0.00%	3.82%
Interest Earnings	156,944	24,837	8,193	49,019	171,000	16.71%	4.79%
Lodging Tax	672,908	428,246	2,334,725	1,438,348	11,964,317	162.32%	19.51%
Miscellaneous Revenue	18,380	5,355	39,609	23,939	103,440	165.46%	38.29%
Transfers-R	23,333	(0)	93,332	(0)	280,000	0.00%	33.33%
Visitor Development Fund Alloc	-	-	-	-	6,468,315	0.00%	0.00%
Total Revenues	5,599,207	5,211,147	16,487,106	17,955,821	62,944,432	91.82%	26.19%
Capital							
Capital Outlay	-	-	-	-	-	0.00%	0.00%
Food & Beverage Services	1,309,343	1,394,058	4,450,307	5,406,069	13,985,429	82.32%	31.82%
Materials and Services	1,437,188	1,241,734	4,888,073	4,390,912	17,300,339	111.32%	28.25%
Personnel Services	1,686,295	1,621,692	6,374,549	6,157,984	20,310,932	103.52%	31.38%
Transfers-E	652,131	414,935	1,448,204	1,553,029	9,797,330	93.25%	14.78%
Visitor Development Marketing	-	-	-	-	486,118	0.00%	0.00%
Total Expenditures	5,084,957	4,672,418	17,161,133	17,507,994	61,880,148	98.02%	27.73%
Net Operations	514,250	538,728	(674,027)	447,826	1,064,284		
Capital							
Contributions from Private Sources	-	-	-	-	637,501	0.00%	0.00%
Grants	1,000	-	18,464	-	-	0.00%	0.00%
Miscellaneous Revenue	2,560	-	4,292	-	-	0.00%	0.00%
Transfers-R	26,667	-	106,668	-	320,000	0.00%	33.33%
Total Revenues	30,227	-	129,424	-	957,501	0.00%	13.52%
Capital Outlay	236,799	108,340	1,273,707	795,241	14,418,744	160.17%	8.83%
Materials and Services	130	8,561	217	18,571	46,000	1.17%	0.47%
Total Expenditures	236,929	116,901	1,273,925	813,812	14,464,744	156.54%	8.81%
Net Capital	(206,702)	(116,901)	(1,144,500)	(813,812)	(13,507,243)		
12 Month Fund Balance Increase	307,549	421,827	(1,818,527)	(365,986)	(12,442,959)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

MERC Admin Sub Fund

October 2016

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Interest Earnings	37,054	3,465	4,862	4,696	18,000	103.5%	27.0%
Transfers-R	104,248	104,966	416,992	419,863	1,250,977	99.3%	33.3%
Total Revenues	141,302	108,431	421,855	424,559	1,268,977	99.4%	33.2%
Capital Outlay	-	-	-	-	-	0.0%	0.0%
Materials and Services	19,162	39,688	102,114	171,671	538,085	59.5%	19.0%
Personnel Services	72,519	66,670	264,367	284,808	867,245	92.8%	30.5%
Transfers-E	175	-	5,700	-	16,350	0.0%	34.9%
Total Expenditures	91,856	106,358	372,181	456,478	1,421,680	81.5%	26.2%
Net Operations	49,447	2,073	49,674	(31,919)	(152,703)		
Capital							
Transfers-R	-	-	-	-	(2,391,740)	0.0%	0.0%
Total Revenues	-	-	-	-	(2,391,740)	0.0%	0.0%
Capital Outlay	-	-	-	-	250,000	0.0%	0.0%
Total Expenditures	-	-	-	-	250,000	0.0%	0.0%
Net Capital	-	-	-	-	(2,641,740)		
12 Month Fund Balance Increase	49,447	2,073	49,674	(31,919)	(2,794,443)		

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
Convention Center Operating Fund
October 2016

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Charges for Services	1,394,228	1,400,582	3,461,724	4,250,433	10,764,464	81.4%	32.2%
Enhanced Marketing VDF	-	-	-	-	486,118	0.0%	0.0%
Food and Beverage Revenue	1,376,768	1,569,678	4,114,833	6,243,445	12,000,000	65.9%	34.3%
Grants	100	-	2,100	-	-	0.0%	0.0%
Interest Earnings	58,934	10,148	353	14,718	75,000	2.4%	0.5%
Lodging Tax	598,457	378,431	2,076,407	1,271,035	10,593,288	163.4%	19.6%
Miscellaneous Revenue	9,800	2,182	16,071	7,684	17,000	209.2%	94.5%
Transfers-R	(67,396)	(58,987)	(269,584)	(235,947)	(808,751)	114.3%	33.3%
Visitor Development Fund Alloc	-	-	-	-	5,771,546	0.0%	0.0%
Total Revenues	3,370,892	3,302,034	9,401,904	11,551,367	38,898,665	81.4%	24.2%
Food & Beverage Services	971,868	1,086,179	3,224,609	4,191,881	9,762,922	76.9%	33.0%
Materials and Services	751,713	656,755	2,504,465	2,417,492	10,167,186	103.6%	24.6%
Personnel Services	849,919	856,548	3,327,282	3,287,357	10,892,021	101.2%	30.5%
Transfers-E	387,217	245,935	840,908	915,868	6,790,481	91.8%	12.4%
Visitor Development Marketing	-	-	-	-	486,118	0.0%	0.0%
Total Expenditures	2,960,717	2,845,418	9,897,263	10,812,598	38,098,728	91.5%	26.0%
Net Operations	410,175	456,616	(495,359)	738,769	799,937		
Capital							
Contributions from Private Sources	-	-	-	-	398,438	0.0%	0.0%
Grants	-	-	7,500	-	-	0.0%	0.0%
Miscellaneous Revenue	2,560	-	4,292	-	-	0.0%	0.0%
Transfers-R	26,667	-	106,668	-	1,695,000	0.0%	6.3%
Total Revenues	29,227	-	118,460	-	2,093,438	0.0%	5.7%
Capital Outlay	63,724	16,577	440,276	219,769	6,913,959	200.3%	6.4%
Materials and Services	130	8,561	217	18,571	-	1.2%	0.0%
Total Expenditures	63,854	25,138	440,493	238,340	6,913,959	184.8%	6.4%
Net Capital	(34,627)	(25,138)	(322,033)	(238,340)	(4,820,521)		
12 Month Fund Balance Increase	375,549	431,478	(817,392)	500,429	(4,020,584)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Portland's Centers for the Arts Fund

October 2016

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Charges for Services	1,157,279	1,055,011	3,803,503	3,386,542	10,351,965	112.3%	36.7%
Contributions from Governments	-	-	-	-	871,029	0.0%	0.0%
Contributions from Private Sources	-	-	-	-	13,000	0.0%	0.0%
Food and Beverage Revenue	277,060	209,222	1,046,361	1,097,739	3,252,119	95.3%	32.2%
Grants	-	-	-	-	55,000	0.0%	0.0%
Interest Earnings	50,805	9,170	4,257	26,526	60,000	16.0%	7.1%
Lodging Tax	74,452	49,815	258,318	167,314	1,371,029	154.4%	18.8%
Miscellaneous Revenue	5,789	1,874	16,061	11,860	61,590	135.4%	26.1%
Transfers-R	(36,852)	(35,701)	(147,409)	(142,804)	(442,226)	103.2%	33.3%
Visitor Development Fund Alloc	-	-	-	-	696,769	0.0%	0.0%
Total Revenues	1,528,532	1,289,390	4,981,091	4,547,176	16,290,275	109.5%	30.6%
Food & Beverage Services	195,757	186,967	764,029	808,243	2,520,826	94.5%	30.3%
Materials and Services	539,137	480,286	1,907,589	1,498,204	5,126,153	127.3%	37.2%
Personnel Services	612,125	545,956	2,212,144	2,022,467	6,786,405	109.4%	32.6%
Transfers-E	186,111	109,202	410,568	424,194	1,256,191	96.8%	32.7%
Total Expenditures	1,533,130	1,322,411	5,294,330	4,753,108	15,689,575	111.4%	33.7%
Net Operations	(4,599)	(33,021)	(313,238)	(205,932)	600,700		
Capital							
Contributions from Private Sources	-	-	-	-	95,625	0.0%	0.0%
Grants	-	-	9,964	-	-	0.0%	0.0%
Total Revenues	-	-	9,964	-	95,625	0.0%	10.4%
Capital Outlay	132,650	91,763	763,584	412,526	5,229,405	185.1%	14.6%
Total Expenditures	132,650	91,763	763,584	412,526	5,229,405	185.1%	14.6%
Net Capital	(132,650)	(91,763)	(753,620)	(412,526)	(5,133,780)		
12 Month Fund Balance Increase	(137,249)	(124,785)	(1,066,859)	(618,458)	(4,533,080)		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Expo Fund

October 2016

	Current Month Actual	Prior Year Month Actual	Current Year to Date Actuals	Prior Year to Date Actual	Current Year Budget	% of Prior Year to Date	% of Annual Budget
Operations							
Charges for Services	375,967	372,665	1,057,622	1,011,316	4,167,455	104.6%	25.4%
Food and Beverage Revenue	146,240	145,551	525,104	455,040	1,996,210	115.4%	26.3%
Interest Earnings	10,151	2,054	(1,280)	3,079	18,000	-41.6%	-7.1%
Miscellaneous Revenue	2,791	1,299	7,478	4,395	24,850	170.1%	30.1%
Transfers-R	23,333	(10,278)	93,332	(41,112)	280,000	-227.0%	33.3%
Total Revenues	558,481	511,292	1,682,256	1,432,719	6,486,515	117.4%	25.9%
Food & Beverage Services	141,719	120,911	461,669	405,945	1,701,681	113.7%	27.1%
Materials and Services	127,175	65,004	373,905	303,545	1,468,915	123.2%	25.5%
Personnel Services	151,732	152,517	570,757	563,353	1,765,261	101.3%	32.3%
Transfers-E	78,628	59,798	191,028	212,967	1,734,308	89.7%	11.0%
Total Expenditures	499,254	398,231	1,597,359	1,485,810	6,670,165	107.5%	23.9%
Net Operations	59,227	113,061	84,897	(53,092)	(183,650)		
Capital							
Contributions from Private Sources	-	-	-	-	143,438	0.0%	0.0%
Grants	1,000	-	1,000	-	-	0.0%	0.0%
Transfers-R	-	-	-	-	1,016,740	0.0%	0.0%
Total Revenues	1,000	-	1,000	-	1,160,178	0.0%	0.1%
Capital Outlay	40,425	-	69,847	162,946	2,025,380	42.9%	3.4%
Materials and Services	-	-	-	-	46,000	0.0%	0.0%
Total Expenditures	40,425	-	69,847	162,946	2,071,380	42.9%	3.4%
Net Capital	(39,425)	-	(68,847)	(162,946)	(911,202)		
12 Month Fund Balance Increase	19,802	113,061	16,050	(216,037)	(1,094,852)		

MERC Food and Beverage Margins

October 2016

	Current Month Actual	Prior Year Month Actual	Current Year to Date	Prior Year to Date Actual	Annual Budget
Convention Center Operating Fund					
Food and Beverage Revenue	1,376,768	1,569,678	4,114,833	6,243,445	12,000,000
Food & Beverage Services	971,868	1,086,179	3,224,609	4,191,881	9,762,922
Food and Beverage Gross Margin	404,901	483,499	890,224	2,051,564	2,237,078
Food and Beverage Gross Margin %	29.41%	30.80%	21.63%	32.86%	18.64%
Portland'S Centers for the Arts Fund					
Food and Beverage Revenue	277,060	209,222	1,046,361	1,097,739	3,252,119
Food & Beverage Services	195,757	186,967	764,029	808,243	2,520,826
Food and Beverage Gross Margin	81,304	22,254	282,331	289,496	731,293
Food and Beverage Gross Margin %	29.35%	10.64%	26.98%	26.37%	22.49%
Expo Fund					
Food and Beverage Revenue	146,240	145,551	525,104	455,040	1,996,210
Food & Beverage Services	141,719	120,911	461,669	405,945	1,701,681
Food and Beverage Gross Margin	4,521	24,640	63,435	49,095	294,529
Food and Beverage Gross Margin %	3.09%	16.93%	12.08%	10.79%	14.75%
MERC Fund Total					
Food and Beverage Revenue	1,800,068	1,924,451	5,686,297	7,796,224	17,248,329
Food & Beverage Services	1,309,343	1,394,058	4,450,307	5,406,069	13,985,429
Food and Beverage Gross Margin	490,725	530,393	1,235,991	2,390,155	3,262,900
Food and Beverage Gross Margin %	27.26%	27.56%	21.74%	30.66%	18.92%

MERC Visitor Venues
Events-Performances-Attendance
FY 2016-17

OCC	October 2014		October 2015		October 2016		Net Change from Prior Year		October 2016	
	Events	Attendance	Events	Attendance	Events	Attendance	Events	Attendance	Revenue	% of Rev.
Tradeshows/Conventions	12	15,472	12	27,437	10	19,498	-	11,965	1,256,042	49%
Consumer Public Shows	4	10,809	4	17,736	9	33,778	-	6,927	468,830	18%
Miscellaneous							-	-	1,349	0%
Miscellaneous -In-House	9	224	17	655	12	600	8	431	6,151	0%
Meetings	25	11,187	25	8,058	26	7,509	-	(3,129)	422,191	16%
Catering	10	5,992	11	6,287	10	4,901	1	295	421,102	16%
Totals	60	43,684	69	60,173	67	66,286	9	16,489	\$ 2,575,665	100%

Expo Center	October 2014		October 2015		October 2016		Net Change from Prior Year		October 2016	
	Events	Attendance	Events	Attendance	Events	Attendance	Events	Attendance	Revenue	% of Rev.
Consumer Public Shows	5	25,014	6	25,910	9	29,105	3	3,195	377,763	76%
<i>Cirque Du Soleil</i>	-	-	-	-			-	-	-	0%
Miscellaneous	3	190	5	501			(5)	(501)	2,035	0%
Meetings	1	40	2	40	2	486	-	446	56,051	11%
Catering	-	-	-	-			-	-	-	0%
Tradeshows/Conventions	3	3,466	2	2,674			(2)	(2,674)	62,485	13%
Totals	12	28,710	15	29,125	11	29,591	(4)	466	\$ 498,334	100%
Totals w/Cirque du Soleil	12	28,710	15	29,125	11	29,591	(4)	466	\$ 498,334	100%

Portland '5	October 2014		October 2015		October 2016		Net Change from Prior Year		October 2016	
	Performances	Attendance	Performances	Attendance	Performances	Attendance	Performances	Attendance	Revenue	% of Rev.
Commercial (Non-Broadway)	17	20,243	7	10,198	15	24,851	8	14,653	702,593	51%
Broadway	8	19,294	6	10,373	-	-	(6)	(10,373)	69,224	5%
Resident Company	19	19,353	23	22,914	30	32,572	7	9,658	44,705	3%
Non-Profit	43	11,127	49	19,248	21	7,868	(28)	(11,380)	429,395	31%
Promoted/Co-Promoted	1	56	4	2,011	14	4,158	10	2,147	111,202	8%
Student	3	2,572	7	3,016	7	4,799	-	1,783	6,444	0%
Miscellaneous	1	160	1	130	1	155	-	25	15,347	1%
Totals	92	72,805	97	67,890	88	74,403	(9)	6,513	\$ 1,378,910	100%

MERC Statement of Fund Balances and Reserves

October 2016

	FY 2017 Through October	FY 2016 Through October	FY 2016 Through June	FY 2017 Annual Budget
<u>Oregon Convention Center</u>				
Beginning Fund Balance	21,770,042	18,574,045	18,574,045	18,513,545
Fund Balance Inc (Dec)	(817,392)	500,429	3,195,997	(4,020,584)
Ending Fund Balance	20,952,650	19,074,473	21,770,042	14,492,961
<i>Contingency - Operating</i>				1,500,000
<i>Contingency - New Capital-Business Strategy</i>				1,821,308
<i>Contingency - Renewal & Replacement</i>				11,171,653
Ending Fund Balance				14,492,961
<u>Portland'5 Centers for the Arts</u>				
Beginning Fund Balance	13,178,660	10,622,451	10,622,451	11,348,488
Fund Balance Inc (Dec)	(1,066,859)	(618,458)	2,556,209	(4,533,080)
Ending Fund Balance	12,111,801	10,003,993	13,178,660	6,815,408
<i>Contingency - Operating</i>				600,000
<i>Contingency - New Capital-Business Strategy</i>				2,004,255
<i>Contingency - Renewal & Replacement</i>				4,211,153
Ending Fund Balance				6,815,408
<u>Expo</u>				
Beginning Fund Balance	2,843,104	3,167,865	3,167,865	2,798,742
Fund Balance Inc (Dec)	16,050	(216,037)	(324,760)	(1,094,852)
Ending Fund Balance	2,859,154	2,951,828	2,843,105	1,703,890
<i>Contingency - Operating</i>				350,000
<i>Contingency - New Capital-Business Strategy</i>				1,353,890
<i>Contingency - Renewal & Replacement</i>				-
Ending Fund Balance				1,703,890
<u>MERC Administration</u>				
Beginning Fund Balance	14,171,403	8,001,482	8,001,481	8,188,922
Fund Balance Inc (Dec)	49,674	(31,919)	6,169,921	(2,794,443)
Ending Fund Balance	14,221,077	7,969,563	14,171,402	5,394,479
<i>Contingency - Operating</i>				65,000
<i>Contingency - Renewal & Replacement</i>				1,576,837
<i>Contingency - TLT Pooled Capital</i>				3,752,642
Ending Fund Balance				5,394,479
<u>MERC Fund</u>				
Beginning Fund Balance	51,963,209	40,365,843	40,365,842	40,849,697
Fund Balance Inc (Dec)	(1,818,527)	(365,986)	11,597,367	(12,442,959)
Ending Fund Balance	50,144,682	39,999,857	51,963,209	28,406,738

MERC Commission Meeting

December 7, 2016
12:30 pm

8.0 Travel Portland First
Quarter Report

travel
PORTLAND

Highlights:

Executive Summary - Page 3



Table of Contents

Executive Summary.....	3
Convention Sales.....	4
Convention Services.....	11
Communications and Publications.....	13
Marketing.....	15
Tourism.....	15
Operations.....	16
Finance.....	18
Board of Directors.....	21

Jeff Miller.....	President and CEO
Brian Doran.....	Executive Vice President of Finance and Administration
Greg Newland.....	Executive Vice President of Marketing and Public Relations
Steve Faulstick.....	Executive Vice President of Convention and International Tourism Sales

100 SW Main
 Suite 1100
 Portland, OR 97204
 503.275.9750



Executive Summary

ACCOMPLISHMENTS

- For the first quarter OCC realized \$3.3 million in revenue from Travel Portland booked business. Community impact ROI from all future bookings was 33.6 to 1.
- Seventeen new and zero repeat OCC conventions were booked for future years in the quarter worth \$5.8 million in OCC revenue and community economic impact over \$29.6 million. Total Travel Portland bookings, including single hotel will result in \$42.3 million of economic impact.
- Travel Portland booked one minority meetings in the quarter with an EEI of over \$60,000.
- Travel Portland generated eight articles with a value of \$30,000 for the OCC and visitor venues in the quarter.

TRENDS, SUCCESSES, OBSTACLES

- Transient Lodging Tax continues to increase. YTD collections of the city's tax were up 17.2%.
- Lack of a headquarters hotel resulted in the loss of ten groups worth 46,399 room nights and projected OCC lost revenue of over \$4.1 million. Cost of community economic impact is estimated at over \$65 million.

MERC CONTRACT TARGETS

TARGET #	TARGET DESCRIPTION	YEAR TO DATE ACTUAL	ANNUAL TARGET
1	OCC revenue target	\$3,378,538	\$14.0 Million
2	ROI on future OCC business	4.6	3.8
3	Lead conversion	33%	35%
4	Services performance survey	4.0	3.85
5	ROI on public relations/media	0.8	25.0
6	Community economic impact	33.6	42.0

CITY CONTRACT GOALS

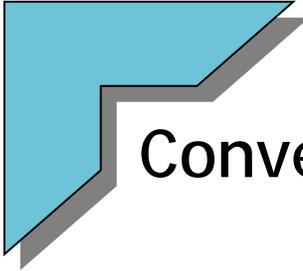
OBJECTIVE #	GOAL DESCRIPTION	YEAR TO DATE ACTUAL	ANNUAL GOAL
1	Convention Sales and Marketing Economic Impact ROI	31.3	25.0
6	Media Placement ROI	41.9	25.0



Convention Sales

OREGON CONVENTION CENTER BOOKING REVENUE FROM TRAVEL PORTLAND BOOKINGS			
	OCC Revenue	Annuals	Total Potential Future Business
FY 16/17	\$ 13,786,918	\$ 124,888	\$ 13,911,806
FY 17/18	\$ 7,328,819	\$ 1,402,202	\$ 8,731,021
FY 18/19	\$ 5,546,978	\$ 1,557,552	\$ 7,104,530
FY 19/20	\$ 3,870,454	\$ 1,557,552	\$ 5,428,006
FY 20/21	\$ 3,253,017	\$ 1,557,552	\$ 4,810,569
FY 21/22	\$ 5,400,278	\$ 1,557,552	\$ 6,957,830
FY 22/23	\$ 408,633	\$ 1,557,552	\$ 1,966,185
FY 23/24	\$ -	\$ 1,557,552	\$ 1,557,552
FY 24/25	\$ -	\$ 1,557,552	\$ 1,557,552
TOTAL	\$ 39,595,097	\$ 12,429,954	\$ 52,025,051

Oregon Convention Center Projected Future Revenue			
Total Travel Portland Contract:	Quarter	YTD	Target
New OCC Bookings	17	17	
Repeat OCC Bookings	0	0	
Total OCC Bookings	17	17	
Room Nights from OCC Bookings	36,576	36,576	
Future OCC Revenue Booked during FY 2016/17	\$ 5,843,125	\$ 5,843,125	
ROI OCC Bookings	\$ 4.6	\$ 4.6	3.8 to 1
Community Economic Impact from OCC Bookings	\$ 29,623,822	\$ 29,623,822	
Total Room Nights Booked	62,048	62,048	
Total Community Economic Impact from Bookings	\$ 42,332,919	\$ 42,332,919	
ROI on Total Community Economic Impact	\$ 33.6	\$ 33.6	42.0 to 1
OCC Revenue Realized During FY 2016/17	\$ 3,378,538	\$ 3,378,538	\$14.0 Million



Convention Sales

OREGON CONVENTION CENTER FUTURE GROUP BOOKINGS

AS OF OCTOBER 1, 2016

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 and beyond
Current	50	24	15	10	15
4 Year Average	Current	1 yr. out	2 yrs. out	3 yrs. out	Beyond 3 yrs.
(FY 13/14 – FY 16/17)	46	26	16	9	11

1ST QUARTER - ROOM NIGHTS FROM OREGON CONVENTION CENTER BOOKINGS

Year	Groups	Total Room Nights	Attendees	OCC Revenue	Community Economic Impact
FY 16/17	7	3,566	36,480	\$ 1,824,848	\$ 3,985,470
FY 17/18	2	3,768	2,950	\$ 669,799	\$ 3,081,887
FY 18/19	1	4,113	2,500	\$ 629,424	\$ 3,388,508
FY 19/20	2	7,560	3,900	\$ 936,259	\$ 6,510,524
FY 20/21	3	11,896	5,200	\$ 1,142,116	\$ 8,064,239
FY 21/22	2	5,673	3,000	\$ 640,679	\$ 4,593,194
TOTAL OCC BOOKINGS	17	36,576	54,030	\$ 5,843,125	\$ 29,623,822

