

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 207

Whereas it is the desire of both Jake's Catering and the Portland Center for the Performing Arts to improve service and patron response in Jake's Backstage; and

Whereas Jake's Catering has consistently reported losing money in Jake's Backstage; and

Whereas it is in the best interests of both parties to improve the quality of the food being served, the service and maintain hours that reflect potential use of Jake's Backstage by patrons:

The Metropolitan Exposition-Recreation Commission finds:

1. That the contract with Oak Street Bar and Grill (dba Jake's Catering in the Portland Center for the Performing Arts) be amended, as attached in Exhibit 1;


2. That the amendment will permit serving a buffet in Jake's Backstage and provide some flexibility on hours of operation;


3. That this change will permit enhanced intermission service in both the Intermediate/Showcase Theatre Building and the Arlene Schnitzer Concert Hall.

BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission authorizes the Chair and Secretary/Treasurer to enter into a contract amendment substantially in the form attached as Exhibit 1.

BE IT FURTHER RESOLVED that the proposed menu and pricing as attached in Exhibit 2 is approved.

Passed by the Commission on October 21, 1992.



Chair


Secretary/Treasurer

APPROVED AS TO FORM:

DANIEL B. COOPER, GENERAL COUNSEL

By: 

Mark B. Williams
Senior Assistant Counsel

AMENDMENT TO AGREEMENT FOR USE OF THE LOBBY SPACE OF THE
INTERMEDIATE/SHOWCASE THEATRE BUILDING FOR A CAFE

Page 5, Item 3, titled Service Level of the agreement shall be amended to read:

3. Service Level

- A. The Cafe will offer the following minimum levels of service: (1) lunch - at the discretion of the CONCESSIONAIRE, but only after prior written approval of MERC or its designee; (2) dinner, and/or a buffet - to be available on all nights in which an event takes place in the concert hall and/or the New Theatre Building (Intermediate/Showcase Theatre Building), unless prior written approval is obtained from the Commission to close for selected events. In addition, the CONCESSIONAIRE shall maintain no less than its current ability to sell beer, wine, and spirits at the cafe and at any other concessions operated by the CONCESSIONAIRE at the PCPA. Pricing, menu, and portion sizes are subject to the same review procedure (by MERC or its designee) as for concessions (See Concession RFP Section 2.A.4 and 5).
- B. The above is subject to review by MERC or its designee after three months, and at three month intervals thereafter. MERC or its designee may require CONCESSIONAIRE to supply any records or documents needed in order to review CONCESSIONAIRE'S operations. The intent of this amendment is that levels of service for intermission in the Intermediate/Showcase Theatre Building and the Arlene Schnitzer Concert Hall shall be enhanced. If MERC or its designee finds that levels of service have not been enhanced, it may, upon 30 days written notice, rescind this amendment, and require CONCESSIONAIRE to comply with the terms of the original Paragraph 3 of THE CAFE AGREEMENT.
3. All other provisions of THE CAFE AGREEMENT or any other agreements between the parties shall remain in full effect.

JAKE'S BACKSTAGE

Carved Choice London Broil

Northwest Baked Cedar Planked Salmon with
Lemon-Tarragon Butter

Roast Breast of Turkey with
Cranberry Orange Chutney

Tossed salad with Cucumber, Tomato
Croutons, and choice of
Red Wine Vinaigrette, Ranch or 1000 Island Dressings

Pasta Salad

Fresh Crudites on ice

Parker House and Multi-grain Rolls with Butter

Jake's AuGratin Potatoes
Orzo and Wild Rice Medley
Glazed Carrots with Brown Sugar
Fresh Green Beans with Almonds

Warm Bread Pudding with Hot Irish Whiskey Caramel Sauce
Oregon Three Berry Cobbler with Fresh Cream
Jake's Famous Truffle Cake

PRICE: \$9.95

MetroERC Staff Report

Agenda Item/Issue: Amendment to Jake's Contract

Resolution No.: 207

Date: October 21, 1992

Presented By: Robert A. Freedman

BACKGROUND AND ANALYSIS: In 1987, the City of Portland amended the existing contract with Oak Street Bar and Grill, Inc., (dba Jake's Catering in the Portland Center for the Performing Arts). The amendment added the operation of a Cafe in the Intermediate/Showcase Theatre Building. It also extended the contract for four (4) years from the original expiration date of June 30, 1990, to June 30, 1994.

Since the opening of the Cafe in 1987, Jake's has reported experiencing significant operating losses in the Cafe. Numerous efforts have been undertaken, as reported by Jake's, to market the facility and adopt new menus. Jake's has continued to report operating losses at the Cafe despite these efforts.

