

METROPOLITIAN EXPOSITON-RECREATION COMMISSION

RESOLUTION NO. 97-14

Authorizing the General Manager to enter into a Personal Services Agreement with Friends of the Performing Arts Center for the PCPA Tenth Anniversary Celebration.

The Metropolitan Exposition-Recreation Commission finds:

1. The Commission has previously entered into agreements with the Friends of the Performing Arts Center and has provided financial support of its activities of region-wide community outreach, advocacy, and education.

2. The Commission and FRIENDS wish to acknowledge the Tenth Anniversary of the opening of the New Theatre Building in 1997-98 through appropriate celebrations, community information and public events.

3. Due to the unique relationship between the Commission and FRIENDS, the Commission finds that it is appropriate to approve execution of this Personal Services Agreement as a sole source agreement.

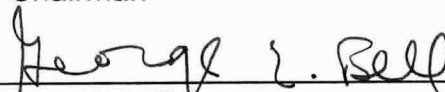
Be it therefore resolved that the Agreement as attached to this Resolution be hereby approved and the General Manager is authorized to execute the Amendment on behalf of the Commission.

Be it further resolved that the provisions of Section 7.2 of the Commission's Purchasing Policy are waived for this Personal Services Agreement.

Passed by the Commission on April 9, 1997



Chairman



Secretary/Treasurer

Approved As to Form:

Daniel B. Cooper, General Counsel

By:



Kathleen A. Pool

Senior Assistant Counsel

MERC STAFF REPORT

Agenda Item/Issue: Authorizing an Agreement with Friends of the Performing Arts Center for the PCPA Tenth Anniversary Celebration

Resolution No.: 97-14

Date: April 9, 1997

Presented by: Harriet Sherburne

BACKGROUND: At its meeting February 12, 1997, the Commission authorized acceptance of a proposed \$650,000 gift for naming the 880 seat hall of the New Theatre Building. At that time the Commission also indicated willingness to commit \$150,000 in MERC funds to be available for advance costs for the Tenth Anniversary Gala event, to be repaid to MERC from revenues of the event, provided that acceptable Agreements were reached between MERC and FRIENDS. Commissioners Mitzi Scott and George Bell were named by the Chair as special liaison for this matter, to negotiate an agreement.

The parties have met to develop an agreement which incorporates principles outlined in that previous discussion. The agreement identifies the duties of the parties and the processes for approval of detail for expenditure and repayment of funds. The Agreement establishes a framework within which the parties will take additional incremental steps; FRIENDS will propose work plans, budgets and payment schedules for acceptance by the Commission prior to disbursement of funds. Through technical amendments to the PCPA Budget for FY 1997-98, the expenditure and income for this activity will receive formal approval.

DISCUSSION WITH DESIGNATED COMMISSION LIAISON AND ADVISORY

COMMITTEE: The current status of Friends of the Performing Arts Center and the evolving plans for the Tenth Anniversary Celebration and Gala were reviewed by the Advisory Committee on March 26, 1997. The designated Commission Liaison members have participated in similar review, as well as negotiating the proposed Agreement.

FISCAL IMPACT: Provided that the expenditure and the repayment of \$150,000 in FY 1997-98 occur in accordance with the negotiated agreement, this activity will have minimal fiscal impact for MERC.

RECOMMENDATION: The staff recommend approval of the Agreement and authorization for the General Manager to execute necessary documents.

PERSONAL SERVICES AGREEMENT

DATED EFFECTIVE April 9, 1997

PARTIES: Metro Exposition-Recreation Commission (MERC or the Commission); Friends of the Portland Center for the Performing Arts, Inc. (Friends)

RECITALS:

1. The Commission is a subdivision of Metro, a municipal corporation.
2. The Friends is a tax-exempt, non-profit Oregon corporation, chartered in 1993 to educate the public and provide advocacy and fundraising for the PCPA and to provide citizen support for the PCPA.
3. The Commission and the Friends wish to acknowledge the Tenth Anniversary of the opening of the New Theatre Building and expand community awareness of the overall complex of PCPA facilities in 1997-98 through appropriate celebrations, community information and public events (Tenth Anniversary).
4. The Commission will provide PCPA facilities and advance funding support for the Tenth Anniversary.
5. The Friends represents to Commission that it possesses the necessary experience, skills, contacts and expertise to present a Tenth Anniversary Celebration, to include public events and fund-raising Gala that will result in financial support for operation of Friends and enhancement of PCPA facilities.

NOW THEREFORE, in consideration of the mutual covenants of the Parties hereto, and upon the express terms and conditions hereinafter set forth, it is agreed by and between them as follows:

AGREEMENT

Section 1. Term of Agreement. This Agreement is effective as of the date stated above and will continue in force until June 30, 1998, unless terminated earlier by the parties. This Agreement may be extended with the written consent of both parties. This Agreement shall continue to bind the successors and assigns of either party.

Section 2. Termination of Agreement. MERC may terminate this Agreement without cause by giving no less than 30 days' written notice. The 30-day period begins to run on the date written notice is mailed.