1ST QUARTER - ROOM NIGHTS FROM SINGLE HOTEL BOOKINGS

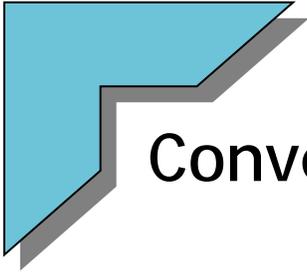
Year	Groups	Total Room Nights	Room Tax Generated	Community Economic Impact
FY 16/17	48	11,224	\$ 177,409	\$ 5,298,734
FY 17/18	12	6,922	\$ 109,411	\$ 2,796,291
FY 18/19	2	1,526	\$ 24,120	\$ 617,316
FY 19/20	3	5,035	\$ 79,584	\$ 3,677,803
FY 20/21	1	765	\$ 12,092	\$ 318,953
TOTAL OTHER BOOKINGS	66	25,472	\$ 402,617	\$ 12,709,097

Convention Sales

Oregon Convention Center Revenue: Three Year Average						
	Total Contract		Chicago Office		Washington, DC Office	
	Quarter	YTD	Quarter	YTD	Quarter	YTD
OCC Revenue Generated (3 yr. average)	\$ 4,158,444	\$ 4,158,444	\$ 510,309	\$ 510,309	\$ 1,222,707	\$ 1,222,707
Travel Portland Contract Costs	\$ 1,260,671	\$ 1,260,671	\$ 41,246	\$ 41,246	\$ 85,111	\$ 85,111
ROI (Revenue / Costs)	3.30	3.30	12.37	12.37	14.37	14.37

LEAD CONVERSION						
	Travel Portland Office		Chicago Office		Washington, DC Office	
	Quarter	YTD	Quarter	YTD	Quarter	YTD
OCC Leads	66	66	13	13	26	26
OCC Lost Leads due to OCC space & availability	5	5	2	2	0	0
OCC Lost Leads due to HQ hotel & hotel package	10	10	4	4	3	3
Lead Conversion Percentage	33%	33%	29%	29%	17%	17%
Annual Target - 35%						

1ST QUARTER - OREGON CONVENTION CENTER LOST BUSINESS						
Account	Groups	Reason	Total Room Nights	Attendees	Lost OCC Revenue	Lost Community Economic Impact
Subtotal	5	Hotel - HQ	24,329	11,450	\$ 2,559,915	\$ 18,848,064
Subtotal	9	Board Decision	15,776	10,000	\$ 1,384,244	\$ 9,472,358
Subtotal	5	Date Availability - OCC	18,772	10,300	\$ 1,295,878	\$ 11,598,657
Subtotal	4	Client Postponed Search	14,447	25,700	\$ 1,762,665	\$ 16,442,847
Subtotal	4	Geographic	20,085	10,400	\$ 2,127,324	\$ 14,421,049
Subtotal	3	Hotel Package - Number Hotels Needed	19,019	21,500	\$ 1,184,884	\$ 44,637,912
Subtotal	2	Declined business - OCC	17,401	6,800	\$ 2,015,656	\$ 14,792,144
Subtotal	2	Date Availability - Hotel	5,377	1,535	\$ 544,956	\$ 4,145,484
Subtotal	2	Hotel - Under One Roof	3,051	1,350	\$ 356,103	\$ 2,364,871
Subtotal	1	Rates/Cost - Hotel	3,585	900	\$ 234,795	\$ 1,648,692
Subtotal	1	Selected Another Year	9,500	9,000	\$ 808,816	\$ 6,244,896
Subtotal	1	Conference Cancelled - Not Happening	3,861	2,500	\$ 318,744	\$ 2,750,407
Total	39		155,203	111,435	\$ 14,593,980	\$ 147,367,381



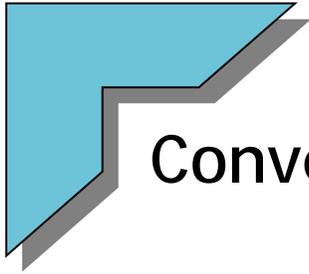
Convention Sales

1ST QUARTER - OREGON CONVENTION CENTER CANCELLATIONS

Account Name	Groups	Reason	Total Room Nights	Attendees	Lost OCC Revenue	Lost Community Economic Impact	Arrival Date
N/A	0	N/A	0	0	\$ -	\$ -	N/A

1ST QUARTER INDUSTRY TRADE SHOWS AND EVENTS

Trade Show/Event	Location
Oregon Society of Association Managements / Oregon chapter Meeting Professionals International Client Event	Portland, OR
Council of Engineering and Scientific Society Executives	Omaha, NB
IEEE Panel of Conference Organizers (POCO)	Montreal, CAN
Destination Marketing Association International	Minneapolis, MN
American Society of Association Executives	Salt Lake City, UT
HelmsBriscoe Cares	Lake Geneva, WI
Connect	Grapevine, TX
Kellen Management Conference	Atlanta, GA
MEET National	Washington, D.C.
Meetings Today	Broadmoor, CO
Hospitality Performance Network Global Partners Meeting	Los Cabos, MX
Green Meetings Industry Council	Baltimore, MD
Meeting Professionals International/Certified Meeting Professional Conclave	Salt Lake City, UT
Meeting Professionals International/ Professional Convention Management Association Regional Meeting	Seattle, WA
Meetings, Incentives, Conventions, Exhibitions	Singapore
Destination Marketing Association West	Mesa, AZ



Convention Sales

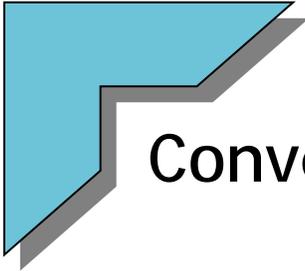
MINORITY PROJECTED FUTURE REVENUE		
Total Travel Portland Contract:	1st Quarter	YTD
New Minority Bookings	1	1
Total Minority Bookings	1	1
Room Nights from Minority Bookings	174	174
Minority Leads	1	1
Minority Lost Leads	2	2
Minority Lost Leads Due to OCC Space & Availability	0	0
Minority Lost Leads Due to Hotel Package & Availability	0	0

For the first quarter of FY 2016/17, minority bookings created an estimated economic impact to the greater metro Portland community of about \$60,000. Booked groups included the following:

Signature EquipoVision, LLC	\$	60,145
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Convention Sales

Program	Date	Location	Desiree Everett	Shawna Wellman	Cathy Kretz	Mandy Tucker	Ann Lubyerty	Chand Shergay	Tori Poutrelji	Erica Vanausdaji	Kayla Davis	Julie Smith	Jennifer Parks	Cara Tobias Jiggam	Tracey Chapman	Mauraen Champitt	Kristine Becker	Mike Synath	Steve Fudlick	Jeff Miller	Total Travel Portland
Oct-16																					
IMEX America: The Worldwide Meetings and Incentive Travel Exhibition	October 18 - 20, 2016	Las Vegas, NV	1		1														1		3
Seattle Road Show	October 3-5, 2016	Seattle, WA					1	1													2
Connect Faith	October 25-27, 2016	Orlando, FL			1																1
Nov-16																					
Oregon Society of Association Management Annual Meeting	November 16, 2016	Portland, OR						1	1												2
Road Show	November 2016 (TBD)	Philly/Pittsburgh		1		1															2
Simpleview Regional Training	November 9-11, 2016	Spokane, WA							1		1	1									3
Nursing Organizations Alliance Fall Summit	November 17-19, 2016	Omaha, NB		1																	1
National Coalition of Black Meeting Planners Educational Conference	November 30 - December 3, 2016	TBD				1								1							2
Dec-16																					
Fall 2016 Familiarization Tour	December 1-4, 2016	Portland, OR	1	1		1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	17
Holiday Showcase	December 15, 2016	Chicago, IL													1						1
LGBT Tourism & Hospitality Conference	December 11-13, 2016	Las Vegas, NV			1																1
Inter[action]	December 12-14, 2016	New Orleans, LA			1																1
LGBTQ Connect Sports Task Force	December 1 - 4, 2016	Austin, TX			1																1
Jan-17																					
Professional Convention Management Association Convening Leaders 2017	January 8-11, 2017	Austin, TX	1	1	1		1						1	1	1	1					8
Connect Diversity	January 2017 (TBD)	Las Vegas, NV				1								1							2
3-City Alliance Marketing Meeting	January 2017 (TBD)	Pittsburgh, PA	1															1	1		3
Feb-17																					
Council of Engineering and Scientific Society Executives Chief Executive Officer Meeting	February 19-22, 2017	Austin, TX											1								1
Religious Conference Management Association Emerge Conference	February 7-9, 2017	Chicago, IL			1																1
Society of Government Meeting Professionals National Education Conference & Expo	February 12-14, 2017	Eugene, OR						1													1
Road Show	February 2017 (TBD)	Phx/Denver			1	1															2
Travel Portland Customer Advisory Board Meeting	February 1-3, 2017	Portland, OR	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	18
Mar-17																					
Meeting Professional International Northern California Chapter Annual Conference	March 9, 2016	San Francisco, CA					1	1													2
Experient Envision	March 2017 (TBD)	TBD													1						1
Meeting Professionals International Cascadia Educational Conference	March 5-7, 2017	Pendleton, OR					1														1
Destination Management Association International Showcase	March 2017 (TBD)	Washington, D.C.	1										1	1							3
Meet NY	March 8, 2017	New York, NY		1																	1
Convention Sales Professional International Annual Conference	March 2017 (TBD)	Washington, DC	1																		1
Apr-17																					
ConferenceDirect Annual Partner Meeting & Tradeshow	April 9-13, 2017	Baltimore, MD				1															1
Simpleview Summit	April 2017 (TBD)	Scottsdale, AZ							1	1											2
HelmsBriscoe Annual Business Conference & Partner Fair	April 18-20, 2017	Chicago, IL					1														1
National Association of Sports Commissions Sports Event Symposium	March 27-30, 2017	Sacramento, CA			1																1
May-17																					
D.C. client event week	May 2017 (TBD)	Washington, D.C.	1		1		1	1					1	1					1		8
Xperience Design Project	May 23-24, 2017	Washington, D.C.		1									1	1							3



Convention Sales

Program	Date	Location	Desiree Everett	Shawna Waldman	Carby Krutz	Mandy Tucker	Aun Liberry	Chanel Sherman	Toni Pomrelli	Erica Yonasejoll	Kayla Davis	Julie Smith	Jennifer Parks	Cara Tobias Ingram	Tracey Chapman	Maureen Clumpitt	Kristine Becker	Mike Smith	Steve Paulick	Jeff Miller	Total Travel Portland	
Jun-17																						
Oregon Association of Nurseries Golf Tournament	June 8, 2017	Portland, OR																1	1			2
Oregon Dental Association Golf Tournament	June 2017 (TBD)	Portland, OR																1	1			2
Travel Portland Spring Familiarization Tour	June 2017 (TBD)	Portland, OR	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	17
Chicago client events	June 2017 (TBD)	Chicago, IL		1	1			1								1	1	1	1			6
Professional Convention Management Association Education Conference	June 2017 (TBD)	TBD				1	1	1					1	1		1						6
Society of Government Meeting Professionals National Education Conference	June 6-8, 2017	Fort Lauderdale, FL						1														1
Meeting Professionals International World Education Congress	June 19 - 22, 2017	Las Vegas		1																		1
Cvent Connect	June 2017 (TBD)	TBD	1																			1
Jul-17																						
Oregon Society of Association Management and Meeting Professionals International - Oregon Chapter Golf Tournaments	TBD	TBD																				
Council of Engineering and Scientific Society Executives Annual Meeting	TBD	TBD																				
IEEE Panel of Conference Organizers	TBD	TBD																				
Aug-17																						
Destination Marketing Association International Annual Conference	TBD	TBD																				
HelmsBriscoe Cares	TBD	TBD																				
ASAE Annual Meeting and Exposition	TBD	TBD																				
Kellen Management	TBD	TBD																				
Connect Marketplace	TBD	TBD																				
Sep-17																						
HPN Global Partners Meeting	TBD	TBD																				
Green Meeting Industry Council Sustainable Meetings Conference	TBD	TBD																				
Meetings Today	TBD	TBD																				
Professional Convention Management Association/Meeting Professionals International NW Summit	TBD	TBD																				
Meetings, Incentives, Conference, Exhibitions Asia Pacific Exhibition	TBD	TBD																				
Destination Marketing Association of the West Education Summit	TBD	TBD																				
Congressional Black Caucus Annual Legislative Conference	TBD	TBD																				
Certified Meeting Planner Conclave	TBD	TBD																				
Oct-17																						
IMEX America: The Worldwide Meetings and Incentive Travel Exhibition	TBD	TBD																				
Seattle Road Show	TBD	TBD																				
Connect Faith	TBD	TBD																				
Nov-17																						
Oregon Society of Association Management Annual Meeting	TBD	TBD																				
Road Show	TBD	TBD																				
Simpleview Regional Training	TBD	TBD																				
Nursing Organizations Alliance Fall Summit	TBD	TBD																				
National Coalition of Black Meeting Planners Educational Conference	TBD	TBD																				
Dec-17																						
Fall 2017 Familiarization Tour	TBD	Portland, OR																				
Holiday Showcase	TBD	TBD																				
LGBT Tourism & Hospitality Conference	TBD	TBD																				
Inter[action]	TBD	TBD																				
LGBTQ Connect Sports Task Force	TBD	TBD																				



Convention Services

ACTIVITY DESCRIPTION	1ST QUARTER	YTD
OCC groups occurring during the quarter	17	17
Distribution of promotional pieces	31,320	31,320
Meeting planning assistance - Services leads	130	130
Pre-convention attendance building - Site tours	8	8
Pre-convention attendance building -Promo trips, e-mails and materials	4	4
Housing-convention room nights	5,895	5,895

1ST QUARTER INDUSTRY SITE TOURS, TRADE SHOWS AND PROMO TRIPS

Organization	Organization Location	Promotional Trip	Site Visit	OCC	Non-OCC
USA/Canada Lions Leadership Forum	Black Hawk, SD	X		X	
National Council of Teachers of English	Urbana, IL		X	X	
Association for Professionals in Infection Control & Epidemiology	Washington, DC		X	X	
Design-Build Institute of America	Washington, DC		X	X	
The Boeing Company	Chicago, IL		X		X
American Association of Children's Residential Centers	Milwaukee, WI		X		X
National Treasury Employees Union	Washington, DC		X		X
Quality Matters	Annapolis, MD		X		X
Society of Animal Welfare Administrators	Surprise, AZ		X		X



TRAVEL PORTLAND POST CONVENTION SURVEY

Overall impression of the following:

Answer Options	Excellent = 4	Good = 3	Average = 2	Poor = 1	N/A	Rating Average	Response Count
Travel Portland sales staff	4	0	0	0	0	4.00	4
Travel Portland convention services staff	4	0	0	0	0	4.00	4
Travel Portland housing services (if utilized)	1	0	0	0	3	4.00	1
Travel Portland collateral/promotional materials	4	0	0	0	0	4.00	4
Quality and user-friendliness of the Travel Portland	4	0	0	0	0	4.00	4
<i>Average rating for the quarter</i>						4.00	
<i>Average rating YTD</i>						4.00	
<i>Target</i>						3.85	

Is there anything Travel Portland could have done to enhance your experience?

Staff is extremely personable and responsive. As a client I especially appreciate the longevity and retention of the staff. Their combined "corporate memory" of my group makes it easier to consider repeat business.

You have a really good grasp on how to sell your city and how to help visitors make the most of it. Good job!

Groups Serviced/Surveyed:

Wild Birds Unlimited (*Completed survey)	Great Western Council of Optometry
Western Winter Sports Representatives Association	Ultimate Fighting Championship
Society for Imaging Informatics in Medicine	American Society of Civil Engineers
Delta Sigma Theta Sorority	World Parkinson Coalition, Inc.
Technology Association of Oregon	American Philatelic Society
Institute of Navigation (*Completed survey)	Oregon Association of Nurseries
International Federation of Placenta Associations (*Completed survey)	Buffini and Company
International Society for Molecular Plant-Microbe Interactions	Rose City Comic-con
IEEE Nuclear & Space Radiation Effects Conference (IEEE NSREC) (*Completed survey)	



Communications & PR

	1st Quarter	YTD	Target
Totals (Broadcast, Print, & Online)			
Value	\$6,822,696	\$6,822,696	
Circulation	117,015,449	117,015,449	
Placements	41	41	
International (Broadcast, Print, & Online)			
Value	\$434,052	\$434,052	
Circulation	15,572,102	15,572,102	
Placements	8	8	
MERC (facilities*)			
Value	\$30,000	\$30,000	
Direct Costs	\$35,611	\$35,611	
ROI	0.8	0.8	25.0 to 1
Circulation	204,745	204,745	
Placements	8	8	
Oregon Convention Center			
Value	\$2,500	\$2,500	
Circulation	150,406	150,406	
Placements	1	1	
City of Portland			
Value	\$6,822,696	\$6,822,696	
Direct Costs	\$162,699	\$162,699	
ROI	41.9	41.9	25.0 to 1

* No multipliers are used to calculate media values.

* MERC Value - Counts all media placements that mention any MERC facility: Oregon Convention Center, Portland's, Portland Metropolitan Exposition Center and Oregon Zoo or cover industry topics related to Portland as a meetings destination.

* OCC Value - Counts only those media placements that feature the Oregon Convention Center.

* Totals represent broadcast, print, and online media



Communications & PR

KEY MESSAGES/CONTENT		
Circulation Totals - 2016-17		
Top 10 of 30 key messages		
	1st Quarter	Total
Southwest	95,178,246	95,178,246
Designers & Makers	82,279,436	82,279,436
Character	68,595,085	68,595,085
Northwest	63,936,330	63,936,330
Outdoor Recreation	54,565,598	54,565,598
Food	53,370,556	53,370,556
Drink	51,637,716	51,637,716
Southeast	47,694,281	47,694,281
Lodging	42,287,861	42,287,861
Bike-Friendly	36,354,565	36,354,565

Articles			MERC			OCC		
Publication/ Air Date	Outlet	Headline	Total Value	Total Circulation	Placements	Total Value	Total Circulation	Placements
4/1/2016	Connect Magazine	Playing her Aces: From Editor to Planner	\$ 5,100	8,500	1			
4/1/2016	Connect Magazine	Coming up Roses	\$ 10,200	8,500	1			
4/1/2016	Connect Magazine	6 New Ways to be More Efficient at Work	\$ 5,100	8,500	1			
4/1/2016	Connect Magazine	New + Next: Portland	\$ 5,100	8,500	1			
6/24/2016	Smart Meetings Magazine Online	5 Things to Know about 10 Emerging Meeting Cities	\$ 2,500	150,406	1	\$ 2,500	150,406	1
7/15/2016	Connect Magazine	Planner Friendly Copy Editing Tips	\$ 2,000	20,339	1			
7/27/2016	Connect Faith	City Spotlight: Portland, Oregon	\$ -	0	1			
8/31/2016	NTA Group Travel	I Want to go There: Portland	\$ -	0	1			
Total			\$ 30,000	204,745	8	\$ 2,500	150,406	1

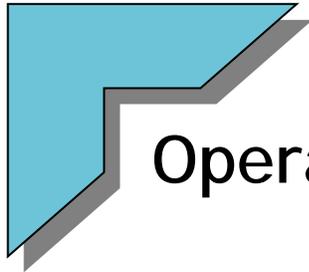


Marketing & Tourism Sales

MARKETING		
TravelPortland.com*	1st Quarter	YTD
Visits	1,133,550	1,133,550
International Visits	126,819	126,819
Referrals	330,921	330,921
Business and Event Detail Views	597,588	597,588
Meetings.TravelPortland.com*		
Venue Finder Page Views	1,564	1,564
Social Media**		
Estimated Economic Impact of Social Media Activity (Monthly Average)	\$ 477,891	\$ 477,891

*Source: Google Analytics / **Source: Edelman Worldwide

TOURISM SALES		
	1st Quarter	YTD
Client Contacts		
Trade Shows, Events, Inquiries and Sales Calls	12,431	12,431
FAMS/Research & Site Visits		
# of Fams	29	29
# of Companies	42	42
# of Attendees	64	64
Published Itineraries	5	5
Number of Room Nights by County		
Clackamas County	1,404	1,404
Columbia County	0	0
Multnomah County	11,802	11,802
Washington County	0	0



Operations

DIVERSITY EMPLOYMENT STATISTICS 2016-17					
TRAVEL PORTLAND GOALS AND OBJECTIVES BY JOB CATEGORIES					
	September 30, 2016		2016-17		
Job Category	Category Number	Total	Actual Percentage	Goal Percentage	Objective
	Number of Females	Number of Staff			
Office/Clerical	18	19	95%	65%	Monitor
Officials/Administration	5	10	50%	50%	Monitor
Professionals	9	13	69%	50%	Monitor
Sales	15	16	94%	50%	Monitor
Technicians	3	5	60%	10%	Monitor
Total	50	63	79%	45%	Monitor
	Number of Minorities	Number of Staff			
Office/Clerical	5	19	26%	15%	Monitor
Officials/Administration	1	10	10%	10%	Monitor
Professionals	0	13	0%	10%	Improve
Sales	3	16	19%	10%	Monitor
Technicians	0	5	0%	10%	Improve
Total	9	63	14%	11%	Monitor
This report is based on current full and part-time staff.					



FIRST OPPORTUNITY TARGET AREA (FOTA)

HIRING

Travel Portland hired three new employees in the first quarter. Recruiting and special considerations are always made for applicants in the MERC FOTA. Travel Portland currently has nine employees who reside in the MERC FOTA. Job openings were posted to the following: Destination Marketing Association International, American Society of Association Executives, Professional Conventions Management Association, DMOPROZ, DMA West, HCareers, Indeed, Mac's List, Jooble, The Skanner, Asian American Reporter, El Hispanic News, Mosaic Metier, Urban League, Travel Portland website, and LinkedIn.

PURCHASING

Travel Portland expended a total of \$50,880 with businesses in the FOTA area for ending FY quarter September 2016.

PARTNERSHIP

Travel Portland currently has 135 member businesses within FOTA and 62 minority and 105 women-owned businesses as its partners.

MBE/DBE/WBE PURCHASING PARTICIPATION

For the last 28 years Travel Portland has implemented a voluntary MBE/DBE/WBE purchasing program that strives to ensure a high level of participation with certified minority-owned, disadvantaged or women-owned businesses when securing services and supplies that are purchased using lodging tax dollars.

For fiscal year 2016-17, Travel Portland expended \$217,635 of lodging tax dollars in the purchasing of services and supplies where it had the discretion to purchase from outside vendors. Of this amount, \$195,107 or 90% percent was spent with minority/women-owned or emerging small business enterprises.

