

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 96-39

For the purpose of approving a one year extension of the Broadway Series Agreement at the Portland Center for the Performing Arts.

The Metropolitan Exposition-Recreation Commission finds:

Whereas, the Commission has a contract with Dan Bean Presents, Inc. for the presentation of Broadway productions at the Portland Center for the Performing Arts; and

Whereas the Commission has directed staff to negotiate with Dan Bean Presents, Inc. for a one-year extension of the current agreement; and

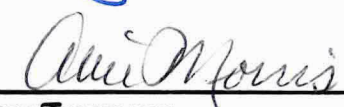
Whereas the Commission has directed that any tentative agreement reached by staff with the Commission's Broadway Presenter shall be brought back to the Commission and shall be subject to final approval by formal vote of the Commission; and

Whereas a tentative agreement has been reached with the Commission's Broadway presenter;

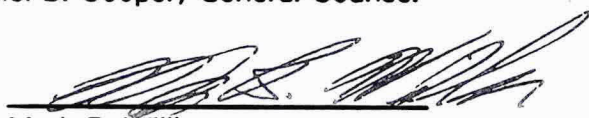
BE IT THEREFORE RESOLVED that the agreement as negotiated with Dan Bean Presents, Inc., for a one-year extension is approved by the Commission, and authorized for execution by the parties.

Passed by the Commission on June 12, 1996.


Chairman


Secretary/Treasurer

Approved As to Form:
Daniel B. Cooper, General Counsel

By: 
Mark B. Williams
Senior Assistant Counsel

MERC STAFF REPORT

Agenda Item/Issue: Agreements with Commission's Broadway Presenters for one-year extensions

Resolution No. 96-39 and 96-40

Date: June 12, 1996 **Presented By:** Harriet Sherburne

Background and Analysis: For the period December - May, the Commission has conducted extensive public discussion of issues and alternatives for attaining presentation of Broadway Series at Civic Auditorium. In May, the Commission determined that the two existing Broadway Series should be extended into the 1997-98 Season. Such will give one more year of experience and information with both Series and Presenters. Resolution 96-35 directing staff to proceed with negotiations with both Broadway presenters was adopted May 8, 1996. Amendments to both existing agreements for one-year extensions have been negotiated, incorporating the base rental rate for the 1997-98 season consistent with the rate schedule adopted by the Commission in January, 1995, and other provisions acceptable to the parties. The amendments are presented for final approval by the Commission, for booking of the dates 1997-98 dates consistent with existing Scheduling Policy, to begin July, 1996.

Discussion with Commission Liaison and User Groups: The matter of Broadway Series has been the subject of substantial discussion with PCPA Advisory Committee, Liaison Commissioner, users of the facility, and the Broadway Series presenters. The one-year extension agreements are the result of this extensive 6-month review.

Fiscal Impact: The two Broadway Series have generated substantial net revenue for PCPA with each full-week (8 performances) booking of a touring Broadway show. The base rental rates in both agreements have been adjusted to reflect the 3-year rate schedule adopted by the Commission in January 1995. The extension agreements are intended to continue and to maximize the net revenue earnings to PCPA in the 1997-98 fiscal year.

Recommendation: The staff recommend final approval of both one-year extension agreements.

SECOND AMENDMENT TO BROADWAY SERIES AGREEMENT

This amendment supersedes provisions of Section 4, page 4.

The Broadway Series Agreement entered into on March 15, 1994 by and between the Metro E-R Commission and Dan Bean Presents, Inc., is amended as follows:

1. The original term of this Agreement shall be extended one year, until June 30, 1998, unless sooner terminated by the mutual agreement of the Parties or as provided in the Agreement.
2. For the 1997-98 season only, the "subscription season" shall be defined as the number of different eight show per week Musical Theatre presentations for which tickets can be purchased by a subscriber at the same time, for the same seats for one performance of each presentation of the season; provided that Commission shall make best efforts to assure the availability of four (4) performance weeks.
3. For the 1997-98 season only, presenter shall pay the Commission a base rent of \$20,000 per eight-show performance week. In addition to any rental or other sums payable to Commission under the Agreement, Presenter shall pay to Commission an amount equal to 1.0% of gross ticket sales (after subtraction of user fee) per eight-show performance week, to \$700,000, and 2.0% on all gross sales above \$700,000. Such percentage rent shall be paid at settlement of each show.
4. For the 1997-98 presentation year, the annual minimum guaranteed rent shall be \$20,000 per performance week booked for the subscription season and shall be paid to the Commission no later than July 1, 1997. The Parties understand and agree that the annual minimum guaranteed rent shall not be refundable under any circumstances.
5. All other terms and conditions of the Broadway Series Agreement shall continue in full force and effect, except as specifically modified herein or by the First Amendment to the Agreement.
6. Except as specifically provided herein and in the Broadway Series Agreement, this document, together with the Broadway Series Agreement and the First Amendment, contains the complete and exclusive agreement between the Parties, and is intended to be a final expression of their agreement. No promise, representation or covenant not included in this document or the Broadway Series Agreement has been or is relied upon by any party. No modification or amendment of this document or the Broadway Series Agreement shall be in force or effect unless in writing executed by all parties hereto.

DAN BEAN PRESENTS, INC.

By: _____

Dan Bean

PRESIDENT

Dated _____

6/18/96

METRO E-R COMMISSION

By: _____

Patrick L. LaCrosse

Dated _____

6/27/96