

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 64

Requesting the Portland City Council to remove or modify the limitation on service charges for tickets sold for events at Commission facilities.

The Metropolitan Exposition-Recreation Commission Finds:

1. That the Portland City Code Section 14.36.070 prohibits resale of tickets to events at City-owned facilities at a premium price (scalping), and further exempts from such prohibition, service charges not exceeding \$1.00 charged by retail ticket outlets.

2. That the effect of this exemption has been to limit the amount of service charges collected by retail ticket outlets for events held at Commission facilities but not to all events, thus, restricting the business judgment and profitability of retail ticket outlets, and the ability of the Exposition-Recreation Commission and the Metropolitan Exposition-Recreation Commission to enter into agreements with ticket outlets.

3. That the Commission by use of its authority to enter into agreements designating authorized ticket outlets can control and regulate ticket service charges for events at Commission facilities to ensure that such charges are reasonable and do not have an adverse impact on users of the Commission's facilities.


4. That modification of the present provisions of Portland City Code Section 14.36.070 is necessary to allow the Commission to enter into agreements with ticket agencies to provide for the wide spread distribution of tickets for events at Commission facilities.

5. That modifications to the Portland City Code to accomplish this purpose need not have an adverse impact on the present prohibition against scalping tickets.


BE IT THEREFORE RESOLVED that the Commission requests that the Portland City Council amend City Code Section 14.36.070 to allow the Commission to establish reasonable limits on service

charges on ticket outlets selling tickets for events at
Commission facilities.

Passed by the Commission on April 11, 1990.



Chair



Secretary/Treasurer

APPROVED AS TO FORM:



Metro General Counsel

DBC/gl
1017



Memorial Coliseum Complex

Civic Stadium

April 10, 1990

MEMORANDUM

TO: Metropolitan Exposition-Recreation Commission

FROM: Lee Fehrenkamp, General Manager

SUBJECT: Ticket Service Charges

Background

In 1977, with the success of the Portland Trail Blazers and the subsequent demand for tickets, the City Council passed a no-scalping ordinance (City Code 14.36.070) designed to prohibit the resale of tickets to events at City-owned facilities. The premium price chargeable above the original retail price of the ticket for resale purposes has increased several times since 1977, and is presently \$1.00.

The scalping ordinance only applies within the city limits of Portland, only applies to City-owned facilities, and is not effective in controlling scalping. It is effective in controlling the amount private business and facilities can charge for supplying the retail service of selling tickets.

Update

In today's ticket selling environment, computerized ticketing is now giving ticket agencies ever-expanding capabilities to provide greater convenience to the ticket-buying public:

- purchase a ticket to any City venue at one single location;
- purchase a ticket to a Portland event at many outlying areas in the states of Oregon and Washington;
- purchase a ticket in Portland to events in Seattle, Washington; Vancouver, B.C.; etc.;
- purchase tickets by telephone in the convenience of home or office;
- with each of these transactions, the customer is given the advantage of best available seat at the moment of that purchase.

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These conveniences come with associated expenses, and the providers of these services should have the ability to charge for the services they render. Over the past five years, the way ticket agencies are being reimbursed for services has changed greatly. Additionally, the nature of shows (family shows, sporting events, rock concerts, performing arts events, consumer shows) brings different ticket selling needs, demands and costs as a part of successfully producing these events. It is necessary for ticket agencies and Commission facilities to have the ability to offer greater convenience, and also have the ability to charge for that level of convenience.

Recommendation

It is the staff recommendation that the Commission request the Portland City Council to amend City Code Section 14.36.070 to allow the Commission to establish reasonable limits on the service or convenience charges for the various ticket selling services at ticket outlets for events at Commission facilities. Further that City Council separate the charge for retail ticketing services from the intent of the City Code, which is to protect the public from scalping, which is resale of tickets.

cc: E-R Commission
Staff

attachment