OCC SALES AND MARKETING BUDGET

Expenses

Direct Sales:

Portland office:

	Annual Budget	QTR Ending 09-30-15	Sum of YTD 06-30-2016	Percent
Personnel Costs	1,131,184	220,451	220,451	
Direct expenses	122,714	30,679	30,679	
Total Portland office	1,253,898	251,129	251,129	20%

Washington DC office:

Personnel Costs	248,000	66,680	66,680	
DC client events	13,000	3,250	3,250	
Direct expenses	60,725	15,181	15,181	
Total DC office	321,725	85,111	85,111	26%

Chicago office:

Personnel Costs	120,000	33,281	33,281	
Chicago client events	12,000	3,000	3,000	
Direct expenses	19,857	4,964	4,964	
Total Chicago expenses	151,857	41,246	41,246	27%

Fall & Spring Fam	113,000	3,592	3,592	
Site Visits	72,500	51,382	51,382	
Bid/Sales Trips	44,800	26,404	26,404	
Local Promotions	9,000	20,379	20,379	
Tradeshows	307,221	337,201	337,201	
Road Shows/Client Events-Chicago & Washington DC	95,000	2,151	2,151	
Research/Lead Generation	47,840	25,778	25,778	
Three City Alliance	60,000	13,889	13,889	
Advisory Council	60,000	975	975	
Minority Sales	55,450	25,302	25,302	
Sub-Total	864,811	507,053	507,053	

Total Direct Sales	2,592,291	884,539	884,539	34%
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Marketing:

Total Marketing	734,393	167,644	167,644	23%
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Publication Relations:

Total PR	173,660	35,611	35,611	21%
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Convention Services:

Total Convention Services	406,218	139,962	139,962	34%
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Contract Administration:

Personnel Costs	179,557	32,915	32,915	
Total Contract Admin	179,557	32,915	32,915	18%

Total Budget	\$ 4,086,118	1,260,671	\$ 1,260,671	31%
---------------------	---------------------	------------------	---------------------	-----

Travel Portland
Income Statement
(Statement of Financial Activities)

	Actual (Prior Year) YTD 9/30/2015 Column A	Actual YTD 9/30/2016 Column B	Budget YTD 9/30/2016 Column C	Actual (Prior Year) Full Year 6/30/2016 Column D	Budget Full Year 6/30/2017 Column E
Revenue					
City/County Lodging Tax (1%)	1,500,999	1,759,333	1,780,357	6,449,149	7,121,428
Tourism Improvement District (TID) (2%)	2,760,582	2,987,862	2,819,970	10,742,745	11,279,882
MERC (OCC contract)	1,146,834	1,021,530	1,021,529	3,821,201	4,086,119
Partnership Dues	115,059	116,644	117,501	483,767	470,005
Fees earned	78,536	58,934	43,700	173,385	174,800
Other Income	1,325	20,113	7,500	43,431	30,000
Tradeout/In-Kind	0	0	0	10,135	0
Cooperative programs	24,365	33,025	110,282	376,511	406,128
Regional RCTP (from Travel Oregon)	225,000	25,000	127,500	425,000	425,000
Cultural Tourism	0	0	75,000	323,244	300,000
Downtown Marketing Initiative (DMI)	0	0	0	0	0
Visitor Development Fund (VDF)	115,000	0	13,532	129,004	54,130
Total Revenue	5,967,701	6,022,441	6,116,871	22,977,572	24,347,492
Expenses					
Convention Sales	968,025	1,226,567	1,204,785	3,815,027	4,819,161
Tourism Sales	463,365	493,472	694,031	2,367,501	2,776,129
Marketing & Communications	1,423,107	1,359,044	2,930,716	9,152,371	11,722,870
Regional RCTP (from Travel Oregon)	131,382	133,736	206,028	565,039	686,761
Downtown Marketing Initiative (DMI)	0	0	0	0	0
Convention & Housing Services	205,359	247,596	260,881	916,403	1,043,529
Partnership Services & Events	132,554	147,231	189,531	662,639	758,127
Visitor Services (Fulfillment & VIC)	73,729	73,911	94,042	321,523	376,170
Program Support	759,252	725,080	896,916	2,871,430	3,587,670
Total Expenses	4,156,772	4,406,638	6,476,930	20,671,934	25,770,418
NET SURPLUS/(DEFICIT)	1,810,929	1,615,803	-360,059	2,305,638	-1,422,926

**Travel Portland
Balance Sheet**
(Statement of Financial Position)

	Actual 9/30/2016 Column A	Actual as of 6/30/2016 Column B	Increase (Decrease) Column C
Assets			
Cash and Cash Equivalents	\$7,064,219.03	\$5,726,332.21	23%
Investments	\$3,848,835.32	\$3,833,002.11	0%
Accounts Receivable	\$480,434.23	\$857,657.06	-44%
Prepaid Assets	\$623,711.48	\$694,243.18	-10%
Fixed Assets, net	\$1,465,993.27	\$1,300,047.06	13%
Other Assets	\$0.00	(\$20,860.05)	-100%
Total Assets	\$13,483,193.33	\$12,390,421.57	9%
Liabilities and Net Assets			
Liabilities			
Accounts Payable & Accrued Expenses	\$1,220,016.96	\$1,253,227.72	-3%
Accrued Personnel	\$1,192,053.15	\$1,465,224.84	-19%
Deferred Revenue	\$28,375.59	\$245,024.41	-88%
Other Fiduciary Liabilities - RCTP	\$86,760.85	\$86,760.85	0%
Total Liabilities	\$2,527,206.55	\$3,050,237.82	-17%
Net Assets			
Undesignated-Balance Sheet	\$8,397,059.58	\$6,781,106.55	24%
Board Designated-Balance Sheet	\$1,259,030.14	\$1,259,030.14	0%
Net Property and Equipment-Balance Sheet	\$1,300,047.06	\$1,300,047.06	0%
Total Net Assets	\$10,956,136.78	\$9,340,183.75	17%
Total Liabilities and Net Assets	\$13,483,343.33	\$12,390,421.57	9%



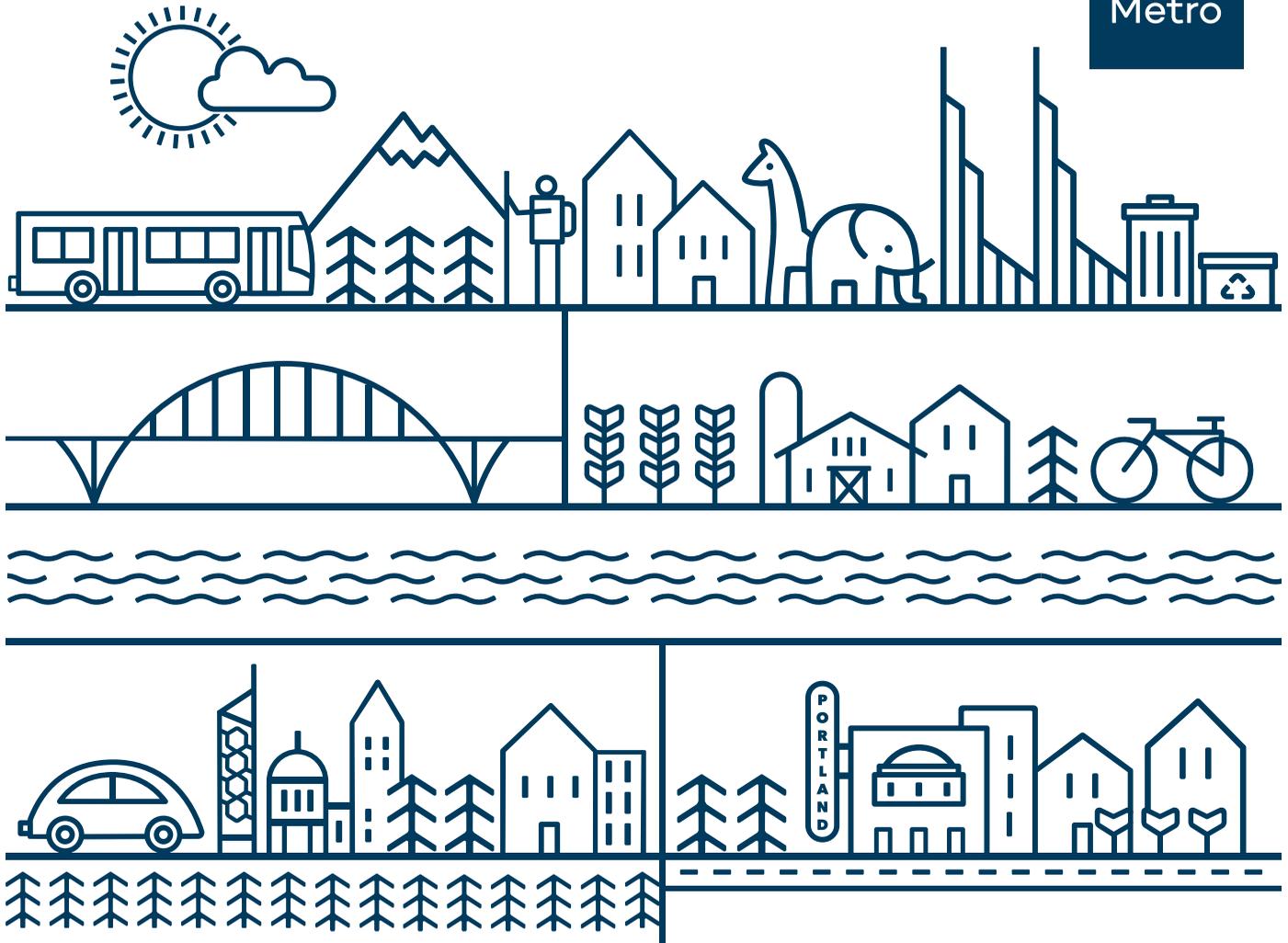
Board of Directors

Last Name	First Name	Company	Officers	Committee Chair
Ackman	Tim	Alaska Airlines		
Bebo	Chris	Provenance Hotels		
Burkett	Sandy	Hotel Vintage Portland	Chair-Elect	
Craddick	Shirley	Metro		
Dawes	Alex	Embassy Suites by Hilton Portland Downtown		
Drumheller	Tom	Escape Lodging		
Frey	Victoria	Portland Institute for Contemporary Art		
Goldman	Terry	DoubleTree by Hilton Hotel Portland		
Hanley	Terry	Hotel Rose		Community Action Committee
Hasan	Naim	Naim Hasan Photography @ N2H Media Group	Vice Chair	
Holt	Charles	Holiday Inn Portland Airport		
Johnson	Dennis	CPA		
Kunzer	Ryan	RiverPlace Hotel		
Malek	Kim	Salt & Straw		
McKeel	Diane	Multnomah County		
Murray	Dave	Courtyard Portland City Center		
Patel	Jatin	Lodging Mgmt NW, LLC		
Penilton	David	America's Hub World Travel	Chair	
Ponzi	Maria	Ponzi Vineyards		
Porter	David	Aloft Portland Airport at Cascade Station		
Pyne	Tim	Portland Marriott Downtown Waterfront		Convention Sales Steering Committee
Rokovitz	Sabrina	Enterprise Rent A Car		
Saltzman	Dan	City of Portland		
Shelby	E. Allen	BPM Real Estate Group	Treasurer	Budget and Finance Committee
Shelly	Ruth	Portland Children's Museum		Partner Services Committee
Walters	Eric	Hilton Portland & Executive Tower		
Watson	Lisa	Cupcake Jones		
Weston	Linda	Oregon Entrepreneurs Network		

MERC Commission Meeting

December 7, 2016
12:30 pm

9.0 Equity in Contracting
Annual Report



Equity in Contracting Annual Report

Expanding opportunity through contracting

FY 2015-16

If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we’ve already crossed paths.

So, hello. We’re Metro – nice to meet you.

In a metropolitan area as big as Portland, we can do a lot of things better together. Join us to help the region prepare for a happy, healthy future.

Stay in touch with news, stories and things to do.
oregonmetro.gov

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Metro Council President

Tom Hughes

Metro Councilors

Shirley Craddick, District 1

Carlotta Collette, District 2

Craig Dirksen, District 3

Kathryn Harrington, District 4

Sam Chase, District 5

Bob Stacey, District 6

Auditor

Brian Evans

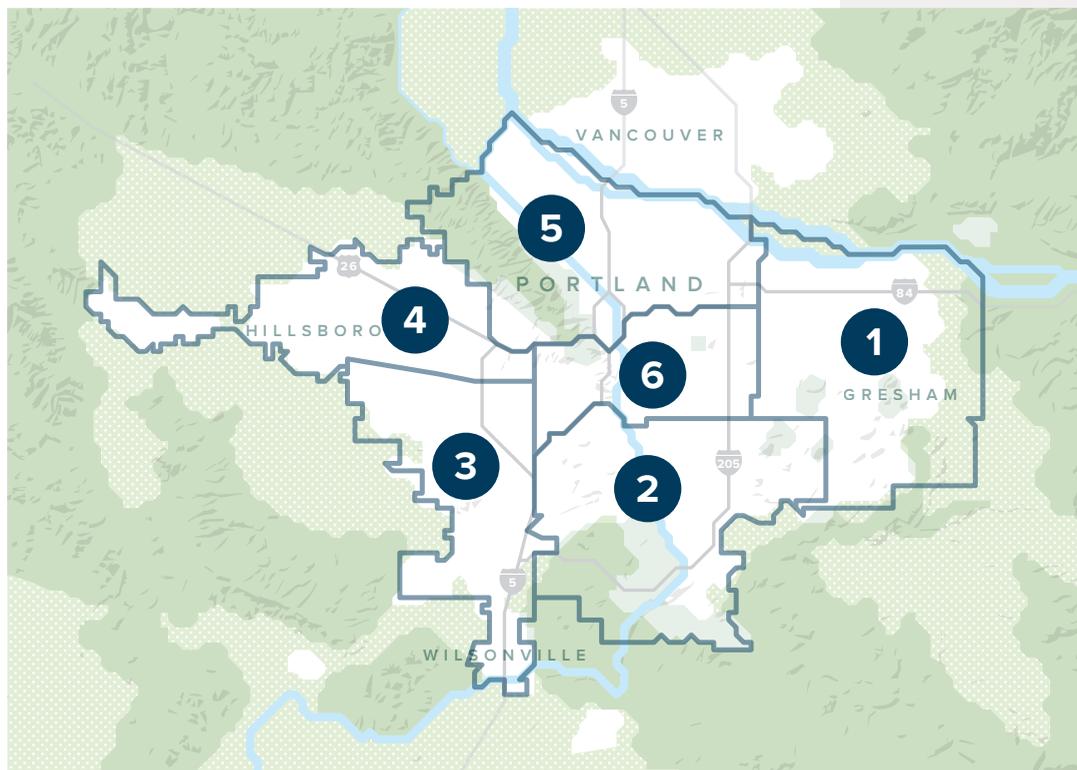


TABLE OF CONTENTS

Why does equity in contracting matter?.....	2
FY 15-16 COBID contracting.....	3
Certification categories	7
FY 16-16 progress in procurement.....	7
Outreach: engaging the community.....	8
Meet & Certify	13
Technical assistance workshops	14
Oregon Zoo bond program	18
Marketing and solicitation of bids.....	19
A Metro-wide approach of diversity, equity and inclusion.....	20
Program improvement.....	20
Metro’s utilization reporting method.....	21
Work with Metro	22

WHY DOES EQUITY IN CONTRACTING MATTER?

Metro works to prepare the 1.5 million people in the greater Portland region for the future by addressing transportation, development and environmental protection issues that cross local boundaries. Its services include parks and natural areas, the Oregon Zoo, Oregon Convention Center and arts and event centers.

The region's current and future diversity will help develop and maintain sustainable economic growth if we proactively address the issue of equity. Research shows that regions with greater racial inclusion and smaller racial income gaps attain more economic growth.¹

Diversity in contracting plays a critical role in the success of Metro's mission to plan for the region's future and ensure that it remains a great place to live. Each year, Metro spends millions of dollars on contracts with businesses that support efforts to provide public services for the residents of Clackamas, Multnomah and Washington counties. By actively involving minority-owned business enterprises, woman-owned business enterprises, service disabled veteran-owned businesses and emerging small businesses (collectively referred to as COBID-certified firms) in the pool for business opportunities, Metro helps expand economic opportunities in the region.

Inclusion also helps COBID-certified firms build capacity to compete for other public projects by providing them with experience with the public solicitation process and establishing relationships with Metro staff. This year, the theme for creating additional opportunities was collaboration. Procurement Services collaborated with Metro departments, and other agencies in the Portland region to encourage COBID certification, to engage certified firms and to increase access to public contracts.



¹ Treuhaft, S., Blackwell, A.G., & Pastor, M. (2012). America's Tomorrow: Equity is the Superior Growth Model. Retrieved January 2016: http://www.policylink.org/sites/default/files/SUMMIT_FRAMING_WEB_20120110.PDF

FY 15-16 COBID CONTRACTING

Summary

During FY 15-16, Metro awarded a total of \$47,760,573 through competitive procurements and direct awards less than \$10,000. COBID-certified firms earned a total of \$7,893,626 in contract awards – representing 16.5 percent of Metro’s total contracts. This is a slight increase over FY 14-15, excluding special multi-year projects. During FY 14-15, Metro performed three solicitations for substantial multi-year contracts that resulted in exemplary participation by COBID-certified firms. Since similar opportunities did not present themselves this year, 16.5 percent of contract award dollars demonstrates a slight increase over FY 14-15’s more typical procurements, and shows the gradual improvement of the equity in contracting program over the past four years.

COBID Contracting FY 15-16

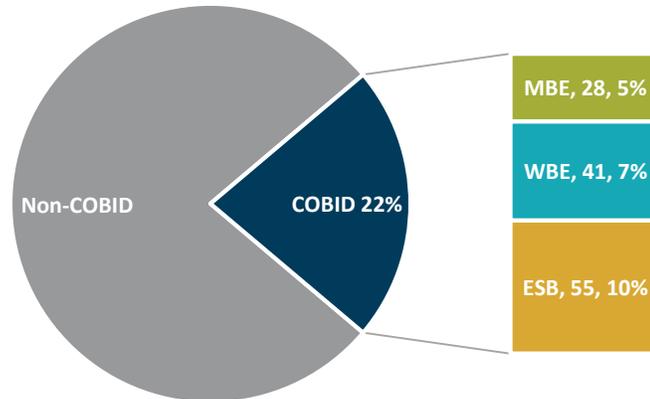
Total contracts awarded	555
Non-COBID contracts awarded	431
COBID contracts awarded	124
MBE contracts awarded	28
WBE contracts awarded	41
SDV contracts awarded	0*
ESB contracts awarded	55
Total contract dollars awarded	\$47,760,573
Total COBID contract dollars awarded	\$7,893,626
Total spending	\$51,952,850
Total COBID spending	\$6,743,205

*note that SDV certification began in January 2016 and as of June 30, 2016, there were only 15 SDV certified firms in Oregon

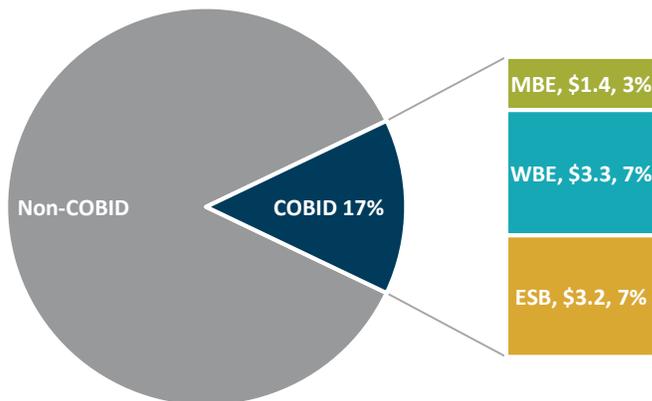
Number of contracts awarded in FY 15-16

During FY 15-16, Metro awarded 555 eligible contracts through competitive procurements and direct award of contracts less than \$10,000. This does not include intergovernmental agreements or grants. Of the total contracts awarded, 124 went to COBID-certified firms. These awards represent 22 percent of contracts awarded, a slight decrease from last year. While the total number of contracts awarded decreased slightly, the total dollars awarded remains consistent with FY 14-15's results.

Number of contracts awarded in FY 15-16



Contract dollars awarded in FY 15-16
(in millions of dollars)



Contract dollars awarded in FY 15-16

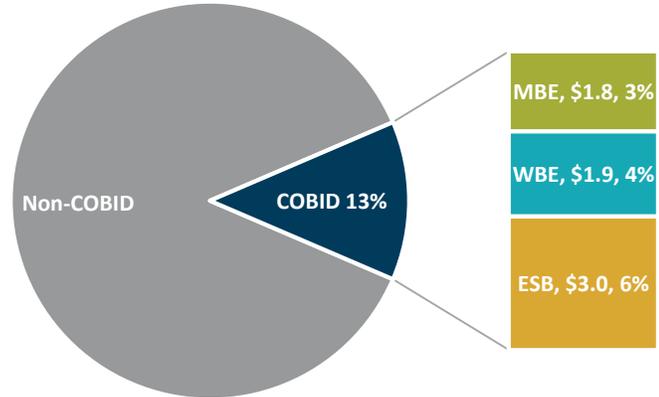
In FY 15-16, \$47,760,573 was awarded through competitive procurements and direct award of contracts less than \$10,000. COBID-certified firms earned \$7,893,626, or 16.5% of all contracts by dollar amount. Of the amount awarded through contracts to COBID-certified firms, \$1,394,342 went to minority-owned businesses, \$3,319,464 went to woman-owned businesses and \$3,179,819 went to emerging small businesses. This represents an expected decrease due to the nature of contracts

available during FY 15-16. Last year, Metro had a few significant multi-year on-call opportunities that were major contributors to an overall utilization rate of 26 percent. This year's 16.5 percent utilization rate is consistent with FY 14-15's results, when adjusting for those multi-year opportunities.

Contract dollars spent in FY 15-16

During FY 15-16, Metro spent \$51,952,850 through competitively procured contracts and direct award of contracts less than \$10,000. Of that, COBID-certified firms earned \$6,743,205, or 13 percent by dollar amount. Of the amount spent through COBID contracts, \$1,837,159 went to minority-owned businesses, \$1,857,501 went to woman-owned businesses and \$3,048,545 went to emerging small businesses. FY 15-16's utilization rate is higher than FY 14-15's 9%.

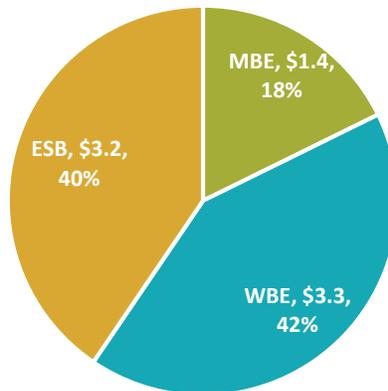
Contract dollars spent in FY 15-16
(in millions of dollars)



Contract dollars awarded by certification in FY 15-16

During FY 15-16, a total of \$7,893,626 was awarded to certified businesses: \$1,394,342 to minority-owned businesses, \$3,319,464 to woman-owned businesses and \$3,179,819 to emerging small businesses.

Contract dollars awarded by certification
in FY 15-16
(in millions of dollars)



Contracting by Department

The table below shows the value of COBID contracts and dollars spent by department. The Office of the Chief Operating Officer awarded 78% of its total contract value to certified firms, while Finance and Regulatory Services and Planning awarded 45% and 43%, respectively. Parks and Nature showed both significant awards and spend with \$2.2 million awarded and \$3.9 million spent with COBID-certified firms. And other significant awards came from Communications, Research Center, Oregon Zoo, and Property and Environmental Services.

Value of COBID contracts by department: FY 15-16

Department	Awarded	% Awarded	Spent	% Spent
Auditor	\$0	0%	\$0	0%
Chief Operating Officer	\$156,100	78%	\$34,751	61%
Communications	\$1,000,000	50%	\$91,913	10%
Council	\$0	0%	\$14,479	15%
Diversity, Equity and Inclusion	\$9,163	9%	\$82,198	49%
Finance & Regulatory Services	\$162,200	45%	\$198,666	16%
Human Resources	\$92,750	25%	\$41,210	13%
Information Services	\$0	0%	\$93,264	5%
Office of the Metro Attorney	\$0	0%	\$0	0%
Oregon Zoo	\$944,565	8%	\$569,347	7%
Parks and Nature	\$2,190,158	19%	\$3,900,771	26%
Planning & Development	\$474,450	43%	\$482,128	21%
Property and Environmental Services	\$989,707	11%	\$668,093	9%
Research Center	\$1,000,000	29%	\$0	0%
Metro (Non-MERC) Total	\$7,019,093	17%	\$6,743,205	15%
Expo Center	\$147,256	12%	\$166,792	12%
Oregon Convention Center	\$295,113	10%	\$239,162	3%
Portland's 5 Centers for the Arts	\$432,163	18%	\$160,432	5%
MERC Total	\$874,533	13%	\$566,385	4%

CERTIFICATION CATEGORIES

Minority-owned business enterprises (MBE), woman-owned business enterprises (WBE), and emerging small businesses (ESB), when they meet certain qualifications, can be certified by the State of Oregon Certification Office of Business Inclusion and Diversity (COBID) and are categorized under the umbrella term “COBID-certified firms.” On January 1, 2016, Oregon added the service-disabled veteran (SDV) category. By the end of FY 15-16, there were 15 certified SDVs in Oregon.