Section 3. Amendments. This Agreement may be amended at any time by a written agreement signed by both parties.

Section 4. Duties of the Friends. During the term of this Agreement the Friends agree to do the following:

- a. Develop a broad program of activities and events throughout 1997-98 to generate public awareness of the PCPA with particular emphasis on the Tenth Anniversary of the New Theatre Building, and including a fund-raising Gala.
- b. Develop a package of Tenth Anniversary identification images and materials for dissemination throughout the community through whatever means are appropriate and available.
- c. Develop detailed budgets, underwriting or revenue sources, leadership teams and timetables for implementation of the activities and fund-raising Gala identified in "a." above; submit such to PCPA Advisory Committee for their recommendation, and to the Commission for acceptance.
- d. Apply to various sources for underwriting support of planned activities, including replacement or repayment of funds advanced by MERC in support of the fund-raising Gala.
- e. Apply all net revenue, whether from ticket sales, grants, or other sources, first to the repayment of funds advanced by MERC in support of the Tenth Anniversary fund-raising Gala.
- f. Undertake the above activities at the expense of the Friends, and in cooperation with PCPA staff and Advisory Committee, except as provided below or as otherwise agreed to by the parties.
- g. Each of the obligations and duties of Friends pursuant to this agreement shall be subject to review, revision and acceptance by the Commission or its delegate. No such schedules shall be binding on MERC until acceptance in writing. Upon acceptance such additional details shall become a binding part of this agreement.

Section 5. Duties of MERC. During the term of this Agreement the Commission agrees to do the following:

- a. Provide use of PCPA facilities in conjunction with the activity plans and schedules developed by Friends, recommended by the PCPA Advisory Committee and accepted by the Commission.
- b. Advance funding of expenses up to \$150,000 in support of the fund-raising Gala for deposits and required expenditures; such funds to be released in accordance with plans developed by Friends, recommended by PCPA Advisory Committee and accepted by the Commission.

c. Provide that the PCPA Director and staff will support the Friends in undertaking the Tenth Anniversary activities and events accepted by the Commission.

Section 6. Contingency. The duty of MERC to provide advance funding pursuant to Section 5 above shall be contingent upon the receipt of a donation to MERC in the amount of \$650,000 to be placed in a trust fund for PCPA capital expenditures in a manner, form and schedule acceptable to the Commission.

Section 7. No Joint Venture. Nothing herein shall constitute or be construed to be an employment, partnership, joint venture, or joint employer relationship between the Commission, its successors or assigns on the one part, and the Friends of the PCPA, its successors or assigns on the other part. The Friends shall, subject to the terms and provisions of this Agreement, have complete and independent control and discretion over the operation of the services contemplated by this Agreement. Notwithstanding any other provisions of this Agreement, Commission shall in no event be liable for any of Friends' debts, commitments, contracts, duties, or obligations in connection with the Tenth Anniversary Celebration.

Section 8. Indemnification: Friends shall defend, indemnify, and hold the Commission harmless from any and all losses and liability arising out of the fund-raising Gala or in any way connected with the fact of this Agreement, and shall remain contractually responsible for repayment of all funds advanced pursuant to Section 5 above.

Section 9. No Third Party Beneficiaries. This Agreement is intended solely for the benefit of the parties thereto, and shall not be enforceable by any third parties.

Section 10. No Oral Modifications. This Agreement may be modified or extended only by a written agreement signed by the Chair and Secretary-Treasurer of MERC.

This Agreement was entered into between the parties on the 9th day of April, 1997.

METRO E - R COMMISSION

FRIENDS OF PCPA, Inc.

By: _____

By: _____

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4/1/97

April 2, 1997

MEMO

To: MERC

From: Julie Vigeland - President, Friends of the Performing Arts Center

Re: 10th Anniversary Agreement Proposal

.....
PROPOSAL

(What do we provide)

...September 14, 1997 "**Open House**" - a public event

.1-4:00p.m.

.Performances by the Resident Companies- they are involved in the planning

.Hands on activities for children and families

.Media sponsor proposal in hands of *The Oregonian*

.Executive Director, Terri Calamoneri will oversee this effort. Her particular expertise and experience is event management.

...**Marketing** - advancement of public awareness and pride of the PCPA

.Marketing strategists - a group of representatives from local marketing firms brought together by Board member John Pihas for the 10th Anniversary

.Logo developed for 10th year - donated by Byron Ferris (see attachment #1)

.Internal marketing plan approved March 28 by Friends Board (see attachment #2 - strategies and tactics / strategy 1)

.Poster of New Theatre Building/Schnitzer Concert Hall - agreement with artist Gene Gill to sell posters and note cards during 10th Anniversary

...April 11, 1998 -**Gala**

.see attached revised budget (attachment #3)

.see further details below

(As a result of the above - you receive)

.Mass publicity for the PCPA

.Volunteer work force to carry out the projects

.Enhancement: new reader board for New Theatre building - part of the net profit will go towards this capital improvement / ongoing until fully funded