In order to improve the performance of the Cafe, Jake's has proposed a new menu and a request to initially limit the times the restaurant would be open. The menu change would require changing the portion of the contract that refers to service level in the Cafe (page 5, I.3, red-line version, Exhibit A, attached).

The change would add the option for Jake's to serve either dinner and/or a buffet, and to allow selected closings rather than be open on all nights that an event takes place in the concert hall and/or the Intermediate/Showcase Theatre Building. As well, it would require waiving the condition that the Cafe maintain the number of operational hours, days and service to maintain an OLCC Class A Dispenser License.

Currently the Cafe is not operating to anybody's liking--patrons, Jake's, the Performing Arts Center staff, etc. This change may promote a positive image, better service (both in Jake's Backstage and at intermissions), decrease losses, potentially show a profit for Jake's, and increase revenues for the Portland Center for the Performing Arts and MERC.

It is hoped the new Cafe format will be successful and well received by the public to allow for an expansion of post-show service, elimination of the need for selected closings, and decreased hours of operation.

FISCAL IMPACT: Currently Jake's Backstage returns 5% on sales to the Commission, plus an additional 1½% of sales to cover the cost of utilities. The 5% is applied to the minimum annual guarantee of

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Amendment to Jake's Contract
October 21, 1992
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\$110,000 required by the original contract. In FY 92, Jake's Backstage gross sales amounted to \$136,600, and generated \$6,830 in revenue to the Commission, and an additional \$2,049 to cover utilities, for a total of \$8,879.

It is difficult at this time to project the fiscal impact. It is the hope that the change in format will motivate people to return to Jake's Backstage, and that this can result in approximately a 20% increase in sales, or \$1,775 increased revenue, to the Commission.

DISCUSSION WITH COMMISSION LIAISON AND/OR USER GROUP(S): Since the last Commission meeting on October 14, I have had several meetings with Dick Arthur of Jake's to solidify the meaning of "selected closings", and an "enhanced" concession program.

I have spoken with Martha Richards of the Oregon Shakespeare Festival, and Jan Powell of Tygre's Heart Shakespeare Company. Martha Richards expressed support of the new concept, while Jan Powell was unsure of the impact on Tygre's Heart's audience and expressed some concern about the post-show closings and not being open for certain of the Company's performances.

The issue was also discussed with Performing Arts Center staff. I also conferred with Pat Harrington, former Director of the Portland Center for the Performing Arts, to get a sense of some of the original intent in the contract language for the operation of the Cafe.

At the time of this writing, I have not yet conferred with the two PCPA Liaison Commissioners, but I will try and do so prior to the October 21 MERC Work Session. As reported earlier to the Commission, others have been consulted as well about this issue.

RECOMMENDATION: It is recommended that approval be given to Jake's to change the format of the Cafe to allow a buffet for \$9.95, as per the attached resolution, and permit selective closings with the prior approval of the Metropolitan Exposition-Recreation Commission. This change would be contingent upon a commitment by Jake's to an enhanced intermission service at the Intermediate/Showcase Theatre Building and the Arlene Schnitzer Concert Hall, and would be subject to review on a quarterly basis.

A red-line version of the contract change is attached as Exhibit A, and Jake's letters of October 6 and 21, 1992, are attached as Exhibit B.

EXHIBIT A

AMENDMENT TO AGREEMENT FOR USE OF THE LOBBY SPACE OF THE
INTERMEDIATE/SHOWCASE THEATRE BUILDING FOR A CAFE

Page 5, Item 3, titled Service Level of the agreement shall be amended to read:

3. Service Level

- A. The Cafe will offer the following minimum levels of service ~~(a) (1) lunch - at the discretion of the CONCESSIONAIRE, but only after prior written approval of the CITY MERC or its designee; (b) (2) dinner and/or a buffet - to be available on all nights in which an event takes place in the concert hall and/or the New Theatres Building (Intermediate/Showcase Theatre Building), unless prior written approval is obtained from the Commission to close for selected events. In addition, the CONCESSIONAIRE must shall maintain no less than its current ability to sell beer, wine, and spirits at the cafe and at any other concessions operated by the CONCESSIONAIRE at the PCPA. the required number of operational hours, days and service to maintain an OLCC Class A Dispenser's License. The CONCESSIONAIRE will include, for the CITY'S approval, a conceptual plan for the cafe including a proposed menu, theme and decor. Pricing, menu and portion sizes are subject to the same City review procedure (by MERC or its designee) as for concessions (See Concession RFP Section 2.A.4 and 5).~~
- B. ~~The above is subject to review by MERC or its designee after three months, and at three month intervals thereafter. If MERC or its designee find that levels of service have not been enhanced, it may, upon 30 days written notice, rescind this amendment, and require concessionaire to comply with the terms of the original Paragraph 3 of THE CAFE AGREEMENT. MERC or its designee may require CONCESSIONAIRE to supply any records or documents needed in order to review CONCESSIONAIRE'S operations.~~
- C. ~~All other terms of THE CAFE AGREEMENT and any other agreements between the parties shall remain in effect.~~



EXHIBIT B

October 6, 1992

Mr. Robert Freedman
General Manager
Performing Arts Center
1111 SW Broadway

Dear Robert:

The following is a brief descriptive outline of our proposal for food service at the Jake's Backstage Cafe.