In many cases, businesses Metro works with are certified in more than one category. For example, a certified minority-owned business might also have an emerging small business certification. For the purposes of this report, businesses with multiple certifications are only counted once. If a business has multiple certifications and is minority-owned, then the MBE certification is counted. If a business is certified as both a woman-owned business and an emerging small business, then it is only counted as a WBE. And, if a business is certified as both SDV and ESB, then it is only counted as SDV. Businesses are only counted as ESB if they do not qualify for the other certifications.

Metro continues to focus on increasing the number and value of contracts awarded in each category. While required to maintain a diversity program that is race and gender neutral, Metro remains committed to working to award contracts in the disadvantaged business communities so that they correspond to the size of the market in the Portland region. By looking at data such as the current U.S. Census and U.S. Bureau of Labor Statistics, Metro can deduce the availability of firms in each category by industry. For example, if the makeup of the tree pruning market were four percent MBE, then Metro would expect to have a utilization rate close to four percent.

FY 16-16 PROGRESS IN PROCUREMENT

In FY 15-16, Metro continued to build on the successes of the recent years. Metro continued to engage in various types of outreach to build awareness of Metro programs and contracting opportunities. Metro staff participated in trade shows and expositions, attended chamber and business association meetings, and hosted events for networking and to encourage certification.

Metro procurement staff provided training and learning opportunities to advance diversity in contracting, by presenting to procurement professionals, participating in panels, and by attending small business training programs as guest presenters. Sponsorships support organizations who work with underserved business communities and help them to be more ready to compete for work



“Metro’s workload is really helping to grow the business. Last year I had eight employees, now there are 12. We have two work trucks now rather than one, a boat, and rented a warehouse/office space. That’s a big change in one year and much of it is related to Metro’s workload. Metro’s goal of growing ESBs is actually working!”

- C. Jonas Moiel, M.E.M., Senior Ecologist, Green Banks LLC

with Metro. Procurement Services continues to work to educate Agency staff about best practices for engagement and outreach. Throughout FY 15-16, Metro looked for innovative and effective ways to increase the diversity of contracts awarded and dollars spent. This is measured through contract awards to certified businesses and dollars spent on those contracts.

New activities included increased outreach and engagement with strategic community partners. In particular, Metro focused on in our work regarding workforce diversity and encouraging certification through COBID.

OUTREACH: ENGAGING THE COMMUNITY

A large part of Metro’s outreach efforts involve attending community and business organization events and familiarizing area businesses with the opportunities Metro has available. In FY 15-16, Procurement Services staff attended regular meetings of organizations that provide support to small businesses and businesses owned by people of color and women. During these networking activities, Metro staff engaged one-on-one with business owners. These visits are a productive way to provide information about Metro, answer questions, and get feedback on our outreach activities.

Metro also worked to engage other public and private stakeholders in a regional effort to increase diversity in the workforce across higher skilled construction occupations through the Construction Career Pathways Project. The Construction Career Pathways Project is designed to address the challenges that people of color and women face in accessing and sustaining construction careers by bringing stakeholders together at the regional level identify strategies to provide reliable career pathways – from pre-apprentice and apprentice to journey. Metro is facilitating public and private stakeholders to create more opportunities and eliminate challenges in accessing and sustaining



Metro’s Property and Environmental Services Department sponsored a deconstruction workshop with the ReBuilding Center at the Women in Trades Career Fair



Metro staff at the Women in Trades Career Fair

careers for people of color and women in the construction trades. Metro has partnered with community based organizations, including Oregon Tradeswomen, Inc. (OTI), and labor groups to ensure proposed strategies meet career employment needs of people of color and women. Regular engagement with industry stakeholders ensures alignment of regional workforce development objectives.

Metro also serves on the planning committee for the 2015 Diversity in the Construction Trades Summit, and is participating in the planning committee for the 2016 Summit. The summit brings the workforce diversity conversation to a larger audience and builds on the foundation of collaboration throughout the region with an opportunity for dialogue between procurement staff, project managers, general contractors and others involved in workforce diversity in contracting.

Metro supports the results OTI achieves by providing an annual training scholarship. In 2015, OTI graduated 73 students, 32 percent of whom were women of color, ready for entry-level trade work. Additionally, OTI supported 24 apprenticeship positions. According to OTI, approximately one-third of Oregon's female apprentices are OTI graduates. The training provided by OTI provides its graduates with increased economic opportunities in a thriving industry. Upon entering the OTI program, women's average annual income is just over \$11,000. The program prepares women for careers as skilled workers capable of earning much higher salaries. Metro also sponsored a forum and showing of short film, *Sista in the Brotherhood*. The 20-minute film incorporates themes on the experiences of women of color working in male-dominated trades. It is the recipient of Best Short Film and Best Oregon Short Film at the Portland International Film Festival in February 2016.



Metro memberships and sponsorships

Metro attends regular monthly meetings of:

- Business Diversity Institute
- Metropolitan Hispanic Chamber of Commerce
- National Association for Minority Contractors Oregon
- Oregon Association of Minority Entrepreneurs
- Oregon Native American Chamber

In FY 2015-2016, Metro sponsored the following events:

- APACC Annual Gala
- BESThq Business Expo West
- Business Diversity Institute Minority Enterprise Development (MED) Week
- Daily Journal of Commerce Women of Vision
- Hispanic Metropolitan Chamber of Commerce Hispanic Heritage Celebration
- MCIP Trade Show
- Oregon Association of Minority Entrepreneurs Tradeshow
- Oregon Association of Minority Entrepreneurs Youth Conference
- Oregon Native American Chamber Annual Events
- Oregon Tradeswomen – training sponsorship for one apprentice

Metro is a member of:

- African American Business Chamber
- Asian Pacific American Chamber of Commerce (APACC)
- BESThq
- Hispanic Metropolitan Chamber of Commerce
- Metropolitan Contractor Improvement Partnership (MCIP)
- National Association for Minority Contractors Oregon
- Oregon Association of Minority Entrepreneurs (OAME)
- Oregon Native American Chamber (ONAC)

Recognition

In FY 15-16, Metro was recognized for its Equity in Contracting Program. Metro and Metro staff received three separate recognitions from business associations.

Business Diversity Institute

Procurement Services Manager, Gabriele Schuster, was awarded the BDI Leadership Award. This award recognizes an individual who has shown leadership and achieved significant success in creating diversity in the public or private sector.

Asian Pacific American Chamber of Commerce

Metro received the APACC Certificate of Appreciation. This certificate is in recognition of valuable contributions to the Asian Pacific American Chamber of Commerce of Oregon & SW Washington.

Oregon Native American Chamber

Procurement Services Manager, Gabriele Schuster, was awarded the Warrior Award, which recognizes people and organizations that have made a significant contributions to the Native American community.

2nd Annual small business open house

Metro partnered with Multnomah County again to host the small business open house on February 23, 2016. Metro and Multnomah County hosted tables and provided information about projects and business opportunities to more than 200 participants of the small business community. The event is an opportunity for businesses to get a deeper understanding of the projects available and of how to



bid and propose on public sector work. Attendees learned how to do business with Metro and Multnomah County, including sessions on using the state-run bid management system, ORPIN.

Trade shows and expositions

Metro also hosted tables at a number of trade shows and expositions. These events allow businesses to network and learn about chambers, business associations, large businesses with subcontracting opportunities, and public agencies. Hosting a table at trade shows is another way to provide information about how to do business with Metro. This year, Metro attended the OAME Trade Show, Oregon Tradeswomen’s Women in Trades Career Fair, the MCIP Trade Show, and BESThq’s Business Expo West.



Hosting events at Metro

Metro continues to host the bi-monthly National Association for Minority Contractors Oregon (NAMC Oregon) meetings at the Metro Regional Center. NAMC Oregon supports minority and women construction and trade contractors and provides technical support to their members. Procurement Services regularly participates in NAMC Oregon meetings and shares information about business opportunities and connecting with Metro project managers. Metro also hosts Oregon Native American Chamber (ONAC) bi-monthly luncheons at the Metro Regional Center. ONAC works with the community to advance educational and economic opportunities for Native Americans in Oregon and Southwest Washington. Project managers and department staff from Metro are invited to attend and participate on a consistent basis. During FY 15-16, APACC Women’s Empowerment Series held workshops at Metro.

MEET & CERTIFY

Meet & Certify events provide an opportunity to collaborate with other public agencies and business support organizations to engage with small business owners who are not yet COBID certified, or have not yet entered into public contracting. These smaller events provide a more intimate environment for attendees to network with Metro staff and learn about the services available to them. The location is also key. These events target businesses that are located outside of the Portland core, and provide engagement opportunities in the more distant communities in the Portland region. This approach has proven successful, as these events provide an opportunity for Metro to develop new relationships with many of the attendees. In FY 15-16, Metro held Meet & Certify events in Beaverton, Hillsboro and Rockwood. Each event attracted about 50 attendees, most of whom had never contracted with Metro. Based on the success of these events, Metro is planning to continue Meet & Certify engagement opportunities.

Beaverton

Partners: City of Beaverton, COBID, BESThq, Andersen Construction

55 percent of survey responders were not certified before the event and are now considering or in the process of certification

Attendees

65

Attendees

55

Hillsboro

Partners: Hillsboro Chamber of Commerce, RoseSprings Center, City of Hillsboro, Secretary of State, COBID, BESThq, Andersen Construction

Attendees

46

Rockwood

Partners: Rockwood CDC, Reynolds School District, Secretary of State, COBID, BESThq, Andersen Construction



Program statistics to date
FY 15-16 Workshops: 4
Total workshops: 7
Attendees: 206
Firms winning contracts after attending a workshop: 63

TECHNICAL ASSISTANCE WORKSHOPS

Metro responded to requests from the MWESB community for specific training for contractors about how to conduct business with Metro.

Metro's Procurement Services group provides ongoing one-on-one assistance with:

- How to navigate ORPIN
- How to find and respond to Metro's business opportunities
- How to register as an MWESB at the State of Oregon website
- How to connect with Metro project managers

Metro's Procurement Services group has conducted four bid and proposal writing workshops for small businesses meeting the State of Oregon COBID certification criteria. The workshops are

presented in partnership with staff from state agencies and a consultant team. Attendees also qualify for 2 hours of Metro-sponsored technical bid or proposal writing assistance from the consultant team. Metro plans to continue to provide workshops on a quarterly basis as opportunities align. Businesses who have attended the workshops improved their ability to prepare responsive and competitive bids and proposals and, as a result, many have won Metro contracts.

Contracts are cooperative-ready, meaning other agencies can "piggy back" on our process and sign their own contracts with any of these firms.

"We found the workshop very helpful so that we would focus on the important elements instead of spending too much effort on minor important area. Our one-on-one technical assistance sessions helped our firm highlight what we have to offer. Additionally the proof reading of our draft proposal is what small firms like us desperately need."

-Elee Jen, Principal, Energy Performance Engineering

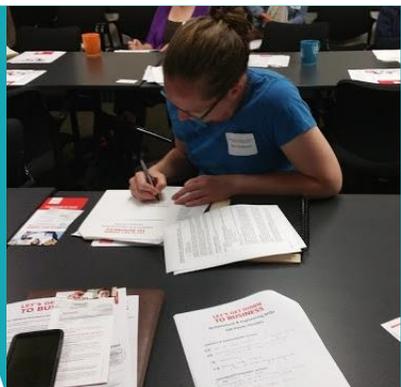
FY 15-16 request for qualifications – the results are in

At the end of FY 14-15, Metro held a workshop for two qualifications-based solicitations: Architecture and engineering (A&E) and Facilitation and coaching. The results were finalized and awards made after the writing of last year’s annual report, so we include the final results here.

A&E firms on qualified list	Number	Percent
MBE	6	8%
WBE	12	16%
ESB	12	16%
Total COBID	30	40%
Total Awards	76	100%

Facilitation and coaching on qualified list	Number	Percent
WBE	2	66%
Total COBID	2	66%
Total Awards	3	100%

A&E workshop success rate
Of the 15 A&E firms that attended workshop and proposed, 13 were successful – that is 87 percent!



On-call maintenance and repair

In December 2015, Metro held a workshop to assist firms interested in responding to RFP 3089: on-call services repair and maintenance. In addition to the investment of time required for preparing a response, solicitations for on-call contracts can pose several challenges for small firms. Determining pricing can be difficult, since the exact project need is yet to be defined. Metro consultants from Metropolitan Contractors Improvement Partnership (MCIP) assisted small firms in calculating overhead costs, scheduling work and pricing the job appropriately. MCIP also offers support in business administration and on how to grow a small business to compete in the Portland regional market. All of the eight contracts awarded, for a total of \$790,000, went to COBID-certified firms, resulting in a 100 percent utilization rate.

On-call maintenance and repair awards	Number	Percent
MBE	4	50%
WBE	2	25%
ESB	2	25%
Total COBID	8	100%



On-call repair and maintenance
Attendees: 14
Proposals received:
5 Non-COBID, 20 COBID
Contracts awarded to COBID firms: 8
Contract value awarded to COBID firms: \$790,000
Utilization rate: 100%

General bid and proposal workshops

Procurement staff and project managers work to align workshops with real opportunities wherever possible. Generally, when aligning a workshop with a solicitation process, Metro chooses opportunities that meet some basic criteria: the opportunity will result in multiple awards, there are sufficient certified firms able to perform the work, and the solicitation schedule allows additional time for the workshop and technical assistance to take place. Sometimes, it can be difficult to find the right opportunities to align with a workshop.

Metro also offers general bid and proposal writing workshops throughout the year. Attendees learn the same general information about COBID certification, tips for using ORPIN to find more opportunities, understanding solicitation documents, and responding through bids and proposals. The Metro-sponsored technical assistance can be used by attendees to develop a response template or when they find an opportunity that is right for them. These general workshops help prepare businesses

"I see many opportunities for our business that I hadn't known about."

"I learned how to find out about smaller contracts, who Metro can hire and how important it is to network with Metro staff."

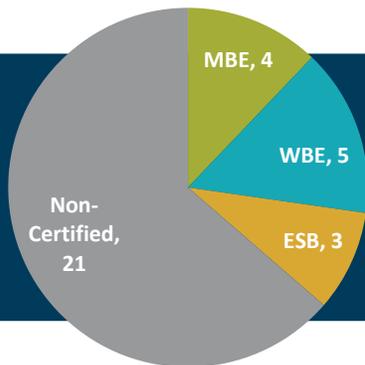
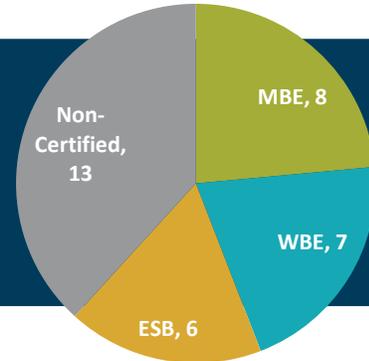
"This was exactly what I was hoping for to get started doing business with government. Thank you!"

"It really answered questions that I didn't know I had."

for future contracting opportunities. In FY 15-16, Metro held two general proposal writing workshops and one general bid writing workshop.

General how to write a proposal

Workshop attendees: 34 (21 COBID)
 Of all attendees, 18 had never proposed on Metro RFPs.
 26 firms took advantage of technical assistance.

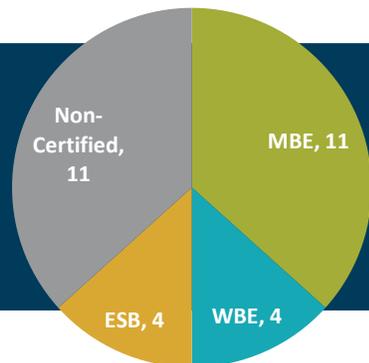


General how to write a proposal

Workshop attendees: 33 (12 COBID)
 7 firms took advantage of technical assistance.

General how to write a bid

Workshop attendees: 30 (19 COBID)
 2 firms already put learning to use and have secured contracts totaling \$110,000



OREGON ZOO BOND PROGRAM

The Zoo bond program and its contractors engage in a variety of activities to increase equity in contracting and utilization of COBID-certified firms. FY 15-16 saw the completion of Elephant Lands, major work on the Education Center and the solicitation for both design and construction of Polar Passage.

Elephant Lands

Elephant Lands opened to the public in December 2015 and achieved a 9.7 percent utilization rate. This represents \$4,448,588 to COBID-certified firms. Lease Crutcher Lewis, the construction manager/ general contractor (CM/GC) for the project, brought MBE certified R&R General Contractors onto the CM/GC team on a mentorship. The firm was brought to the table during preconstruction to provide early pricing for the excavation, civil, road and rail components of the project. This partnership provided R&R exposure to a larger, more complex project than would have been feasible for the growing site/civil contractor. R&R performed the rail scope and a segment of the site work, with a contract value of \$1,198,200. R&R has since won projects as a prime contractor and used lessons learned from Lease Crutcher Lewis to successfully execute those projects.

Elephant Lands also provided high school apprenticeship opportunities. Lease Crutcher Lewis employed three high school carpenter apprentices through Construction Summer Camp. A joint effort between Portland Public Schools and Willamette Carpenters Training Center, the program connects high school students with diverse backgrounds interested in pursuing careers in construction with general contractors for summer internship and training opportunities.

Education Center

The construction of the Education Center, scheduled for completion in winter 2017, is led by Fortis Construction LLC. Fortis is a former ESB that has since grown to become the Portland metro area's third largest general contractor. Still under construction, the Education Center is forecast to have a COBID utilization rate of 26.7 percent, representing \$3,644,337. This utilization rate exceeds the Zoo Bond Program's overall aspirational goal of 15 percent, and is the result of Fortis' strong outreach and relationships with certified firms, as well as collaborative engagement efforts with Metro to encourage bidding by certified firms.

Polar Passage

Still in the design phase the CM/GC contract was awarded to Lease Crutcher Lewis. Like with Elephant Lands, Lease Crutcher Lewis included a COBID-certified firm as an integrated part of the CM/GC team on a mentorship. Kodiak Pacific Contractors, WBE, is a local earthwork company that will develop a preliminary work plan for the earthwork and excavation scope, and will provide budgeting and constructability review for the site work package. Lease Crutcher Lewis intends to subcontract all scopes of work related to the construction of the project. This approach allows for the maximum amount of advertisement and opportunity for potential COBID partners.

MARKETING AND SOLICITATION OF BIDS

ORPIN – Oregon Procurement Information Network

Metro's Procurement Services group has made a concerted effort to inform COBID-certified firms about business opportunities and to solicit bids and proposals. In 2013, Metro's Procurement Services group implemented ORPIN, the State of Oregon's electronic solicitation and bidding system, in order to reach a wider range of COBID-certified firms. Metro continued to share information about how to use ORPIN and how to discover business opportunities at minority business chamber meetings, outreach events, individual meetings, and through advertising campaigns in minority publications. For all formal procurements over \$150,000, Metro posts solicitations on ORPIN, and advertises in one general circulation publication and at least one local minority publication. Publications where Metro places advertisements include:

- Portland Observer
- The Skanner
- Asian Reporter
- El Hispanic News
- Portland Tribune

Although state law only requires agencies to contact three businesses to bid or propose on contracts under \$150,000, Metro provides additional opportunity for firms to win work by releasing all opportunities of more than \$10,000 on ORPIN. That means Metro's opportunities are available for any certified firm to bid or propose. Businesses receive the opportunities through automated email notifications using commodity codes for different work categories. ORPIN reaches more than 70,000 businesses and contractors, of which roughly 3,400 are COBID-certified firms.

"I'm so excited and proud to have you involved in this work. Because you believed in me, things are getting better for how the business community engages with the region's major buyers. I couldn't have done it without you. Your support right from the start has meant SO MUCH to me."

– Steve Havelka,
PDXProcurementSearch.com

Metro also uses this broad network to solicit bids for informal construction opportunities through our Sheltered Market program from qualified MWESB firms.

PDXProcurementSearch.com

In addition to ORPIN, Metro publicizes open opportunities through PDXProcurementSearch.com. The website provides keyword search capabilities for all of Metro's opportunities posted on ORPIN. The ESB certified company was formed by owner and developer, Steve Havelka, who saw that matching capable companies with open opportunities through industry classification codes, such as NIGP and

NAICS, was becoming less effective in today's modern economy. Many businesses do not quite fit into the traditional industry categories, and therefore, are in danger of missing valuable opportunities for public contracts. PDXProcurementSearch.com provides keyword search capability of all published Metro opportunities, allowing businesses to more easily determine which opportunities are relevant. The service also provides RSS feeds and push notifications to businesses based on those keywords. Metro was one of the first agencies to sign on with PDXProcurementSearch.com, and by the end of FY 15-16, nine agencies had signed up with the service. As more agencies join, the website grows more effective at bringing awareness to Metro's contracting opportunities.

A METRO-WIDE APPROACH OF DIVERSITY, EQUITY AND INCLUSION

Metro's focus on diversity, equity, and inclusion goes beyond procurement and contracting—the effort is part of a broader initiative across Metro to examine and update internal operations and external programs.

This year, the Metro Council adopted its Strategic Plan to Advance Racial Equity, Diversity and Inclusion (Equity Strategy). The Equity Strategy was guided by input from many regional partners and informed by research and internal input, including the recommendations from the Equity in Contracting Core Team. Metro has identified racial equity as the approach to ensure that all people who live, work and recreate in the Portland region have the opportunity to share in and help define a thriving, livable and prosperous place.

The Equity Strategy identifies five long-term strategic goals:

1. Metro convenes and supports regional partners to advance racial equity
2. Metro meaningfully engages communities of color
3. Metro hires, trains and promotes a racially diverse workforce
4. Metro creates safe and welcoming services, programs and destinations
5. Metro's resource allocation advances racial equity

Each of these five strategic goals is defined through specific objectives and actions. Many of these objectives and actions relate to improving economic opportunity through better access to Metro contracting opportunities.

Read more about the Equity Strategy at <http://www.oregonmetro.gov/strategic-plan-advance-racial-equity-diversity-and-inclusion>.

PROGRAM IMPROVEMENT

During the past four years, Metro implemented multiple projects to improve procurement. In FY 15-16, Metro completed the Procurement Enhancement Project 2 (PEP 2), which created administrative rules defining the equity in contracting program.

Metro determined the updated Equity in Contracting Administrative Rules would be best implemented with complete contracting administrative rules. The Equity in Contracting administrative rules will be brought to the Metro Council for adoption in spring 2017.

The contracting administrative rules project team consists of project managers, procurement staff and program managers from various departments throughout Metro. The goals of the project are to:

1. Create clear contracting rules of procedure, as required under ORS 279A.065
2. Create a level of flexibility and accountability with standardized rules
3. Increase transparency, both internally and externally
4. Increase access to Metro contracts to assist the agency in meeting its equity contracting goals

The result of these projects will make the rules and procedures for contracting at Metro more transparent to both internal staff and external firms. And the general contracting administrative rules will work to reinforce the programs and requirements outlined in the Equity in Contracting Administrative Rules, enabling Metro to build on recent efforts and expand programs to advance diversity in contracting.

METRO'S UTILIZATION REPORTING METHOD

To improve the accuracy of diversity efforts, Metro's utilization reporting method removes work that cannot reasonably be performed by a COBID-certified firm from the utilization rate calculation. This method of reporting is common. The data used in this report does not include work contracted through the Zoo Bond program, which will compile a separate report.

Metro excludes the following types of contracts and payments from the calculation:

- Services provided by another public agency that do not compete with the private sector
- Services for which there is a single or limited group of businesses, none of which are COBID-certified
- Services mandated by ORS to be provided by qualified rehabilitation facilities

WORK WITH METRO

Common contracts include

- Construction and maintenance.
- Architecture and engineering.
- Forestry and landscaping.
- Foodservice and supplies.
- Professional, technical and scientific services.
- Goods, manufacturing and supplies.

Contracting thresholds

Up to \$10,000 – competitive solicitation is not required. Utilization of minority, women-owned and emerging small businesses is strongly encouraged.

More than \$10,000 – solicitations are posted on ORPIN

To become a vendor with Metro, businesses must

- Maintain legal aspects of business to enter into contracts and contracts and transact business in the state of Oregon.
- Demonstrate compliance with Metro's Equal Employment and Nondiscrimination Clause, as outlined in our solicitation documents.

How to get started

- Register with ORPIN.
- Get certified through COBID.
- Visit oregonmetro.gov/contracts for workshop and training opportunities.
- Attend Metro's annual small business open house event.
- Scan the Portland Tribune and various community newspapers for Metro bid opportunities.
- Network with small business associations such as Oregon Association of Minority Entrepreneurs (OAME), Business Diversity Institute (BDI) and others.

How to ensure quote, bid or proposal acceptance

- Submit quotes and bids to the Metro reception desk prior to the solicitation closing date and time. This requirement is strictly enforced.
- Be a responsive, responsible bidder or proposer.
- Make sure your bid and proposal documents are complete and contain all requirements and information including any forms requested in the solicitation document.
- Double check your documents before submitting

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For more information about business opportunities at Metro, visit Metro's Equity in Contracting website: oregonmetro.gov/how-metro-works/contract-opportunities/equity-contracting

MERC Commission Meeting

December 7, 2016
12:30 pm

10.0 Metro Diversity, Equity
and Inclusion Update

Diversity, equity and inclusion at Metro

2016 Summary

Since September 2014 when the Diversity, Equity and Inclusion (DEI) program was created, Metro has continued to make good progress in cultivating diversity, advancing equity and practicing inclusion in its work. This past year, the DEI program has helped to increase awareness and deepen cultural competency among staff at all levels at the agency as well as act as a resource during the recent tragedies impacting our Black, Muslim, Latinx and LGBTQ communities. In June, the Metro Council passed the Strategic Plan to Advance Racial Equity, Diversity and Inclusion and the DEI program has shifted into year one of the implementation phase focusing on the launch of the Construction Career Pathways Project (C2P2), development of the racial equity cohort and creation of the new advisory committee.

As this work expands across the agency, the DEI program is taking proactive steps to ensure Metro departments, venues, units and individual staff members feel empowered to tackle issues related to diversity, racial equity and inclusion and have assigned DEI team members as liaisons to each Metro department and facility as well as some content/issue areas. We are developing a more strategic, coordinated learning process to ensure that every staff member – no matter their job – has the tools they need to successfully advance diversity, equity and inclusion. While the strategic vision and implementation of this work is part of the DEI program, it is the responsibility of Metro staff and leadership team to champion these key issues at the agency and ultimately across the region.

Diversity

Metro's Diversity Action Plan was formally adopted by Metro Council in November 2012. The plan requires an annual program status update to Metro Council on the accomplishments in advancing Metro's Diversity Action Plan.

Significant efforts are taking place across the agency, led by the Diversity Core Area Teams and their leads in partnership with many others at Metro – including staff, senior leadership, MERC and Metro Council. In the past year, each Core Area has made notable strides in achieving the plan's overall goals around diversity. Achievements for each core area include:

Diversity Action Plan – Core area 1: Internal awareness and sensitivity to diversity issues

The goal of core area 1 is to provide opportunities for Metro staff to explore various dimensions of diversity to increase cultural competence. This increased level of competence will result in deeper conversations and heightened awareness of the different experiences and perspectives that we each bring to the workplace and our daily lives. The core area 1 team facilitated or helped plan the following diversity learning opportunities:

- DEI Awareness Month -- January 2016**

The 2nd annual DEI Awareness Month occurred in January 2016. Activities included: DEI Month book club which discussed the Book of Unknown Americans by Cristina Henriquez. Lunch & Learn events: Special screening of The March, a long-banned documentary by James Blue about the 1963 March on Washington where Dr. Martin Luther King Jr. delivered his "I Have a Dream" speech. More than 50 staff and community partners had an opportunity to learn how Metro is working with the local Native American community to create access to "first foods" in our natural areas. Staff had a chance to visit with local Muslim organizations to learn more about the Muslim community. More than 75+ Metro staff attended Diversity Day and enjoyed food from different cultures, played Diversity Bingo, learned about their coworkers and honored DEI Difference Makers.
- Black History Awareness Month -- February 2016** Events and activities across the region were highlighted in the weekly message from the Chief Operating Officer. Staff from all venues and departments were encouraged to participate in community events such as Vanport: Oregon's Lost City at the Oregon Historical Society.
- Women's History Month -- March 2016** Staff participated in activities celebrating women at Metro and in the world that make a difference. This event had particularly high readership on the MetroNet, where we featured stories from women around the region.
- Sista in the Brotherhood** – May 2016 DEI hosted a community screening and panel discussion of the highly acclaimed short film, Sista in the Brotherhood, a narrative about a black female apprentice carpenter struggling to prove herself on her first day at a new job site. The film highlights the barriers that face women and people of color in the construction trades.
- LGBTQ Pride -- June 2016** --Lunch and learn opportunity discussing Orlando, FL impacts on the Muslim, Latino and LGBTQ communities. Lunch and learn documentary film viewing and discussion of local LGBTQ luminary Darcelle XV. More than 50 Metro staff, friends and family members marched in the Portland Pride Parade.
- Hispanic Heritage Month -- Sept. 15- Oct. 15** Staff from Hispanic/Latinx background were interviewed and highlighted with videos on the MetroNet.
- Indigenous People's Day --October 10, 2016** Metro Council again proclaimed the second Tuesday in October as Indigenous Peoples' Day in the Metro region and hosted Indigenous Peoples' Day Celebration to recognize, honor, and celebrate the resiliency of Indigenous Peoples and the great work they do in partnership with Metro. The celebration was hosted at the Oregon Zoo on Monday, Oct. 10 with family focused booths and activities from Tribes and organizations. Participating organizations included: Native American Community Advisory Council (NACAC), Native American Youth and Family Center, National Indian Parent Information Center, Portland Parks and Recreation, Multnomah County and the City of Beaverton.
- 25 trainings on Unconscious Bias**, to groups ranging from 8 to 150 staff, were held for all staff across the agency. Facilitated by trained staff volunteers, these discussions explored what unconscious bias is. All

staff will receive phase one training by end of November. Phase two will focus on how to mitigate and address unconscious bias and will kick off in the fall.

- **Safe conversations** are facilitated discussions and interactive lessons to reframe and expand how we think about safety and explore how we can take action to foster a “safe” workplace. In October of 2015, Metro invited nationally acclaimed racial equity author and speaker damali ayo to keynote the annual all-staff meeting. Prior to the meeting, damali ayo requested a lunch with several Metro employees of color with the purpose of uncovering themes related to their experience at Metro. The feeling of not being safe in the workplace emerged as one of the major themes. Safe Conversation Discussion was developed to educate and increase upper management’s awareness of this concept of safety. The conversations have occurred with the union executive board and Senior Leadership Team, Metro Council and MERC Commissioners, and another is scheduled in December for the Parks and Nature leadership team.

Employee Feedback - Metro conducted its biennial Cultural Compass Diversity Survey in November-December 2015, with results released early in 2016. Participation increased substantially from previous years (a 65 percent increase over 2013 participation rates) with the inclusion of part-time, temporary and seasonal workers in the survey, for a total of 767 responses. Results showed continued improvement overall in employees’ perception of Metro’s work environment and attention to diversity, but for Black and multiracial employees, the ratings declined.

Analysis of the survey results showed four themes:

1. Diversity is valued by Metro employees.
2. Metro’s diversity efforts are clear to employees and buy-in is strong.
3. In response to Metro’s Diversity Action Plan, employees have set a high bar for results and execution.
4. Employees expressed a sense of urgency for diversity efforts to focus more on hiring and advancement.

Staff raised concerns in three broad areas:

1. More action.
2. Too narrow of a focus on some diversity issues/populations (e.g., what about ageism, gender orientation, etc.).
3. Inconsistent application among management.

Results were shared broadly with staff online and through discussion groups held at some of the Metro facilities and continue to inform diversity work and priorities.

Diversity Action Plan – Core area 2: Employee recruitment and retention

Core area 2 team focuses on optimizing diversity in recruitment and retention through building awareness of Metro and our job opportunities, hiring manager and applicant education, enhancing outreach to strengthen community relationships, and involving more Metro employees on interview panels. The core

team is led by Metro's recruitment manager and provides support for the work of Human Resources staff. The results shared below reflect accomplishments from both the DAP team and HR.

The core area 2 team and Human Resources recruitment team successes included:

- Continued education for hiring managers
- HR recruitment staff attended or were represented at 43 job fairs and outreach events targeting diverse audiences
- Developing the framework for the Metro Interview Program, an initiative designed to involve a wider range of Metro employees as participants on interview panels. This effort will:
 - expose Metro employees to coworkers outside their immediate workgroup which will have a positive impact on employees' sense of organizational belonging
 - provide insight to employees regarding the range and type of positions that are available agency-wide
 - provide an opportunity for panel participants to see interviews in action which could bolster confidence and spark interest in pursuing career advancement
 - provide hiring managers a wider range of perspectives and input for consideration during their selection of new team members
- HR staff implemented a revised and improved First Opportunity Target Area (FOTA) program reflecting the recommendations of the community-led FOTA task force. The expansion of the geographic boundary to include 15 zip codes and increased income cap have led to an increase in the number of applications received and overall number of FOTA hires as well as internal process improvements. The revised program is still in the early stages but since February, four full-time positions and four part-time positions have been filled with FOTA candidates.

Recruitment statistics

Metro's HR staff are implementing a number of actions designed to achieve a more diverse workforce at Metro. From working proactively with hiring managers and interview panels to increased partnerships and outreach to diverse community groups, recruitment staff are working to achieve the goals of the Diversity Action Plan and the Strategic Plan. Overall, Metro is seeing some success in increased hiring from some racial groups and there is more work to be done.

New hire composition (regular, limited duration, variable hour, and temporary)

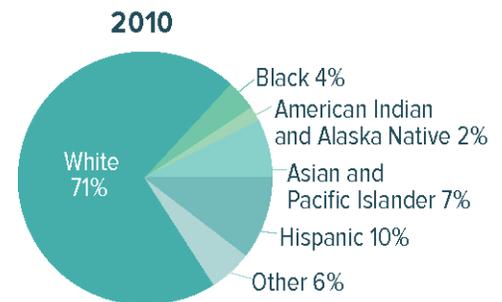
	FY 11/12	FY 13/14	FY 14/15	FY 15/16
Number of hires	484	532	628	571

Percent of population by race/ethnicity

Tri-county region Source: US Decennial Census, 2010

Percent of Total Hires

Ethnicity	FY 11/12	FY 13/14	FY 14/15	FY 15/16
American Indian	1.24%	3.01%	1.27%	1.23%
Asian	3.10%	3.95%	5.25%	3.50%
Black	3.72%	5.45%	5.10%	7.18%
Hispanic	6.61%	6.95%	5.89%	7.53%
Unknown	2.48%	3.38%	3.82%	3.85%
Pacific Islander	0.41%	0.00%	0.80%	0.53%
Two or more	0.00%	0.00%	0.00%	7.53%
White	82.44%	77.26%	77.87%	68.65%



In addition to overall hiring statistics, it is important to also look at job categories to see where there are gaps. As the following table demonstrates, we have greater racial diversity in service and administrative positions than in management and supervision levels. Staff is taking a two-pronged approach to this imbalance – focusing on both targeting recruitment for strategic professional positions as well as retention and advancement of diverse staff within the agency. We hope to see significant progress in the coming year.

Employee snapshot as of 10/25/2016									
EEO-4 Category	AMIND	ASIAN	BLACK	HISPA	NSPEC	PACIF	TWO	WHITE	Total
Administrative Support	1 (<1%)	4 (3%)	15 (11%)	7 (5%)	1 (<1%)	2 (1%)	1 (<1%)	104 (77%)	135
Officials and Administrators (Managers/Supervisors)	2 (1%)	8 (4%)	6 (3%)	3 (2%)	9 (5%)	1 (<1%)	2 (1%)	167 (84%)	198
Paraprofessionals (Paralegals, Education Specialists)			1 (3%)	3 (9%)			1 (3%)	28 (85%)	33
Professionals (Planners, Accountants, Program Analysts)	2 (1%)	15 (6%)	3 (1%)	14 (6%)	2 (1%)			210 (85%)	246
Protective Service (Security Agents)	1 (2%)		14 (32%)	1 (2%)				28 (64%)	44
Service Maintenance (Custodian, Park Ranger, Animal Keeper)	3 (1%)	8 (3%)	41 (14%)	17 (6%)	1 (<1%)			232 (77%)	302
Skilled Craft (Stagehand, Electrician, Operating Engineer)			4 (6%)	4 (6%)			1 (2%)	55 (86%)	64
Technicians (A/V Tech, HHW Tech)	2 (2%)	1 (1%)	2 (2%)	7 (7%)	2 (2%)		2 (2%)	78 (83%)	94
Grand Total	11 (1%)	36 (3%)	86 (8%)	56 (5%)	15 (1%)	3 (<1%)	7 (<1%)	902 (81%)	1116

Diversity Action Plan – Core area 3: Public involvement and advisory committee membership

Core area 3 team addresses public involvement and committee membership to achieve goals of inclusive public engagement and more diverse representation on Metro’s committees. The goals of core area 3 are addressed primarily through the work of Metro’s Community Engagement team in the Communications department.

During this reporting cycle, the Core Team focused primarily on evaluating and increasing diversity on Metro’s advisory committees, which led to an increase in diversity of membership on the Public Engagement Review Committee. Additionally, the team continues to develop recommendations and a set of best practices on committee membership diversification.

As for public involvement, significant progress has been made toward advancing the goals DAP core area 3 goals and Equity Strategy goals. Some examples:

Working to remove barriers for community to participate in the public process including:

- Working with community based organizations to create and implement culturally specific and/or culturally responsive engagement opportunities to inform priority projects
- Providing increased opportunities for diverse communities to build knowledge on how to access the decision- making process
- Providing stipends to community members to honor their expertise and remove barriers to participation.

Increase diverse communities’ access to information:

- Increased our investment in distributing and promoting Metro content, information and online engagement opportunities to communities of color.
- Improve Metro’s ability to measure demographic data for historically underserved populations.
- Developed and implementing standard demographic questions for Metro survey and engagement work.

Additional top priority actions underway through this reporting cycle and into the next cycle are:

- Community stakeholder mapping – inventory current relationships with organizations serving under-represented communities to identify current gaps, barriers to participation with Metro and ways to develop more inclusive practices
- Community partnership project – research and develop recommendations to develop long-term, meaningful relationships with community based organizations and build capacity for engaging with Metro

Diversity Action Plan – Core area 4: Procurement

Results of Metro’s equitable contracting and procurement efforts will be shared in a separate presentation by procurement staff to MERC.

Equity

The final version of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion was unanimously approved by the Metro Council on June 23, 2016. Leading up to this milestone, DEI staff made presentations on the Strategic Plan to MERC, MPAC, MTAC and TPAC, and secured support for the plan from all these committees. Staff conducted three discussion rounds with seven local communities of color and youth to help shape the plan and also conducted meetings with staff from different Metro departments to obtain their feedback about the final draft Strategic Plan.

On April 27, DEI Program staff hosted a meeting between the community leaders who helped collect input on the Strategic Plan, Metro Council members, MERC Commissioners, and Equity Strategy Advisory Committee members, so the leaders could present their findings directly to the agency decision-makers. This was a valuable opportunity to continue to build relationships between local communities of color and youth and the agency.

On June 6, Metro co-hosted a meeting on the Business Case for Equity with Portland State University, to present the Strategic Plan to members of the business community, share regional data on equity indicators and obtain their feedback.

Following Council approval of the Strategic Plan, DEI Program staff has moved to swiftly transition to implementation of the strategy, in order to keep momentum and demonstrate commitment to the community's request to act urgently to advance racial equity in the region. **All first-year actions are moving forward.** Highlights include:

- Development of Construction Career Pathways Project (C2P2) Launched in July 2016, the Construction Career Pathways Project team is developing a work plan to convene stakeholders at the regional level to provide career construction employment opportunities for people of color and women in the Portland metro region. The team will work with government and community partners to identify strategies to provide reliable career pathways – from pre-apprentice and apprentice to journey level. The project team is exploring a partnership with Work Systems Inc. to leverage resources and advance shared outcomes. Additionally, we are meeting with community and government stakeholders to identify ways to work together to build an improved roadmap going forward and gain efficiencies through public construction contracts and potential funding mechanisms to support and grow a diverse construction workforce.
- Creation of racial equity cohort Four of Metro’s departments and venues have been working with DEI Program staff to create their own specific racial equity action plans and to apply the racial equity analysis and decision-support tool to a significant project. The Strategic Plan focuses on implementing goals, objectives and actions that are common to the entire agency. At the same time, there is the need to advance racial equity in the specific work conducted by each department

and venue. SLT selected Parks and Nature, Planning and Development and Property and Environmental Services as well as the Oregon Zoo to be the first cohort of departments and venues to create their specific action plans and use the equity tool. The cohort members have been meeting monthly with DEI Program staff to harness collaboration and synergies, support each other, and share the challenges, opportunities and learnings that come with this pioneering work. The departments- and venue-specific action plans are on track to be completed by June 2017. Remaining departments and venues will then commence their action plans in FY 17-18, learning from the cohort process.

- Creation of the CORE (formerly known as the “new ESAC”) One of the actions included in the Strategic Plan is the creation of a new committee to support its implementation. The working name for this body is the “Committee on Racial Equity” (“CORE”). The purpose of CORE is to advise and support Metro Council and staff in the implementation and evaluation of the recently adopted Strategic Plan. Metro DEI staff will work with representatives from communities of color to ask for their feedback on the creation of the CORE. Staff will also request feedback from Metro Council and staff leadership, and from members of the now-disbanded Equity Strategy Advisory Committee. Once this feedback has been obtained, analyzed and incorporated as appropriate, DEI staff will finalize the draft CORE charter and operating principles, and request a formal review from the Office of the Metro Attorney (OMA). DEI staff anticipate that the call for applications will be released in December 2016, and that the applications review and appointments process will be completed early in 2017. The new committee is expected to hold its kick-off meeting in February 2017.

Inclusion

In the past year, the DEI program worked collaboratively with the Communications department and with staff from across the agency to share best practices and resources to build and maintain long-term, meaningful relationships with community based organizations and engage community members using the language or communication method that meets their needs. The primary focus has been on meeting audiences where they are whether in their own language, recognizing safe spaces or building awareness of cultural or religious observances. In particular the DEI program focused on:

- DEI staff held a language training with 18 Metro front line staff from across the agency on how to effectively manage calls or in-person requests from people who don’t speak English well. The training has expanded beyond front line staff and will be provided for employees at the Zoo, Expo Center and parks and cemeteries in winter 2017.
- In coordination with Metro’s Title VI coordinator, DEI staff contributed to the update of Metro’s Title VI annual report.
- DEI and Powell-Division corridor program staff developed telephone voicemail options that allow callers to choose one of five languages, including Spanish, Russian, Vietnamese, Cantonese and Mandarin. Callers were able to leave a message and receive a follow-up call in their native language.
- After hearing from community members about the need to better communicate the location of the all-user, gender-inclusive restroom at Metro Regional Center (located just inside the east entrance to the

building on the second floor near MetroKids), DEI staff posted temporary directional signs for the second floor restroom near the other MRC restrooms and is working toward updating our permanent way-finding and directional signs over the next couple of months. This is a pilot program with the aim to provide more inclusive restroom facilities for our visitors, customers, and patrons.

- DEI staff continues to provide assistance on language translation projects and language interpreter requests from across the agency from Planning to the Zoo.
- DEI staff developed a cultural and religious observances calendar. All staff with Outlook can upload the calendar to check for conflicts when scheduling meetings and events, as well as click on links to learn more about the significance of the observance day.

Financial investment

Metro has been making investments related to equity, diversity and inclusion for a number of years. As the agency explicitly started to work on advancing equity, primarily through the creation of the Equity Strategy and Diversity Programs, and then their consolidation into the Diversity, Equity and Inclusion Program in 2014, there has been a progressive increase in the resources and investments allocated to advance this important work.

Because diversity, equity and inclusion work are integrated into departments and programs throughout Metro, it would be nearly impossible to track exact budget figures. Staff calculated direct equity-related investments such as FTE specifically focused on DEI issues (DEI staff, community partnerships staff in departments, etc.) and materials/services for programs that are focused on DEI outcomes (e.g., ZAP/UNO, Partners in Nature, Portland's Presents, Equitable Housing Program, etc.). We estimate that for the 2016-17 fiscal year Metro is investing \$3.8 million to advance DEI goals across the agency, of which roughly \$525,000 are new investments this fiscal year.

To further guide and track Metro investments in DEI, two action items were identified in the Strategic Plan: develop and implement agency-wide equity criteria for grants, investments and sponsorships in FY 2017-18 and develop and implement a budget equity tool to assist in making resource allocation decisions.

Moving diversity, equity and inclusion forward

In the year ahead, the DEI program will continue work to align the Strategic Plan to Advance Racial Equity, Diversity and Inclusion with Metro's Diversity Action Plan. While the two plans have similar, often overlapping goals, the former focuses on identifying and addressing the barriers facing communities of color as an effective path to achieving equitable outcomes while the latter addresses outcomes and establishing a work culture that celebrates all aspects of diversity. The plans inform and support each other and staff is working to provide a clear and effective implementation process. DEI will also continue to work on providing clear communications support to assist leadership and staff to better understand and convey the comprehensive nature of the DEI work taking place at Metro.

In addition, DEI staff will focus on the following priority areas identified in the Strategic Plan to Advance Racial Equity, Diversity and Inclusion and/or the Diversity Action Plan:

- Implement the Strategic Plan, including:
 - establishing evaluation methods and metrics, using both quantitative and qualitative methods, engaging community participation, and focusing on outcomes
 - convening the Committee on Racial Equity to provide performance evaluation oversight and accountability
 - completing and implementing department-specific action plans
- Continue to build an inclusive work environment and cultural proficiency at Metro through coordinated and effective DEI trainings, facilitations and learning opportunities that address core competencies for staff, managers and elected/appointed leaders.
- Support Human Resources and hiring managers to improve diverse hiring, retention and advancement.
- Convene regional government, labor and community partners to find collaborative solutions to support construction careers for people of color and women through the successful implementation of the Construction Career Pathways Project.
- Complete a five-year review and update of the Diversity Action Plan for Council consideration in winter 2017.
- Assess and address physical accessibility of Metro venues and programs for people with disabilities.

Diversity, Equity and Inclusion at Metro 2016

Metro staff are working to cultivate diversity, advance equity and practice inclusion in the agency's programs, policies and services. These are some examples of program accomplishments that have helped move this work forward in 2016.

MULTI-DEPARTMENT

- **DEI internship cohort:** Metro hosted more than a dozen summer interns from Self Enhancement Inc. (SEI) and SummerWorks, De La Salle High School, and Portland Community College to provide various internship opportunities. Students had a chance to learn more about what Metro does and explore potential careers related to DEI, EXPO Center, HR, Metro Paint, Office of Metro Attorney, Oregon Convention Center, Oregon Zoo, Parks and Nature, PES, PES-cPMO, P'5, and the Research Center.