1. We propose buffet style service (please see attached menu and diagram).
2. Buffet to be presented on silver service and crystal glassware.
3. Capital expenditure to be in the range of \$5,000.
4. Food options include:
 - a. Full menu
 - b. Vegetarian option
 - c. Dessert option
5. Hours of operation: 6:00pm to 8:00pm for selected events.

The better utilization of the cafe labor force will allow us to enhance the current concession program within the Performing Arts Center. Upon closing at 8:00pm the cafe staff will then be repositioned to added points of sale for the intermission program.

Our primary goals with this concept are:

- ▶ Establish credibility for the food and beverage program in Jake's Backstage.
- ▶ To stop losing money.
- ▶ To satisfy the fundamental desires of MERC.

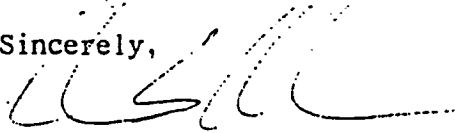
We propose menu pricing at \$9.95 per person to establish a value oriented program. The quality of products would be consistent with the food service at our Jake's Crawfish restaurant. The buffet menu would be prepared at our Jake's kitchen and transported daily to Jake's Backstage.

Mr. Robert Freedman
October 6, 1992
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Our primary method of marketing the program would be through direct mail to symphony season subscriber list and the Shakespeare subscriber list. We also would continue to do inserts in the show programs as we are currently doing.

I look forward to discussing these new exciting options with you personally.

Sincerely,



Richard S. Arthur
General Manager

RSA:kn





October 21, 1992

Mr. Robert Freedman
PAC
1111 Sw Broadway
Portland, OR 97205

Dear Robert:

The criteria for selected closings would be:

1. Type of show
2. Size of house
3. Demographic of customer base
4. Weather
5. Day of week
6. Time of show

Also discussed during the meeting were potential ideas for correcting the Main Street access problem. Ideas are as follows:

1. Ramps at curbs
2. Red carpet rolling across the street
3. Ushers open doors to Main Street exit from Schnitzer and direct and announce Jake's Backstage Restaurant open as patrons exit
4. Holding doors open at both buildings
5. Spotlighting to enhance traffic between buildings
6. Chain corridor with bridge connecting to buildings
7. Lamp posts with lamps on Main Street edge instead of stanchions

Description of Enhanced Concession Program With the closure of Jake's Backstage at 8:00pm we would have a staff of three persons available to rollover into a concessions program for the Intermediate, Winningstad or Schnitzer theaters. The most commonly used theater during the winter season is the Intermediate and we would primarily design this program for enhanced concessions directed at the Shakespeare audience. The procedure would be:

1. At 8:00 doors are closed to Jake's Backstage
2. Clean up of Jake's Backstage would occur at approximately 8:00 - 8:30
3. From 8:30 - 8:45 staff would move to concessions for the Intermediate intermission.
 - a. Bartender to bar position on Matthew's Bar
 - b. Cocktail Waitress to espresso cart on orchestra level adjacent to wall between Men's and Women's restroom on West side of lobby
 - c. Cocktail Waitress would move to third point of sale on first balcony in alcove area approximately where Matthew's Bar is on orchestra level
4. All three of these people would assist the original concessionaire set-up person who would arrive at 6:30 to set up Matthew's Bar and would operate Matthew's Bar unassisted during the house load in between 7:00 and 8:00pm.

5. In circumstances of a Winningstad only show, this would be served by concessions only on main floor.
6. In circumstances of a Schnitzer only show, the Jake's Backstage staff would rollover into Schnitzer concessions for additional service in that building.

I look forward to the opportunity to discuss this proposal with you. Please do not hesitate to call if you have any questions.