COMMUNICATIONS

- **Produced By Her project:** Held premiere of Produced By Her at the Hollywood Theatre and held a showing at Metro. The online story map was selected by ESRI (Geographic information Systems Company) as its story map of the month. *3,511 website views to date.*
- **Snapshot Series:** Released Community Change and Equity Regional Snapshot in July 2016 which shared the stories of community changes through data, expert commentary, personal profiles and events. *More than 5,800 website views since July.*
- **Standard demographic questions:** Developed a series of standard demographic questions for Metro survey and engagement work.
- **Equitable housing summit:** During the summit, leaders and participants shared on-the-ground approaches and strategies to create equitable housing in their communities.
- **Supported Portland'5 Presents: Hand's Up:** Provided financial support to ensure Metro employees could attend performances of Hand's Up.
- **Participation at NW public employee diversity conference:** Co-presented with community partners and DEI on partnerships that change the culture of public service.
- **Partnership:** Partnered with community based organizations for culturally specific focus and discussion groups to inform Metro priority projects (e.g. better connecting communities of color to Metro's engagement efforts on transportation)
- **Research:** Launched RFP for research to inform our communications and engagement with communities of color.
- **Public Engagement Review Committee:** Increased diversity of membership on the PERC.
- **Staff diversity:** Increased staff diversity in communications department.
- **"At the corner of change"** film chosen for New Urbanism Film Festival.

EXPO CENTER

- **Honoring Our History: A reflection on the Vanport Flood and the Portland Assembly Center:** The event on May 26 honored and remembered those affected by

both the Vanport Flood and Japanese internment during World War II, with projects by students from Beaumont Middle School, guest speakers and more.

FINANCE AND REGULATORY SERVICES

- **Certification Office for Business Inclusion and Diversity (COBID) workshops:** Procurement hosted several workshops focused on training and assistance for minority, women owned and emerging small businesses.

HUMAN RESOURCES

- **First Opportunity Target Area (FOTA) Program Expansion:** Initial success implementing the updated eligibility requirements, increasing regional awareness of the program and in turn applications and hire of FOTA candidates.
- **Job outreach and awareness:** Attendance and/or representation at 43 job fairs and employer outreach events; planned and hosted Environmental Professionals of Color event to connect hiring managers with diverse candidates.
- **Improved recruitment processes:** Working proactively with hiring managers, crafting an inclusive job announcement, conducting broad outreach and advertising, working to ensure the interview panel encompasses a variety of perspectives, helping craft interview questions and briefing/debriefing panels to help mitigate bias.
- **Metro Interview Program:** Developed the framework for the Metro Interview Program, an initiative designed to involve a wider range of Metro employees as participants on interview panels.

OREGON CONVENTION CENTER (OCC)

- **Giving back to the community:** Six sales staff from OCC visited and served lunch this year at the Blanchet House, a men's shelter. OCC works with Pacificwild to provide non-served food to the organization.
- **Community events:** Hosted the annual Urban League Dinner with over 500 attendees, the Delta Sigma Theta Sorority with over 780 attendees, La Femme Magnifique International Pageant – to crown the most glamorous female impersonator in the business and the Islamic Center of Portland prayer session with over 4,000 attendees to celebrate Eid-ul-Adha - "Festival of the Sacrifice", which is the second of two Muslim holidays celebrated worldwide each year.
- **Job fair:** Pacificwild hosted a job fair that attracted 20 candidates and from that group 15 were extended offers to be hired.
- **Specialized training: Hosted the 2016 World Parkinson Congress** with 4,600 attendees from 67 countries. Prior to the event, staff attended one of two offered specialized training sessions in advance of the event to be well prepared to understand and address the attendees' special needs. The show estimated that one-third of the attendees were affected by various stages of Parkinson's disease.

OREGON ZOO

- **Twilight Tuesdays:** Developed a partnership with IRCO and provided 1,236 free tickets which were used this summer. Multiple ZAP/UNO teens recruited through partnership. Participated in various outreach events including Spring Break College and Career Readiness workshop and education events at SUN elementary schools.

- **Spanish-language ZooSnooze:** Former ZAP teens, now Zoo Snooze instructors, Manuel Maciel and Tracy O'Campo, provided a unique, bi-lingual camp experience for a group of students from a Spanish immersion school in Camas, WA.

PARKS AND NATURE

- **Partners in Nature:** In the last six months the Parks and Nature department has launched three new formal partnerships, identified through letters of interest indicating each community's ideas for connecting with parks and nature. Three of the original pilot partnerships have transitioned into longer-term relationships, and numerous other informal partnerships continue to evolve. The six main partners include: Centro Cultural de Washington County (see below), Latino Network, ROSE Community Development, Self Enhancement, Inc., Sista Sistah, and Unite Oregon.
- **Design of Chehalem Ridge Nature Park and Connect with Nature:** Parks and Nature is working with Centro Cultural to engage the Latino community in Washington County to help plan Chehalem Ridge Nature Park. The department is also working with Verde, APANO, IRCO and NAYA to facilitate design workshops to develop recommendations for inclusive park design and planning. The first design workshop that Connect with Nature hosted brought together nearly 50 community members from Burmese, Somali, Native American, Vietnamese, Asian-American, African-American and Latino communities. Three more workshops are scheduled into spring 2017.
- **Grant Butte:** Grant Butte is a site in Gresham, acquired with 2006 Natural Areas bond measure funds, and currently managed by Metro and the City of Gresham. The Successful Families 2020 coalition has started to meet to explore the possibility of defining a project on this site that meets the partners' conservation and equity goals.

PROPERTY AND ENVIRONMENTAL SERVICES (PES)

- **Solid Waste Information, Compliance and Cleanup:** Public notifications for solid waste facility license applications were provided in languages specific to demographics of the host community.
- **Solid Waste operations:** Decision to allocate some garbage to the only African American owned waste business in the Metro region, City of Roses Disposal and Recycling (CORE), to expand into the business of operating a waste transfer station. Although CORE does not currently operate a transfer station, we reserved a tonnage allocation for the company this year as a placeholder as it prepares to expand its role in our solid waste system.
- **Resource Conservation and Recycling:** The school education team brought back Yessenia Villalobos for a second year in summer 2016. The internship demonstrated the value to Metro of having youth involved in schools program development as well as the positive impacts of mentoring for everyone involved.
- **MRC Campus Operations:** A recent recruitment for a member of the facility custodial team provided an opportunity to put inclusive recruitment practices into place. Their approach included an "all call" interview session in which candidates circulated among four interview "stations" to answer one question asked by each interview panelist –

including two current custodians. This allowed the candidates to have an interview process that was intended to be less intimidating than the traditional panel.

- **Planning:** PES is incorporating equity into development of the Regional Waste Plan. Metro's equity decision making questionnaire will be adapted for use with this planning process; an equity working group will be convened to advise PES throughout the planning process; and the public engagement strategy will be grounded in equity and inclusion best practices.
- **Staff engagement:** PES included equity as a component of three department all-staff meetings in the past year.
- **PES Community Partnerships program:** PES implemented a new department-wide Community Partnerships program in FY15-16 intended to help maximize the benefit of Metro's solid waste investments in our communities. The PES Community Partnerships program coordinates implementation of Metro's diversity, equity and inclusion (DEI) goals within the Property and Environmental Services department. The purpose of this program is to eliminate barriers and generate positive benefits for the community that advance racial equity, diversity, and inclusion through its roles in solid waste reduction, regulation, management, planning and policy, construction project management and operation of the Metro Regional Center.

PLANNING AND DEVELOPMENT

- **Regional Leadership Forums:** Convened two innovative and inclusive forums with more than 60 leaders from across the Portland metropolitan area to begin shaping a bold vision for the future of travel in the region. Policymakers, business and community leaders came together to bring the perspectives of communities and constituents from throughout the Portland region. The forums helped to increase involvement of communities of color and social justice advocates with Metro's decision making process around transportation.
- **RTP Transportation Equity Analysis:** Supported by a technical workgroup consisting of community members and technical experts, the Transportation Equity Analysis helps inform how RTP investments affect communities where people have the fewest options for travel to meet everyday needs. Understanding this helps Metro make more informed, equitable decisions about where transportation dollars go, especially as the region weighs many competing priorities for the transportation system.
- **Powell-Division Steering Committee:** This was the first time that Metro created a steering committee where there was equal representation of community stakeholders and governmental stakeholders with the same level of influence. This was an innovative approach to advancing inclusionary practices within steering committees that will change the way that Metro partners with community for future corridor projects.
- **SW Corridor Grant:** Metro has recently been awarded an \$895,000 grant from the Federal Transit Administration to create an equitable economic development and housing strategy for the Southwest Corridor. This is a major accomplishment because it will ensure that equity considerations related to jobs and housing are incorporated at these very early stages (rather than at the end) of the Southwest Corridor project.

PORTLAND'S CENTER FOR THE ARTS

- **Education Outreach Program:** In an effort to better serve the community and celebrate diversity, more than 6,000 students within the Portland Public School district attended either Black Violin or Mariachi De Sol performances for free.
- **LAX-IdeAL:** In partnership with Milagro, Portland'5 hosted the third annual LAX-IdeAL art exhibit and performance showcase featuring local Latino artists. The event was free and open to the public and included live music, an art workshop, a conference centering on the cultural contributions of Oregon Latinos, and an art reception with 21 presenting artists and live music from Passionfruit.
- **National Geographic Mars LIVE** with Kobie Boykins, NASA Engineer. P'5 hosted 800+ middle school students from Title I PPS schools by providing free transportation and a free show. For those who could not attend, we also provided live streaming, enabling 10 schools to watch the show from their classrooms.
- **Art's & Education Collaboration luncheon.** Portland'5 resident companies and community arts and education programs participated in a discussion centered around the following question, 'If your organization was the face of diversity, equal access, culturally relevant and welcoming to all, what would you do differently?'

RESEARCH CENTER

- **Evaluator Position:** Research Center is partnering with DEI to create a new position within Metro to effectively measure and transparently report on our equity progress as an agency as well as develop best practices for evaluation across all Metro programs.
- **Metro Pulse:** The new online data dashboard project has identified equity as a major thread of its work and the Research Center is actively working to better understand how it can better measure equitable outcomes at the regional level.
- **Limited English Proficiency (LEP) analytics:** Research Center staff have been actively updating the way that Limited English Proficiency is measured and analyzed at Metro for increased accuracy and a more comprehensive understanding of the LEP community in the region.
- **Standardizing data definitions:** Inconsistent understanding of key data terms leads to inconsistent understanding of issues and outcomes. For example, the term "low-income" is inconsistently understood here at Metro (e.g. is low-income 50% median income or is low-income based on poverty levels?). The Research Center is leading agency discussions for a more consistent approach to understanding these data terms so that, when used, the related diversity, equity and inclusion impacts are fully understood.

INFORMATION SERVICES

- **Responsive design for all of our websites:** Due to the high reliance on mobile devices by minority populations, IS advocated to ensure Metro would launch our websites with full World Wide Web Consortium compliance, which also enables sight-impaired constituents to have access to information and documents on the web.

OFFICE OF METRO ATTORNEY (OMA)

- **Participated in the Metro internship partnership with SEI:** Created a summer administrative internship for a freshman from Willamette University. OMA also focuses its yearly and summer legal internships on diverse law students who are under-represented in the Portland legal community.

MERC Commission Meeting

December 7, 2016
12:30 pm

11.0 Consent Agenda

Metropolitan Exposition Recreation Commission

Record of MERC Commission Actions

November 2, 2016

Oregon Convention Center VIP Suite B

Present:	Elisa Dozono (Chair), Deidra Kryz-Rusoff, Ray Leary, Karis Stoudamire-Phillips, Judie Hammerstad, Council Liaison Sam Chase
Absent:	Terry Goldman, Damien Hall
	A regular meeting of the Metropolitan Exposition-Recreation Commission was called to order by Chair Elisa Dozono at 12:15 p.m.
1.0	QUORUM CONFIRMED A quorum of Commissioners was present.
2.0	OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS None
3.0	COMMISSION/COUNCIL LIAISON COMMUNICATIONS <ul style="list-style-type: none"> • Commissioner Kryz-Rusoff congratulated staff on reaching the milestone of the passage of the hotel design by the City of Portland Design Commission. • Chair Dozono welcomed Scott Cruickshank who is acting as Interim General Manager of the Visitor Venues while the search for a permanent replacement for the position begins. • Commissioners Leary and Hammerstad reported on their participation in Travel Portland’s Multicultural Events in Washington DC last month.
4.0	INTERIM GM COMMUNICATIONS Scott Cruickshank provided these updates to the Commission: <ul style="list-style-type: none"> • Bill Tolbert, Metro’s Diversity Project Manager, passed away yesterday. He will be remembered for his efforts on Metro’s Diversity Action Plan • Following the passage of Hyatt’s designs at the city’s design review hearing, the hotel project timeline will be updated. More information should be forthcoming in the next few weeks. • The GM of Visitor Venues position has been posted. Metro COO, Martha Bennett, has asked for a commissioner to volunteer to help with application screening for the position. Details will be forward later. • Metro’s annual Charitable Giving Campaign has begun and will run through November. • The non-rep compensation study for the venues found that compared to market, there was only a .08 variance. Some positions will need to be adjusted, however. The numbers are still being reviewed. • Travel Portland’s multicultural events in Washington were successful. Travel Portland recently sent an invitation to the December FAM events; please RSVP if you are interested in attending. • Next month’s meeting will include the equity contracting report and a Diversity Equity and Inclusion update.
5.0	CONSENT AGENDA Includes: <ul style="list-style-type: none"> • Record of MERC Actions, October 5, 2016 • Ethics approvals for December 2016 FAM Events and February 2017 CAB events A motion was made by Commissioner Kryz-Rusoff and seconded by Commissioner Stoudamire-Phillips to approve the Consent Agenda. VOTING: AYE: 5 (Dozono, Leary, Hammerstad, Kryz-Rusoff, Stoudamire-Phillips) NAY: 0

	MOTION PASSED
6.0	ACTION AGENDA
6.1	<p>Resolution 16-28: For the purpose of approving changes to Personnel Policies. Mary Rowe of Metro Human Resources presented the resolution. A motion was made by Commissioner Hammerstad and seconded by Commissioner Leary to approve resolution 16-28.</p> <p>VOTING: AYE: 5 (Dozono, Leary, Hammerstad, Krys-Rusoff, Stoudamire-Phillips) NAY: 0 MOTION PASSED</p>
6.2	<p>Resolution 16-29: For the purpose of selecting CAPS, LLC (CAPS) for Stagehand Payroll Services and authorizing the General Manager of Visitor Venues to execute a contract with CAPS on behalf of the Metropolitan Exposition Recreation Commission (MERC). Jason Blackwell of Portland’s Centers for the Arts presented the resolution.</p> <ul style="list-style-type: none"> • Commissioner Leary inquired how this contract produces savings for the venue. Blackwell responded that, since this is a national organization, P’5 will see savings on overhead for the administration of the payroll services. • Commissioner Krys-Rusoff inquired whether there is any risk when P’5 switches to the new system. Blackwell stated that P’5 staff will have a testing phase with CAPS before going live in January to be certain that the procedures work as expected. • Chair Dozono inquired why P’5 would use an outside vendor for the service. Blackwell responded that the work groups included come and go frequently and by using a large outside vendor, the costs involved with administering employee change will be more streamlined. Metro Deputy Attorney, Nathan Sykes, added that P’5 is currently using an outside source for these work groups. • Chair Dozono inquired if the RFP was sent to known vendors in the market and whether there was any response. Blackwell responded that one was unable to take on the work at this time and there was no word from the other. <p>A motion was made by Commissioner Leary and seconded by Commissioner Hammerstad to approve Resolution 16-29.</p> <p>VOTING: AYE: 5 (Dozono, Leary, Hammerstad, Krys-Rusoff, Stoudamire-Phillips) NAY: 0 MOTION PASSED</p>
6.3	<p>Resolution 16-30: For the purpose of approving and transmitting to the Metro Council budget amendments to the Metropolitan Exposition Recreation Commission (MERC) Fund Approved Budget for fiscal year 2016-17, and requesting amendment of the Capital Improvement Plan (CIP) FY 2016-17. Ben Rowe, MERC Finance Manager, presented the resolution. A motion was made by Commissioner Krys-Rusoff and seconded by Commissioner Stoudamire-Phillips to approve Resolution 16-30.</p> <p>VOTING: AYE: 5 (Dozono, Leary, Hammerstad, Krys-Rusoff, Stoudamire-Phillips) NAY: 0 MOTION PASSED</p>
6.4	<p>Resolution 16-31: For the purpose of selecting Bull Run Electric, Inc. for the Oregon Convention Center (OCC) Towers and South Atrium Lighting Upgrades and authorizing the General Manager of Visitor</p>

	<p>Venues to execute a contract with Bull Run Electric, Inc. Josh Lipscomb presented the resolution.</p> <ul style="list-style-type: none"> • Chair Dozono expressed concern that the glass used for the towers had a green cast and wondered how that would look with the new lights. Lipscomb responded that the lights had been tested. No problems are expected. • Commissioner Krys-Rusoff noted that bridges are able to “rent out” colors on a weekly basis and inquired if that would be a possibility with the OCC towers. Cruickshank responded that a similar plan is under consideration. • Councilor Chase noted that Metro Council has received information from the community regarding light pollution and enquired about concerns regarding the intensity of OCC’s tower lighting. Cruickshank responded that OCC participated in the Lights Out campaign and is responsive to the community’s concerns however the towers are icons for the community and clients want them lit during their events. • Commissioner Leary inquired if the project went to the lowest bid and whether subcontractors might be used. Cruickshank responded that this was a Request for Bid (RFB) according to state guidelines for public improvement projects. The lowest qualified bidder was awarded the contract. This winning firm is COBID certified. There are no subcontractors for the project. • Chair Dozono enquired if the contractor is an MWESB. Lipscomb responded that it is an ESB firm. <p>A motion was made by Commissioner Hammerstad and seconded by Commissioner Krys-Rusoff to approve Resolution 16-31.</p> <p>VOTING: AYE: 5 (Dozono, Leary, Hammerstad, Krys-Rusoff, Stoudamire-Phillips) NAY: 0 MOTION PASSED</p>
	<p>As there was no further business to come before the Commission, the meeting was adjourned at 12:53 p.m.</p>

MERC Commission Meeting

December 7, 2016
12:30 pm

12.0 Action Agenda

METROPOLITAN EXPOSITION RECREATION COMMISSION
Resolution No. 16-32

For the purpose of approving a Distributed Antenna System License Agreement at the Oregon Convention Center.

WHEREAS, the Oregon Convention Center (OCC), desires to provide the highest level of services, including fast and reliable technology, to OCC clients;

WHEREAS, in order to provide extended and improved wireless communication services to OCC visitors, on May 12, 2016, the Metropolitan Exposition Recreation Commission issued a Request for Proposal (RFP) for the design, installation, operation and maintenance of a neutral-host Distributed Antenna System (DAS) at the OCC; and

WHEREAS, OCC staff, with support from the Office of the Metro Attorney, have negotiated the terms of a proposed DAS License Agreement, whereunder InSite Wireless Development will design, install, operate and maintain a neutral-host DAS in the OCC for a period of 10 years, with a right to extend the initial term for two additional five-year periods; and

WHEREAS, the OCC will incur no costs related to the DAS facility and experience a positive financial impact on the budget as a result of the License payments made by Insite to OCC in accordance with the negotiated terms;

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission:

1. Approve the award of a ten year License Agreement with InSite, in the form substantially similar to the attached hereto, and authorizes the General Manager of Visitor Venues to execute the License Agreement on behalf of MERC.

Passed by the Commission on December 7, 2016.

Chair

Approved as to form:
Alison R. Kean, Metro Attorney

Secretary/Treasurer

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

MERC STAFF REPORT

Agenda Item/Issue: For the purpose of approving a “Distributed Antenna System (DAS)” at the Oregon Convention Center (OCC).

Resolution No: 16-32

Date: December 7, 2016

Presented by: Matt Pizzuti

BACKGROUND & ANALYSIS: The OCC is an event facility that hosts hundreds of conventions, conferences, meetings and other events throughout each year. Currently, the building’s infrastructure unintentionally disrupts the transmission of cellular information throughout the building. As society’s reliance on technology increases, this interference in cellular communication has become problematic for attendees, guests and clients. The OCC continuously receives customer complaints and poor scores on show reviews in response to the disrupted cellular service. Installation of the DAS system will enable multiple cell phone carriers to enhance their connectivity to attendees, guest and clients while at the OCC.

On May 12, 2016, the OCC asked for proposals from bidders to finance, design, install, activate, operate and maintain a success Distributed Antenna System (DAS). The OCC received nine responses to the RFP and extended in-person interviews to three of these companies. InSite was selected based on their overall experience with convention centers and the overall financial package to OCC. InSite will design, install and implement the system and ensure that the OCC has a fully installed and functional DAS by summer of 2017. This proposal will provide a permanent resolution to customer service issues at no cost to the OCC, while providing a positive financial impact through upfront payments to OCC and ongoing revenue sharing.

FISCAL IMPACT: The OCC will have no cost to the facility and experience a positive impact on the budget as a result of the InSite contract. InSite has agreed to an upfront payment of \$150,000 to OCC within sixty days of an executed agreement. InSite will provide an additional \$25,000 payment to OCC within sixty days of full execution of any carrier agreement between InSite and the wireless carriers. Ongoing, they will pay OCC 55% of monthly revenues, not including capital contributions or payment of ongoing pass through expenses for utilities, taxes, monitoring, insurance and maintenance paid by the carriers.

RECOMMENDATION: Staff recommends that the Metropolitan Exposition and Recreation Commission, by Resolution 16-32, approve the contract award and written contract (attached hereto) with InSite for the “OCC Distributed Antenna System” and delegate authority to the General Manager of Visitor Venues to execute the contract. The ten-year contract allows InSite the opportunity to extend the lease for two additional periods, each period for a span of five years.

DAS License Agreement

MERC CONTRACT NO. XXXXXX

OREGON CONVENTION CENTER NEUTRAL-HOST DISTRIBUTED ANTENNA SYSTEM LICENSE AGREEMENT

This License Agreement for Distributed Antenna System (the “License” or the “Agreement” herein) is made and entered into as of the ____ day of _____, 2016 (the “Execution Date”) by and between the **Metropolitan Exposition Recreation Commission**, an appointed commission of Metro, a metropolitan service district organized under the laws of the State of Oregon and the Metro Charter (Metro and MERC jointly referred to herein as “Licensor”), and **InSite Wireless Development, LLC**, a Delaware limited liability company (“Licensee”).

RECITALS:

A. Licensor is the owner and operator of certain real property generally known as the Oregon Convention Center (“OCC”) located at 777 NE Martin Luther King Jr Blvd, Portland, OR 97232, which is more fully described in **Exhibit “A”** (the “OCC Property”); and

B. On May 12, 2016, Licensor issued a formal Request for Proposals (the “RFP”) for the design, installation, operation and maintenance of a neutral-host distributed antenna system (the “DAS”) at the OCC and Licensee submitted a proposal in response to the RFP.

C. Licensor selected the proposal submitted by Licensee and issued a Notice of Intent to Award Contract on August 5, 2016, and it is now the desire of the parties to enter into this Agreement to permit Licensee to design, install, operate and maintain a neutral-host DAS in the OCC to provide extended and improved wireless communication services therein.

D. The parties agree and intend that the DAS will be designed, installed, operated, and maintained so that the OCC visitors and the general public will have improved wireless communications connectivity at the OCC.

E. The parties desire to enter into this Agreement for limited purposes set forth below.

AGREEMENT:

1. Communications Purpose; Grant of License.

1.1. Licensor hereby grants to Licensee the exclusive right to construct, install, upgrade, own, operate, repair and maintain the DAS Facilities, as defined below, on and in the Property for the Communications Purposes and the right to exclusive use of portions of the Property for the DAS Facilities. As used herein, “Communications Purpose” means to provide wireless voice and data telecommunications service providers and/or other customers and users (“Sub-Licensees”) with access to the DAS for receiving

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

and transmitting radio frequency signals to wireless devices, including without limitation, any transmission of radio frequency signals by Sub-Licensees to their customers using licensed and unlicensed spectrum (whether by using LTE in unlicensed spectrum (LTE-U) or similar technologies). The DAS must be compatible with current (GSM, CDMA, EVDO, UMTS, HSPA+, and LTE) and will distribute those services deployed by the Sub-Licensees. Notwithstanding the forgoing, Licensor reserves to itself the exclusive right to provide wireless services (and the equipment necessary to do so) pursuant to Institute of Electrical & Electronic Engineers (“IEEE”) 802.11(as may be amended or replaced), and any other similar “Wi-Fi” type of service (all of which shall be referred to as “Wi-Fi Services”) to customers and users within the OCC. Licensee (and any of its Sub-Licensees) is not permitted to construct, install, operate or maintain any Wi-Fi Services at the OCC. For the avoidance of doubt, the foregoing prohibition shall not prohibit persons at the OCC from operating mobile hot spots or similar wireless networks using their mobile wireless devices.

1.2. Licensee has the exclusive right and obligation to construct, install, upgrade, own, operate, repair and maintain the DAS and related equipment, wiring, conduit, and cable (collectively, the “DAS Facilities”) on and within certain portions of OCC Property (the “Licensed Premises”) for the Communications Purpose; provided, however, that Licensee agrees it will not operate the DAS using unlicensed spectrum, nor permit the Sub-Licensees to deploy LTE in the unlicensed spectrum (LTE-U) or similar technologies using unlicensed spectrum, without Licensor’s prior written approval, which will not be unreasonably withheld, conditioned or delayed. The Licensed Premises include: (a) an identified equipment room for the DAS Facilities (the “Equipment Room”); (b) identified portions of the interior of the OCC facility for the infrastructure required to support the DAS Facilities, which may include without limitation, antennas, remotes, cables, wiring, conduits, HVAC, fire protection, security systems, spare modules, electric services and other related utility services, and other equipment as determined to be necessary or appropriate by Licensee in the ownership and operation of the DAS Facilities; and (c) identified space on the rooftop of the OCC Property for installation of GPS and/or donor antennae to support operation of the DAS Facilities. The Licensed Premises is more fully described/depicted on **Exhibit “B”** attached hereto. The DAS Facilities will be designed and constructed to provide extended and improved wireless communication to 100% of the publically accessed areas within the interior of the OCC (the “DAS Coverage Area”). The DAS Coverage Area is depicted on the map attached hereto as **Exhibit “C”**.

1.3. Licensor further grants Licensee, and its officers, agents, representatives, employees, contractors, and sub-licensees (collectively, the “Licensee Parties”) a right of ingress and egress to the Licensed Premises throughout the OCC Property as may be required for the purpose of constructing, installing, maintaining, operating and removing a Licensee Party’s equipment in accordance with the provisions of this Agreement. Licensor acknowledges that Licensee Parties require seven (7) day per week, twenty-four (24) hour access to their DAS equipment, and Licensor agrees to provide such access subject to the security procedures which shall be added to the Agreement via amendment as **Exhibit “D”** (the “Access Procedures”). During the Term (as defined below) of this Agreement, Licensor has the right to revise the Access Procedures upon not less than sixty (60) days’ prior written notice to the Licensee Parties.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

2. Due Diligence Period.

2.1. Licensee shall have ninety (90) days from the Execution Date (the “Due Diligence Period”) to conduct due diligence, including without limitation a technical, environmental, and market feasibility review in connection with the DAS Facilities. In the event Licensee determines, in its sole business judgment, that installing the DAS Facilities and operating the DAS System at the OCC Property is not feasible for Licensee, Licensee shall have the right to terminate this Agreement without penalty by providing written notice to Licensor prior to the expiration of the Due Diligence Period.

2.2. Attached as **Exhibit “E”** is an initial description of the scope of work for the design, construction, installation and deployment of the DAS Facilities to be built and installed by Licensee subject to the terms and conditions of this License at the OCC Property (the “Initial DAS Facilities Design”). During the Due Diligence Period Licensee will provide Licensor with preliminary drawings, design and specifications, based off the Initial DAS Facilities Design (the “DAS Plans and Specifications”). The final DAS Plans and Specifications will be provided to Licensor for review and approval prior to commencement of construction and installation of the DAS Facility. Licensor approval will not be unreasonably withheld, conditioned or delayed. Licensor approval shall in no event be deemed a representation that the DAS Plans and Specifications comply with applicable laws, ordinances, rules or regulations.

2.3. Licensor hereby designates Matt Uchtman as the point of contact with respect to the OCC regarding the development of the DAS. Licensee hereby designates Robb Alarcon as the project manager responsible for the implementation and management of all aspects of the day-to-day operations related to the development of the DAS at the OCC. Either party may change their respective designation above by providing written notice to the other party.

3. Duties, Rights and Responsibilities of Licensee

3.1. Licensee shall design, construct, operate and maintain the DAS at no cost to Licensor. Licensee’s obligations shall include, but are not limited to, design, planning, implementation, management, installation, utility placements and supporting infrastructure, monitoring and maintenance, and marketing and sub-licensing the DAS to broadband wireless carriers (cellular or PCS). For the avoidance of doubt, Licensee is not providing any services directly to Licensor as part of this Agreement, nor will the DAS Facilities interconnect with Licensor’s equipment or network. Furthermore, Licensor acknowledges and agrees that operation of the DAS Facilities is contingent on Licensee’s agreements with the Sub-Licenses to deploy their equipment on, and make use of, the DAS Facilities on terms and conditions (including, without limitation, payment to Licensee of sub-license fees and capital contributions (as defined below)) acceptable to Licensee in its commercially-reasonable discretion.

3.2. Licensee shall make commercially reasonable efforts to enter into at least three (3) or more communications sub-license agreements with nationally recognized cellular wireless carriers (individually or collectively, as the context may require, the “Sub-License Agreement(s)”). The Sub-License Agreements

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

shall provide that (x) the term of each Sub-License Agreement shall not exceed the maximum Term of this Agreement, and (y) the Sub-License Agreements shall be subject and subordinate to this Agreement in all respects including but not limited to, the indemnification, insurance, access and removal requirements. Licensee shall remain fully liable for compliance with all of the terms and conditions, and fulfillment of all of its covenants contained in this Agreement, notwithstanding the terms of any such Sub-License Agreement. Except in the event of emergencies, Licensee shall be sole the point of contact with respect to all Sub-Licensee Carrier communications. Licensee shall be responsible for all Sub-Licensee Carrier installation and access supervision, DAS monitoring and maintenance, and RF interference management with respect to the DAS Facilities.

3.3. During the Due Diligence Period, Licensee shall coordinate with the City of Portland and its applicable local life safety (Police and Fire) agencies and personnel in order to evaluate the existing radio coverage of the applicable licensed wireless frequencies utilized by such life safety agencies within the OCC. If and to the extent reasonably determined by Licensee and the City of Portland that the existing radio coverage of such life safety licensed wireless frequencies is insufficient to support the operations or emergency response needs of the City of Portland’s local life safety agencies within the OCC, then Licensee, in consultation with the City of Portland, shall develop a scope of work for the design, construction, installation and deployment of equipment and infrastructure sufficient to provide adequate radio coverage for the City of Portland’s local life safety (Police and Fire) licensed wireless frequencies within the OCC, consistent with the terms and conditions of this Agreement. Such scope of work shall be added to this Agreement via mutual agreement of Licensee and Licensor and Licensee shall thereafter diligently construct and complete the installation and deployment of such equipment and infrastructure, and Licensee shall use all reasonable efforts to perform such construction concurrently with its construction of the DAS Facilities.

4. Construction and Maintenance of DAS Facilities.

4.1. The parties agree that Licensee's ability to use the Licensed Premises is dependent upon Licensee obtaining, at its sole cost and expense, any and all certifications, licenses, variances, permits, conditional use permits or authorizations required from all applicable federal, state, local government and/or regulatory entities (the “Governmental Approvals” or the “Permits” herein) pertaining to the work to be performed by Licensee in constructing, operating, and maintaining the DAS Facilities and other necessary equipment in the manner authorized by this Agreement. Licensee will act diligently to apply for and obtain such Permits. Licensor hereby agrees to cooperate in good faith with Licensee, at Licensee’s cost and expense, in obtaining Governmental Approvals by: (i) allowing Licensee to obtain Governmental Approvals and file such applications, letters and/or documents for zoning and/or building permits as are deemed necessary or appropriate by Licensee in connection with the Communications Use of the Licensed Premises; (ii) promptly executing any documents or applications as requested by Licensee to apply for permits authorizing the construction, use, and operation of the DAS Facilities at the Licensed Premises; and (iii) undertaking any other steps reasonably necessary to obtain any Governmental Approval(s) deemed necessary or appropriate by Licensee.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

4.2. Licensee shall commence the construction of the DAS Facilities upon satisfaction of the Commencement Conditions (as defined below). Licensee shall install the DAS in a good and workmanlike manner in accordance with industry standards and practices and the DAS Plans and Specifications approved by Licensor. Licensor will have the right of prior notice of any contractors performing installation, modification or maintenance work on behalf of Licensee or the Sub-Licensees. Licensee will submit the name of each contractor to Licensor prior to such contractor performing any work at the OCC. All construction, installation and improvements placed on the Licensed Premises by Licensee will be installed and made in accordance with the standards, procedures and requirements of all applicable laws, codes and regulations. No monitoring or inspection of any work on the DAS by Licensor representatives will be deemed supervision of any such employees or contractors of the Licensee or any Sub-Licensees. Licensee, and all Sub-Licensees who have entered into Sub-License Agreements, shall monitor and supervise all of their employees, agents, representatives and contractors and will assume full responsibility for them and the expertise and quality of all work and in no event will they rely on Licensor or any of its agents, employees or representatives for all or any portion of the same.

4.3. Licensee agrees that the construction schedule in the form of a Gantt chart (and methodology thereof) will be approved by Licensor before construction of the DAS Facilities commences. Licensee's construction schedule will be coordinated with Licensor and Licensee will promptly notify Licensor of all delays known or anticipated in the construction of the DAS Facility. Licensee will provide Licensor with weekly construction status reports until the DAS is operational. Promptly following the execution of this Agreement, Licensor shall provide Licensee with all applicable warranty instructions related to the OCC roof and Licensee agrees that it will comply with such instructions throughout the term of this Agreement. Licensee shall use commercially reasonable efforts to obtain appropriate documentation and/or certification from Licensor's roof manufacturer that Licensee's installation of any portion of the DAS Facilities on the OCC rooftop will not nullify or void any existing roof warranty; provided, however, that Licensor agrees that Licensee's use of Licensor's designated roofing contractor to perform any applicable roof penetrations/installation will satisfy Licensee's obligation under this section. In addition, Licensee understands and acknowledges that Licensor is party to a Solar Power Purchase Agreement with SolarCity Corporation. Licensee recognizes that the Solar Power Purchase Agreement requires that the existing solar panels located on the OCC rooftop retain unobstructed access to sunlight. Licensee shall not take any actions during the term of this Agreement that in any way cause any material interference with the existing solar panel light access and Licensee acknowledges that Licensor's approvals of the DAS Plans and Specification will be subject to Licensor's determination that the construction and location of the DAS Facility does not interfere with or adversely affect the existing solar panels located on the OCC rooftop.

4.4. Licensee shall provide, install, and terminate, for Licensor use, 24 strands of 50/125µm Laser Optimized multimode (OM4) fiber in each of the existing 18 IDF locations at the OCC, which such IDF locations and fiber cable layout shall be indicated in writing to Licensee on plans provided by Licensor ("OCC's Fiber"). OCC's Fiber may be installed in existing raceways, as available, and connected to Licensor provided patch panels. Detailed specifications shall be added to the Agreement via amendment as Exhibit "XX". Licensee, and any of its Sub-Licensees, will have no obligation or liability with respect to OCC's fiber except that it shall be installed to the standards prescribed by OCC's IS Department with OCC's fiber plant installation standards, which shall be added to the Agreement via amendment as

DAS License Agreement

MERC CONTRACT NO. XXXXXX

Exhibit “YY”. Following the installation of the OCC’s fiber, Licensor’s use and maintenance of the OCC Fiber shall be at its sole expense. Upon the expiration or earlier termination of this Agreement, the OCC’s Fiber will remain property of Licensor.

4.5. Within sixty (60) days after the post-optimization period for the initial turn-up of the DAS and acceptance of the DAS by each applicable Sub-Licensee. Licensee and any Sub-Licensees will provide the following reports to Licensor via email and such reports shall be updated from time to time in the event of any material changes:

- (a) A complete list of major components showing a description and location for each.
- (b) A complete cable record and wiring diagram identifying all cable system components by location, distribution cable, and key sheet as related to instrument assignments.
- (c) Documentation of technology used for the DAS including, but not limited to, hardware equipment itemizations and configurations, electrical requirements, space requirements, peripheral equipment diagrams, rack profile diagrams, cable plant interconnectivity charts, and wiring diagrams sufficient to facilitate effective operational support of the DAS.
- (d) RF data collection and coverage tests including on site investigation and data gathering of DAS performance parameters.
- (e) Any changes to carrier frequency operations and/or power outputs if applicable.

4.6. Licensee shall bear all costs for maintenance, repair and ongoing operating costs of the DAS Facilities and agrees to maintain the DAS Facilities in accordance with industry standards. Licensee may, from time to time during the Term of this License alter, add to, modify, or change such structures for use and/or operation of the DAS Facilities on the Licensed Premises, subject to Licensor’s written consent, which consent will not be unreasonably withheld, conditioned, or delayed. During the Term of this License, Licensee shall repair and replace the DAS Facilities as it deems necessary or appropriate. All such repair and maintenance shall be constructed in a workmanlike manner and in compliance with applicable laws, rules, and regulations, including, without limitation, building codes and ordinances.

5. Initial Term.

5.1. This License shall be effective as of the Execution Date. The Initial Term shall expire ten (10) years following the Commencement Date. As used herein, “Commencement Date” means the date on which both of the following conditions have been satisfied and/or waived by Licensee in writing (collectively, the “Commencement Conditions”):

- (a) Licensee shall have received all Governmental Approvals necessary to allow Licensee and/or the Sub-Licensees to use the Licensed Premises for the Communications Purpose and to install the

DAS License Agreement

MERC CONTRACT NO. XXXXXX

DAS Facilities and related equipment as Licensee deems necessary or appropriate in support of the Communications Purpose.

(b) Licensee shall have entered into one or more Sub-License Agreements pursuant to which Sub-Licensee(s) agree to deploy their equipment on, and make use of, the DAS Facilities on terms and conditions (including, without limitation, payment to Licensee of sub-license fees and Capital Contributions (as defined below)) acceptable to Licensee in its commercially-reasonable discretion. As used herein, “Capital Contributions” shall mean the amounts payable by a Sub-Licensee to Licensee as reimbursement for Licensee’s costs and expense incurred and services provided in constructing the DAS Facilities, including installation and optimization fees, and exclusive of recurring sub-license fees, DAS Facilities maintenance, monitoring, repairs, and /or customary operating expense reimbursement(s) that become due and payable by the Sub-Licensee.

(c) Upon satisfaction or written waiver by Licensee of the conditions in Section 5.1, as set forth above, Licensee shall send written notice of the Commencement Date of this License to Licensor (the “Commencement Notice”).

5.2. If the Commencement Notice has not been provided to Licensor on or before nine (9) months after the Execution of this Agreement, then this Agreement shall automatically terminate.

6. Renewal Terms.

6.1. Licensee is granted the option to extend the Initial Term of this License for two (2) additional periods of five (5) years (each, a “Renewal Term”) provided that Licensee is not then in Default of its obligations hereunder beyond any applicable notice and cure period. Each Renewal Term shall be deemed to have been automatically exercised except in the event that Licensee sends written notice to Licensor of its intent not to renew this License at least ninety (90) days prior to the end of the Initial Term or any applicable Renewal Term. As used in this Agreement, “Term” includes the Initial Term and any applicable Renewal Term.

6.2. If fewer than two (2) Sub-Licensees are participating in the DAS, Licensor may terminate this Agreement at the end of the Initial Term or any Renewal Term by providing written notice of intent to terminate to Licensor at least ninety (90) days prior to the end of the Initial Term or any applicable Renewal Term.

7. License Fees.

7.1. Licensee shall pay to Licensor the following one-time lump sum payments:

(a) Not later than ninety (90) days following the Execution Date, Licensee shall pay to Licensor the sum of One Hundred Fifty Thousand Dollars (\$150,000.00) via the wire transfer of

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

immediately available funds pursuant to wire transfer instructions to be provided by Licensor (which Licensor will provide in writing to Licensee);

(b) Not later than sixty (60) days following the full execution of each Sub-License Agreement, Licensee shall pay to Licensor the sum of Twenty-Five Thousand Dollars (\$25,000.00) via the wire transfer of immediately available funds pursuant to wire transfer instructions to be provided by Licensor (which Licensor will provide in writing to Licensee); and

7.2. Beginning on the Commencement Date, and continuing for the Term of this License, Licensee shall pay to Licensor a license fee (the “License Fee”) in quarterly payments in accordance with Schedule 7.2 attached hereto and made a part hereof. The License Fee payments shall be due and payable in arrears within thirty (30) days after the end of each calendar quarter. Licensee shall deliver an accounting of its net receipts with each quarterly payment, and, upon Licensor’s request, promptly provide reasonable supporting documentation therefor. The License Fee for any period during the term hereof which is less than one quarter shall be prorated based on the number of days in such applicable quarter.

7.3. Fees are deemed paid only when Licensor actually receives payment. Any fee payment referenced in this Section 7 not timely paid shall accrue simple interest at the rate of the lesser of one percent (1 %) per month or the legal rate from the date the amount first came due until paid.

8. Taxes; Utilities.

8.1. Licensee is solely responsible for the payment of any and all lawful taxes, fees, and assessments levied upon and assessed against the DAS Facilities, equipment and other personal property owned by Licensee or any Sub-Licensee and installed on the Licensed Premises. Licensee recognizes and understands that its use of Licensor’s property may create a possessory interest subject to real property taxation and that Licensee may be subject to the payment of real property taxes levied on such interest.

8.2. Licensor hereby grants to Licensee the right to connect to and use the existing utility systems of the OCC Property in order to operate and service the Licensed Premises and the DAS Facilities. Licensee shall pay all charges to install utilities to the Licensed Premises. Licensee shall install, at its sole cost and expense sub-meters or a separate meter (if permitted by the relevant authorities) to the Licensed Premises and shall reimburse Licensor for the usage of electricity by Licensee reflected thereon. For the avoidance of doubt, Licensee plans on installing separate sub-meters for the DAS, for each Sub-Licensee’s equipment, as well as one sub-meter at each representative node (which usage will be extrapolated for the remaining nodes, as applicable). The cost thereof is to be computed at utility rates as the same are in effect from time to time. Licensor shall read the sub-meters monthly and shall invoice Licensee on a quarterly basis (including providing commercially reasonable supporting information therefor) without mark-up. Licensee’s sub-meters shall be integrated for viewing/tracking through Licensor’s existing Alerton Building Automation System (BAS). The license granted pursuant to this Agreement includes the right of ingress, egress, and access as may be required for construction, installation and operation by the appropriate electric and telephone companies for the purpose of servicing the DAS Facilities and equipment; provided, however,

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

that the manner of such ingress, egress and access shall be in accordance with the Access Procedures. Licensor acknowledges that the DAS Facilities require electrical power to operate and must operate twenty-four hours per day, seven days per week. Notwithstanding the foregoing, Licensee recognizes that in order to service OCC electrical equipment Licensor may need to cut power to the OCC Property and Licensed Premises. Licensor will provide Licensee with notice of any scheduled interruptions during which power will be cut for an extended period of time. Except for Licensor's gross negligence or willful misconduct, Licensor will not be liable to Licensee for damages related to the interruption or discontinuance of electrical power.

9. As Is, With All Faults; Hazardous Substances.

9.1. Except as otherwise provided herein, Licensee accepts the Licensed Premises in its **AS IS, WITH ALL FAULTS** condition and understands and agrees that Licensor is under no obligation to make any improvements, perform any work, or provide any materials to prepare the Licensed Premises for Licensee or the Sub-Licensees. Licensor hereby disclaims, and Licensee on behalf of itself and all future participating Sub-Licensees hereby waives, any and all warranties of any kind whatsoever, whether statutory, express, or implied with respect to the Licensed Premises.

9.2. If Licensee or any of its sub-licensees, contractors or agents encounters any environmentally hazardous substances in the Licensed Premises, Licensee will immediately notify Licensor of such discovery and take all reasonable precautions to avoid handling or disturbing any such environmentally hazardous substances. Licensee shall not transport to, possess or locate any hazardous substances at the OCC Property, except as may be required for Licensee's operation of the DAS Facility. Licensee shall indemnify, defend and hold harmless Licensor from and against all liabilities arising out of or relating to the existence at, on, above, below or near the Licensed Premises of any hazardous substance to the extent deposited, spilled or otherwise caused by Licensee or any of its sub-licensees, contractors or agents, except to the extent deposited, spilled or otherwise caused by Licensor or any of its contractors or agents.

10. Duties, Rights and Responsibilities of Licensor

10.1. All areas of the Licensed Premises, including without limitation any area of the facilities used in the operation of Licensee, shall be subject to entry upon by Licensor at reasonable times for the purposes of conducting inspections or performing required maintenance in the Licensed Premises, providing Licensor does not interfere with Licensee's operations and a representative of Licensee has an opportunity to be present during any such entry.

10.2. Licensor reserves the right, at its sole expense, to alter, expand, reduce, or require Licensee to relocate, all or any of the Licensed Premises to other areas or facilities at the OCC Property after no less than ninety (90) days' notice to Licensee, provided, however, that the relocation space is reasonably acceptable to Licensee and does not detrimentally impact Licensee's regular business operations or the performance of the DAS. To the extent any Sub-Licensees are required to relocate in accordance with the

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

terms hereunder, Licensor shall also reimburse all reasonable expenses incurred by Licensee or any such Sub-Licensees arising from such relocation.

10.3. This Agreement is intended to convey limited rights and interests as set forth herein. This Agreement is not a warranty of title or interest in the OCC Property or any other property owned by Licensor. This Agreement does not deprive Licensor of any powers, rights or privileges it now has, or may later acquire in the future, to use, perform work on or to regulate the use of and to control the OCC Property. Licensee's use of the Licensed Premises or any other portion of the OCC Property is subject to the existing uses and prior and continuing right of Licensor to use such areas for convention center purposes or any other municipal purposes desired by Licensor.

11. Insurance; Indemnity.

11.1. During the Term of this License, Licensee, at its sole cost and expense, shall procure and maintain in full force and effect (i) commercial general liability insurance coverage with a limit of not less than two million dollars (\$2,000,000) per claim for bodily injury, insuring against liability arising out of Licensee's use or occupancy of the Property; (ii) automobile liability insurance with limits not less than \$1,000,000 each occurrence combined single limit for bodily injury and property damage, including coverages for owned, non-owned, and hired vehicles, including loading and unloading operators, and (iii) workers' compensation insurance as required by the laws of the State in which the Property is located and employer's liability with limits of not less than \$1,000,000 for each accident or disease. The commercial general liability and auto insurance shall name the Licensor as additional insured. Licensee shall provide at least thirty (30) days prior written notice to Licensor of the cancellation thereof. Such insurance shall be on an occurrence basis and shall be primary and not contributory with any other valid and collectible insurance that Licensor may carry. Licensee shall provide Licensor with a certificate or certificates of insurance evidencing the insurance required by this paragraph on or before the Commencement Date and promptly upon the request of Licensor thereafter. Claims made policies are not acceptable and do not constitute compliance with Licensee's obligations under this paragraph.