Sincerely,



Richard S. Arthur
General Manager

RSA:kn



<u>EVENT</u>	<u>OPERATIONS</u>	<u>HOURS</u>
Winningstad Only		
1. Below 1/2 Full	Concessions	Per Show
2. 3/4 House	Concessions	Per Show
3. Sold Out	JBS + Concessions	6:00-8:00
Intermediate Only		
1. Below 1/2 Full	Concessions	
2. 3/4 House	JBS + (Concessions)	6:00-8:00 (per show)
3. Sold Out	JBS + (Concessions)	6:00-8:00 (per show)
Schnitzer Only		
1. Below 1/2 Full	Closed	Closed
2. 3/4 House	JBS + Rollover to Schnitz Concession	6:00-8:00
3. Sold Out	JBS + Rollover to Schnitz Concession	6:00-8:00
Winnie & Intermediate		
1. Below 1/4 Full	Concession Only	
2. Below 1/2 Full	JBS + (Concessions)	6:00-8:00 (per show)
3. 3/4 House	JBS + (Concessions)	6:00-8:00 (per show)
4. Sold Out	JBS + (Concessions)	6:00-8:00 (per show) + Fri & Sat post show
Intermediate & Schnitz*		
1. Below 1/4 Full	Concession Only	
2. Below 1/2 Full	JBS + (Concessions)	6:00-8:00 (per show)
3. 3/4 House	JBS + (Concessions)	6:00-8:00 (per show)
4. Sold Out	JBS + (Concessions)	6:00-8:00 (per show) + Fri & Sat post show
Winnie & Schnitz*		
1. Below 1/4 Full	Concession Only	
2. Below 1/2 Full	JBS + (Concessions)	6:00-8:00 (per show)
3. 3/4 House	JBS + (Concessions)	6:00-8:00 (per show)
4. Sold Out	JBS + (Concessions)	6:00-8:00 (per show) + Fri & Sat post show

* Schnitzer post show openings based on correction of Main Street access problem.

NOTE: Start times for openings are to be generally two hours prior to start of first show (i.e., Shakespeare start time at 7:00pm, Jake's Backstage would open at 5:00pm)



AMENDMENT TO AGREEMENT
FOR USE OF THE LOBBY SPACE
OF THE INTERMEDIATE/SHOWCASE THEATRE BUILDING
FOR A CAFE

WHEREAS, the City of Portland (hereinafter "CITY") entered into an agreement (hereinafter, "THE CAFE AGREEMENT") with Oak Street Bar & Grill, Inc., dba Jake's Catering (hereinafter, "CONCESSIONAIRE") McCormick and Schmick Concession Services, Inc., and Traditional Concepts, Inc., to provide a cafe in the Intermediate/Showcase Theatre Building of the Portland Center for the Performing Arts, (hereinafter, "PCPA") and,

WHEREAS, the City of Portland has assigned management of the PCPA to the Metropolitan Exposition-Recreation Commission, (hereinafter, "MERC") and,

WHEREAS, McCormick & Schmick Concession Services, Inc., and Traditional Concepts, Inc., have assigned all of their rights and obligations under THE CAFE AGREEMENT to CONCESSIONAIRE and,

WHEREAS, the parties wish to amend THE CAFE AGREEMENT,

The parties agree that THE CAFE AGREEMENT is hereby amended as follows:

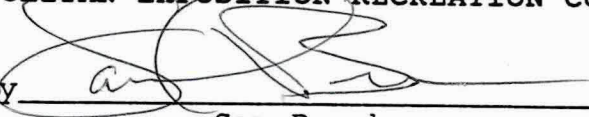
Paragraph 3 of THE CAFE AGREEMENT, entitled "Service Level", appearing on page 5 of THE CAFE AGREEMENT, is hereby amended to read as follows:

3. Service Level

- A. The Cafe will offer the following minimum levels of service: (1) lunch - at the discretion of the CONCESSIONAIRE, but only after prior written approval of MERC or its designee; (2) dinner, and/or a buffet - to be available on all nights in which an event takes place in the concert hall and/or the New Theatre Building (Intermediate/Showcase Theatre Building), unless prior written approval is obtained from the Commission to close for selected events. In addition, the CONCESSIONAIRE shall maintain no less than its current ability to sell beer, wine, and spirits at the cafe and at any other concessions operated by the CONCESSIONAIRE at the PCPA. Pricing, menu, and portion sizes are subject to the same review procedure (by MERC or its designee) as for concessions (See Concession RFP Section 2.A.4 and 5).

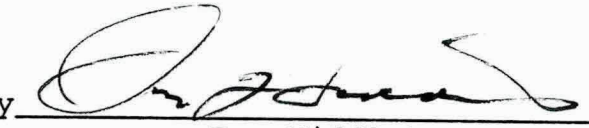
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3. All other provisions of THE CAFE AGREEMENT or any other agreements between the parties shall remain in full effect.

METROPOLITAN EXPOSITION-RECREATION COMMISSION

By 

Sam Brooks
Chair

Date 10-23-90

By 

Ben Middleton
Secretary/Treasurer

Date 10/23/90

OAK STREET BAR & GRILL dba JAKE'S CATERING

By 

Title SO

Date Nov. 11/92

APPROVED AS TO FORM:

DANIEL B. COOPER, GENERAL COUNSEL

By 

Mark B. Williams
Senior Assistant Counsel