11.2. Licensor is a self insured governmental entity. During the term of this Agreement, Licensor will carry the following insurance with customary overage and exclusions: (i) Excess liability insurance relating to Licensor's operation of the Property, for personal and bodily injury and death, and damage to others' property, in the amount of at least \$2,000,000 per claim; and (ii) All-risk property insurance relating to the Property, in the amount of at least 80% of the replacement value of the Property.

11.3. Licensor and Licensee mutually covenant and agree that in connection with insurance policies required to be furnished in accordance with the terms and conditions of this Agreement, or in connection with insurance policies which they obtain insuring such insurable interest as Licensor or Licensee may have in its own properties, whether personal or real, hereby expressly waive any right of subrogation on the part of the insurer against the Licensor or Licensee, as applicable, which right, to the extent not prohibited or violative of any such policy. In accordance with the waiver of subrogation in the preceding sentence, Licensor and Licensee each mutually agree to seek recovery based solely on the policies referenced in this Section 9, and waive all right of recovery against each other, their agents, or employees for any loss,

DAS License Agreement

 MERC CONTRACT NO. **XXXXXX**

damage or injury of any nature whatsoever to property or person, except to the extent either party is required by this Agreement to carry insurance with respect thereto.

11.4. Licensee will indemnify, defend, and hold harmless Licensor, including, but not limited to, its elected and appointed officials, officers, employees, representatives, and agents (the “Licensor Parties”) from and against all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of actions, liability and suits of any kind and nature to the extent relating to, directly or indirectly, a claim by a third-party related to any of the following: (i) breach of any representation, warranty, covenant, or agreement of Licensee in this License; (ii) negligence, gross negligence, willful misconduct, or other wrongful act or omission of Licensee or any Sub-Licensee or any person acting on behalf of or under the direction or control of Licensee or any Sub-Licensee; (iii) infringement or other violation of any intellectual property right of any third-party; (iv) a Licensee induced condition, event, or other activity that gives rise to a third-party claim (including any, or accusation of any, libel, slander, invasion of privacy, improper trade practice, or breach of warranty or any unsafe, hazardous, or defective good or service) of or at the OCC; The foregoing indemnities shall not apply to the extent that any such claims arise from the gross negligence or willful misconduct of the Indemnified Licensor Parties. Subject to the limitations and conditions of the Oregon Tort Claims Act, ORS chapter 30, and the Oregon Constitution, Licensor shall indemnify, defend, settle or otherwise hold the Licensee Parties harmless against (x) any damage to a Licensee Party’s real or tangible personal property located at the Property or personal injury or death, caused by the negligence or willful misconduct of the Licensor Parties; or (y) the gross negligence or willful misconduct of any Licensor Parties. The foregoing indemnities shall not apply to the extent that any such claims arise from the gross negligence or willful misconduct of the Licensee Parties. Except for each party’s foregoing indemnification obligations, neither party shall be liable for any punitive, exemplary, treble, and/or consequential damages as the result of non-performance of any obligation contained in this Agreement. As used in this Section 11 (Indemnification; Limitation of Liability), an “affiliate” of a party means any entity that controls, is controlled by, or is under common control with such party. The provisions of this Paragraph shall survive the termination or expiration of this Agreement.

12. Estoppel, Non-Disturbance and Attornment.

From time to time during the Term of this License, each parties each agrees, upon not less than ten (10) days prior written notice from the other, to execute, acknowledge and deliver a written estoppel certificate (an “Estoppel”) certifying that as of the date of the certification: (i) the License is a valid and enforceable agreement and is in full force and effect; (ii) that neither party is not in default under any of the terms, conditions, or covenants of the License beyond or any applicable cure period or, if applicable, truthfully specifying any default by such applicable party hereunder and the cure period applicable thereto; (iii) the commencement and expiration dates of the then-current term, hereof together with any remaining Renewal Term(s); and (iv) a true and correct copy of the License and all amendments thereto shall be attached to the Estoppel.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

13. Rights to Personal Property Owned by Licensee on the Licensed Premises.

The DAS Facilities, including, without limitation, any and all property, machinery, equipment and trade fixtures installed by Licensee, shall remain the personal property of Licensee notwithstanding the fact that such property, machinery, equipment and trade fixtures may be affixed or attached to the OCC Property. Licensee is obligated at its sole cost to remove from the Licensed Premises said property, machinery, equipment, wiring and cabling, and trade fixtures installed and/or owned by Licensee on the Licensed Premises upon the expiration or earlier termination of this License, provided, however, that Licensee may leave any wiring, conduit, and cable at the Licensed Premises to the extent it is affixed to real property and cannot be removed without doing substantial damage to the Licensed Premises or the OCC Property. Upon the expiration or earlier termination of this License, Licensee shall return the Licensed Premises to its original condition, including the removal of DAS Facility system mounting pads or other support structures. In no case shall Licensee's removal of the DAS Facility affect the integrity of the OCC building facility, including but not limited to the OCC roof. Licensee shall leave the Licensed Premises in neat and clear order and repair any damage caused by said removal, normal wear and tear excepted. Unless otherwise agreed upon in writing by the parties and subject to the terms of this section, any of Licensee's personal property remaining on the Licensed Premises or OCC Property thirty (30) days after the expiration or ninety (90) days after the earlier termination of this License shall become the property of Licensor, free of any claim by Licensee or any person claiming through Licensee, and Licensor has the right to dispose of such property as Licensee deems fit and charge Licensee for the cost of such disposal.

14. Compliance with Law.

Licensee shall, at its sole cost and expense, comply with the requirements of applicable municipal, county, state and federal authorities and with Licensee's rules and regulations now in force, or which hereafter may be in force, pertaining to Licensee's construction, installation, maintenance, and operation of the DAS Facilities.

15. Default.

A party's failure to comply with any term, covenant, or condition of this License to be performed by it pursuant to this Agreement, which failure is not remedied within thirty (30) days after such party receives written notice from the other party specifying the failure of performance shall be deemed to constitute a "Default" under this Agreement. Notwithstanding the foregoing, in the event a non-monetary failure is not reasonably susceptible of cure within the aforementioned thirty (30) day period, a party shall not be deemed to be in Default hereunder if such party commences to cure the failure in performance within such thirty (30) day period and thereafter diligently prosecutes the cure to completion. In the event of a Default by Licensee hereunder, Licensor, at its option, may cancel and terminate this License and all of Licensee's rights hereunder in and to the Licensed Premises upon written notice to Licensee. Termination for Default by a party will not waive any claim or remedies such party may have against the other party.

DAS License Agreement

MERC CONTRACT NO. XXXXXX

16. RF Compliance/Interference Management.

16.1. Licensee shall require that its Sub-Licensees comply with applicable regulations of the FCC governing radio frequency (RF) emissions and interference. Licensee is solely responsible for ensuring that all Sub-Licensees using the DAS are frequency compatible and Licensee shall take all commercially reasonable steps necessary to correct or eliminate any interference among its users.

17. Termination.

In addition to the other events permitting termination hereunder, Licensee shall have the right, but not the obligation, to terminate this License by giving ninety (90) days written notice of its intention to do so upon the occurrence of any of the following events: (i) any damage to or destruction of fifty percent (50%) or more of the DAS Facilities or the Licensed Premises, or material damage to or destruction to the OCC Property under circumstances rendering it impractical or uneconomical, in Licensee's sole discretion, to repair or replace the DAS Facilities or (ii) the condemnation or other taking of any part of the Licensed Premises, the DAS Facilities or the OCC Property by any governmental agency of appropriate jurisdiction, which condemnation or other taking materially interferes with Licensee's rights hereunder.

18. Assignment.

18.1. Licensee shall have the right, upon written notice to Licensor but without Licensor's consent, to assign Licensee's interest in this License to any affiliate or subsidiary of Licensee, or to any person or entity that purchases all or substantially all of the assets of Licensee whether by sale, merger, or other reorganization. Licensee shall have the right to sub-license any portion of the Licensed Premises in connection with Licensee's permitted use of the Licensed Premises by its Sub-Licensees without the prior consent of Licensor. Any other assignment by Licensee shall require the prior written consent of Licensor, which consent shall not be unreasonably withheld, conditioned or delayed.

18.2. Licensor shall have the right, upon written notice to Licensee but without Licensee's consent, to assign Licensor's interest in this License to any affiliate or subsidiary of Licensor, or to any person or entity that purchases all or substantially all of the assets of Licensor, or all or substantially all of Licensor's interest in the OCC Property, whether by sale, merger, or other reorganization. Any other assignment by Licensor shall require the prior written consent of Licensee, which consent shall not be unreasonably withheld, conditioned or delayed.

18.3. Licensor shall use good faith efforts to obtain for Licensee from the holder of any mortgage and/or deed of trust now or hereafter encumbering the OCC Property a non-disturbance and attornment agreement in a form reasonably satisfactory to Licensee, which agreement shall provide that as long as Licensee is not in default of any of its material obligations under this Agreement beyond any applicable cure period, its rights as Licensee hereunder shall not be terminated and its access to and possession of the Licensed Premises shall not be disturbed by the mortgagee or trustee, as the case may be, or by any

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

proceedings on the debt which any such mortgage or deed of trust secures, and that any sale at foreclosure shall be subject to this Agreement.

18.4. Licensors consents to Licensee's pledging of its interest in this Agreement (but not to any interest in the OCC Property) to its lender(s) as reasonably required by Licensee in the ordinary course of conducting its business upon reasonable written notice to Licensors. Licensors agrees to notify Lender in writing (at any address designated in writing by Licensee from time to time) of any breach or default by Licensee of its obligations under the Agreement. In the event of any breach or default of this Agreement by Licensee, Licensors will permit Licensee's lender to cure and correct such breach or default within the applicable cure period and with the same effect as if such cure had been made or performed by Licensee; and thereafter permit Licensee's lender to attorn to Licensors under the Agreement and to perform the rights and obligations of Licensee thereunder.

19. Quiet Enjoyment, Authority and Exclusivity.

19.1. At all times during the term of this Agreement, Licensee may peaceably and quietly hold and enjoy the Licensed Premises consistent with Licensee's use of same for the Communications Purpose, free from disturbance by any person claiming by, through or under Licensors, subject only to those matters and conditions set forth in this Agreement.

19.2. Licensors covenants and warrants to Licensee that: (i) Licensors has full right, power and authority to execute this Agreement; (ii) execution and performance of this Agreement by Licensors will not, to the best of Licensors's knowledge, violate any laws, ordinances, covenants, or the provisions of any other agreement binding on Licensors; (iii) Licensors agrees that, during the Term of this Agreement, Licensee will have the sole and exclusive right to install and/or operate a distributed antenna system or similar type of telecommunications network and/or system servicing wireless communications carriers and/or users for the Communications Purpose, such as small cells, remote radio heads, temporary wireless base station facilities (e.g. a cellular-on-wheels (COW) or otherwise (excluding Wi-Fi Services, as set forth in this Agreement), at, within, or upon the OCC Property; (iv) there are no existing macro wireless agreements or agreements that give rights to third parties to provide facilities for the Communications Purpose (excluding Wi-Fi Services, as set forth in this Agreement) at, within, or upon the Property, and (v) during the Term of this Agreement, Licensors shall not enter into any new agreements for macro wireless facilities or agreements that give rights to third parties to provide facilities for the Communications Purpose (excluding Wi-Fi Services, as set forth in this Agreement) at, within, or upon the Property unless mutually agreed by both parties.

20. Notices.

Any and all notices, demands, consents, approvals, or authorizations required or permitted under this License shall be in writing. They shall be served either personally, by pre-paid certified mail, return receipt requested, or via a nationally-recognized overnight delivery service. If served personally, notice shall be deemed made at the time of service on the individual to whom the notice is addressed. If provided by certified mail, notice shall be deemed to have been given five (5) business days after deposit in the United States mail.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

If served by facsimile or a nationally recognized overnight delivery service, notice shall be deemed to have been given on the first (1st) business day after the sender's depositing thereof with such service. Notices shall be addressed to the parties at the following addresses, which notice addresses may be changed from time to time by notice given pursuant to this paragraph.

If to Licensor:

Oregon Convention Center
Attn: Executive Director
777 NE Martin Luther King Jr. Blvd
Portland, Oregon 97232

with a copy to:

Office of the Metro Attorney
600 NE Grand Ave.
Portland, OR 97232-2736

If to Licensee:

InSite Wireless Development, LLC 1199
N. Fairfax Street, Suite 700
Alexandria, VA 22314 Attn:
Legal Department

with a copy to:

InSite Wireless Group, LLC
260 Newport Center Drive, Suite 421 Newport
Beach, CA 92660
Attn: General Counsel

21. Force Majeure.

Any event or circumstance beyond the reasonable control of and that cannot be reasonably avoided via the exercise of due care by a party shall be deemed to constitute a "Force Majeure Event". Force Majeure Events include, but are not necessarily limited to, earthquakes, fire, lightning, explosions, floods, wars and insurrections. Neither party shall be liable for the failure to perform hereunder if such failure is the result of the occurrence of an Event of Force Majeure. Any party so affected by a Force Majeure Event shall provide written notice to the other party thereof as soon as reasonably practicable and no later than fifteen (15) business days after the termination or elimination of the Force Majeure Event describing the relevant details

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

thereof. Following the termination or elimination of the Force Majeure Event, the parties shall promptly resume performance hereunder in the ordinary course.

22. Amendment.

Neither this License nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by the party against which the enforcement of such waiver, modification, amendment, discharge, or termination is sought, and then only to the extent set forth in such instrument.

23. Successors.

The covenants and conditions contained in this License shall, subject to the provisions set forth in Section 18 above, apply to and bind the successors and/or assigns of the parties.

24. Application of Law.

The validity, performance and enforcement of this License shall be construed in accordance with the laws of the State of Oregon without reference to principles of conflicts of law.

25. Entirety.

This License including, without limitation, all Exhibits attached hereto, constitutes the entire understanding of the parties with respect to the matters set forth in this document and supersedes all prior or contemporaneous understandings or agreements between the parties with respect to the subject matter hereof, whether oral or written.

26. No Waiver.

No waiver by either party of any failure, breach, or default of the other party shall be deemed or held to constitute a waiver of any subsequent failure, breach, or default hereunder of whatever kind or nature.

27. Attorneys' Fees.

In the event that any legal action is taken to enforce the provisions of this Agreement or in the event that either party seeks to enforce claims arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees, expert witness fees, and related costs (including, without limitation, court costs).

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

28. Rejection of License Revocation Doctrine.

The parties specifically waive any applicable law, doctrine, or other legal interpretation or principle that licenses are revocable at the will of the Licensor, with the intent and expectation that this Agreement shall only be revocable as specifically provided for and authorized by this Agreement.

29. Counterparts, Electronic and Facsimile Signatures.

This Agreement may be executed in one or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by electronic delivery (in PDF, TIF, or other document format), such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or electronic signature page were an original thereof.

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DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

IN WITNESS THEREOF, LICENSOR and LICENSEE have caused their duly-authorized representatives to execute this License Agreement for Distributed Antenna System as of the Execution Date set forth above.

LICENSOR:

**The Metropolitan Exposition
Recreation Commission**

By: _____

Name: _____

Title: _____

Date: _____

LICENSEE:

InSite Wireless Development, LLC

By: _____

Name: _____

Title: _____

Date: _____

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

EXHIBIT "A" TO LICENSE AGREEMENT

THE PROPERTY

The OCC Property is more fully described as follows:

Block 10, WHEELER'S ADDITION TO EAST PORTLAND, in the City of Portland, County of Multnomah and state of Oregon.

TOGETHER WITH the following described property situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon:

Beginning at a point on the North line of N.E Glisan Street which intersects the Southerly extension of the East line of said Block 10, WHEELER'S ADDITION TO EAST PORTLAND; thence West along the North line of said N.E. Glisan Street to the intersection of said North line with the Southerly extension of the West line of said Block 10, WHEELER'S ADDITION TO EAST PORTLAND; thence North along the Southerly extension of said Block 10, WHEELER'S ADDITION TO EAST PORTLAND to the Southwest corner of said Block 10; thence East along the South line of said Block 10 to the Southeast corner of said Block 10; thence South along the Southerly extension of the East line of said Block 10 to the point of beginning.

EXCEPTING THEREFROM those portions of Lots 5, 6, 7 and 8 lying within N.E. Martin Luther King Jr. Boulevard (N.E. Union Avenue).

FURTHER EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division by Deed recorded March 30, 1990 in Book 2288, Page 1519, Deed Records.

TOGETHER WITH Block 11, WHEELER'S ADDITION TO EAST PORTLAND, in the City of Portland, County of Multnomah and state of Oregon.

TOGETHER WITH the following described property situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon:

Beginning at a point on the North line of N.E Glisan Street which intersects the Southerly extension of the East line of said Block 11, WHEELER'S ADDITION TO EAST PORTLAND; thence West along the North line of said N.E. Glisan Street to the intersection of said North line with the Southerly extension of the West line of said Block 11, WHEELER'S ADDITION TO EAST PORTLAND; thence North along the Southerly extension of said Block 11, WHEELER'S ADDITION TO EAST PORTLAND to the Southwest corner of said Block 11; thence East along the South line of said Block 11 to the Southeast corner of said Block 11; thence South along the Southerly extension of the East line of said Block 11 to the point of beginning.

EXCEPTING THEREFROM that portion of said property deeded to the State of Oregon, by and through its Department of Transportation by Deed recorded March 30, 1990 in Book 2288, Page 1519, Deed Records. TOGETHER WITH Block 12, WHEELER'S ADDITION TO EAST PORTLAND, in the City of Portland, County of

Site Name: Oregon Convention Center
Site Location: 777 NE MLK Blvd, Portland OR 97232

Page 19 of 26

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

Multnomah and state of Oregon.

TOGETHER WITH the following described property situated in the Northeast one-quarter of Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon:

An irregular tract of land situated in the Jacob Wheeler D.L.C. in Section 34, Township 1 North, Range 1 East of the Willamette Meridian, in the City of Portland, County of Multnomah and State of Oregon, described as follows: Beginning at the intersection of the West line of N.E. 2nd Avenue and the North line of that certain tract known as the Samuel Heiple tract described in that certain Deed from Jacob and Jemima J. Wheeler to Samuel Heiple, dated June, 1862 and recorded in Book "C", Page 708, Deed Records of said county, said point of intersection being 128 feet Southerly along said Westerly property line of N.E. 2nd Avenue from the Northeast corner of Fractional Block 12 of WHEELER'S ADDITION TO THE CITY OF PORTLAND, now a part of the City of Portland; thence Westerly along the North line of said Heiple tract, a distance of 260 feet, more or less, to the Easterly line of Fractional Block 13 of said WHEELER'S ADDITION TO THE CITY OF PORTLAND; thence Northerly along the Easterly line of said Fractional Block 13, a distance of 128 feet, more or less, to the Northeast corner thereof; thence Westerly along the Northerly line of said fractional Block 13, a distance of 156 feet to a point; thence Southeasterly in a straight line, a distance of 617 feet, more or less, crossing said Fractional Block 13, the Heiple tract and that certain tract conveyed by Samuel and Mary Heiple to Benjamin Holladay by Deed dated July 23, 1869 and recorded in Book "I", Page 642, Deed Records of said county, to a point in the Southerly line of said Heiple tract, 25 feet Westerly of the said West line to N.E. 2nd Avenue, said South line of the Heiple tract being 30 feet Northerly of and parallel with the South line of N.E. Glisan Street; thence Easterly along the South line of the Heiple tract, distance of 25 feet to the said West line of N.E. 2nd Avenue; thence Northerly along the West line of N.E. 2nd Avenue, a distance of 345.18 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM those portions conveyed to the State of Oregon, by and through its State Highway Commission by Deed recorded September 10, 1954 in Book 1680, Page 139, Deed Records.

FURTHER EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its State Highway Commission by Deed recorded June 30, 1960 in Book 2016, Page 150, Deed Records.

FURTHER EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division by Deed recorded March 30, 1990 in Book 2288, Page 1519, Deed Records.

TOGETHER WITH all of Blocks 20, 21, 22, 27, 28, 29, 40, 41 and 42, WHEELER'S ADDITION TO EAST PORTLAND, in the City of Portland, County of Multnomah and state of Oregon.

EXCEPTING THEREFROM those portions of Blocks 22, 27 and 42 lying within N.E. Martin Luther King Jr. Boulevard (N.E. Union Avenue).

FURTHER EXCEPTING THEREFROM that portion conveyed to the City of Portland, a municipal corporation of the State of Oregon by Deed recorded June 16, 1989 in Book 2212, Page 1157, Deed Records.

FURTHER EXCEPTING THEREFROM that portion conveyed to the State of Oregon, by and through its Department of Transportation, Highway Division by Deed recorded March 30, 1990 in Book 2288, Page 1519, Deed Records.

AND TOGETHER WITH all those portions of N.E. 2nd Avenue, N.E. 3rd Avenue, N.E. Pacific Street, N.E. Oregon Street and N.E. Irving Street vacated by City of Portland Ordinance No. 160626 and recorded June 2, 1988 in Book 2109, Page 374, Deed Records, which inured thereto the above described tracts of land.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

EXHIBIT B TO LICENSE AGREEMENT

LICENSED PREMISES-DAS FACILITIES

Licensor and Licensee shall mutually review and approve the initial layout of the portion of the Licensed Premises applicable to the DAS Facilities, which mutual approval shall be confirmed in writing and which design shall be deemed to have been incorporated into this Exhibit B.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

EXHIBIT C TO LICENSE AGREEMENT

INITIAL DAS FACILITIES DESIGN

Licensor and Licensee shall mutually review and approve the initial design of the DAS Facilities, which mutual approval shall be confirmed in writing and which design shall be deemed to have been incorporated into this Exhibit C.

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

EXHIBIT XX TO LICENSE AGREEMENT

OCC's Fiber Specifications

[To be added via amendment]

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

EXHIBIT YY TO LICENSE AGREEMENT

OCC's Fiber Plant Installation Standards

[To be added via amendment]

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

EXHIBIT D TO LICENSE AGREEMENT

ACCESS PROCEDURES

[To be added via amendment]

DAS License Agreement

MERC CONTRACT NO. **XXXXXX**

SCHEDULE 7.2

LICENSE FEES

The License Fee amounts payable to Licensor during the Term will be equal to the below-designated percentage of the Sub-License Fee Income Stream (as hereafter defined) actually received by Licensee during the applicable period from each Sub-Licensee Carrier pursuant to the terms of a fully-executed and commenced Sub-License Agreement with Licensee authorizing the Sub-Licensee’s use of the DAS Facilities for the Communications Purpose (“Licensor’s Allocated Percentage”). As used in this Schedule 7.2, the term “Sub-Licensee Income Stream” means the monthly recurring Sub-License Fees actually received by Licensee (including applicable annual escalations thereof) pursuant to a fully-executed Sub-License Agreement with any Sub-Licensee. As used in this Agreement, “Sub-Licensee Income Stream” shall not be deemed to include any of the following: (i) any sales, use or similar tax required to be collected by Licensee from the Sub-Licensees; (ii) routine costs for maintenance and repairs of the DAS Facilities; (iii) utility costs not paid directly to Licensor by Sub-Licensees; (iv) system monitoring expenses; (v) additional payments, if any, by Sub-Licensees for reimbursement of capital, equipment, and/or construction costs, whether paid in lump sum or through a capital License payment/paid installment, or similar,; and (vi) other normal and customary operating expenses, including insurance costs incurred by Licensee.

<u>Sub-Licensee(s)</u>	<u>Licensor’s Allocated Percentage</u>
For each Sub-Licensee	55% of the applicable Sub-Licensee Income Stream