GALA - RATIONALE FOR SUPPORTING THE FRIENDS IN THIS ENDEAVOR

...Proven leadership

.successful 1995 New Year's Eve Gala -results: great pr and new curtain for Civic Auditorium (at the time the organization was only 18 months old)

.co-chairs Gary Maffei and Jamie Buckiewicz - vast, proven experience in fundraising

.honorary co-chair: Arlene Schnitzer

...Plans for the evening

.pre-concert reception in Schnitz and New Theatre building lobbies

.dinner at Heathman for \$250 ticket -reserved

.revealing of the Intermediate Theatre donor

.concert

- .post concert reception
- ...Working committee of 20 comprised Friends Boards members and additional volunteers.
This is currently being put together. Committed at this point: Lee Ragen (Mrs. Ron) and Jim McCew (event coordinator, the Rose Garden)
- ...Baseline group of 100 who will commit to selling 10 tickets each - upper end tickets
.list is being compiled
.donated event at Il Fornio where attendees will be enlisted - early fall, 1997
- ...Executive Director, Terri Calamoneri, will provide staff support.

*Bottom line for us is that we cannot continue further or put out proposals to corporations and businesses for underwriting until we know there is funding.

SEQUENCE

...APRIL

- .Agreement proposal submitted and approved.

...MAY

- .Gala working committee of 20 confirmed.

...JUNE

- .List compiled of potential sponsors and donors.
- .Additional media sponsors confirmed for the Open House.

...AUGUST

- .List completed for "Gala 100"

...SEPTEMBER

- .Public Open House on September 14
- .Kick-off at Il Fornio for the "Gala 100"
- .Confirmation of entertainer.
- .Fully developed timeline and work schedule for Gala submitted to PCPA Advisory Committee
- .Updated budget submitted for approval.

...As per the Agreement proposal, Friends will submit updated information in a timely fashion.

...We will report at each of the monthly PCPA Advisory meetings of that organization throughout the course of the 10th Anniversary.

Friends proposes, in addition, that since the openings of the PCPA and OCC were underwritten by MERC and the OCC 5th year anniversary celebration was funded by MERC, that an agreed upon amount be contributed to the PCPA 10th Anniversary Celebration.



PORTLAND
PERFORMING ARTS

the magic continues...

- education and outreach
- foundations
 - single purpose
- civic and community organizations
 - education and outreach
 - public involvement

* 7. Strategies and Tactics

Strategy 1: Create awareness of FPAC and its mission among target audiences so as to gain recognition as the preeminent organization that supports all of the resident performing arts companies by assuring top-flight facilities in which to perform.

Tactics

1.1 Leverage the inherent event value of the 10th anniversary of the PCPA to shine the spotlight on FPAC; its goals, its accomplishments, its future thrust so as to generate a broad base of awareness of the organization and , hopefully, lead to additional and continued support.

Who: Terri When: Immediately \$: In-kind out of 10th anniv.

1.2 Prepare an up-to-date media kit including mission statement, key messages, board representation, key historical dates, accomplishments to date, key future dates, etc. Use the new media kit as a "door opener" for one-on-one visits with selected media representatives for the purpose of up-dating them on the organization and the 10th anniversary activities. Include specific and relevant story ideas.

Who: Marketing Comm. When: By June \$:

- 1.3 Develop a point-of-sale and display system in the four buildings that will maximize exposure of FPAC activities among those attending performances and that, additionally, will provide membership information opportunities for theater patrons who want to get involved with the performing arts through FPAC. Consider including an edited version of the slide show on continuous loop video to be played during intermission.

Who: *Nancy Fisher,* When: *mid-April* \$:
 Membership Comm.
 Zen & John

- 1.4 Use ticket envelopes or inserts in ticket envelopes to promote FPAC activities and membership.

Who: *Membership* When: *Being Done* \$:

- 1.5 Prepare and try to place public service advertising with timely, call-to-action copy in magazines, newspapers and broadcast media that reach our target audiences in order to fulfill this strategy. Build the PSA effort around events. Do a test program to see if support is there. Use Omnibus. Video is available from individual companies and possibly Will Vinton's organization can build a commercial for TV.

Who: *Terri, Mktg. Comm.* When: \$:

FRIENDS OF THE PERFORMING ARTS CENTER
1997-98 PRELIMINARY GALA BUDGET

INCOME:

Working Capital Loan	150,000.00
Corporate Sponsorship	30,000.00
Donation	5,000.00
Tickets:	330,000.00
200 @ \$250	
1200 @ \$150	
1000 @ \$100	
Misc.	2,000.00
Total Income:	<u>517,000.00</u>

EXPENSES:

Working Capital Loan Repayment	150,000.00
Portland Center Stage Production Buyout	20,000.00
Bank Charges	2,000.00
Bad Debt	250.00
Mailing	4,000.00
Postage	750.00
Promotion	
Design*	400.00
Advertisement*	4,000.00
Other	300.00
Catering/Beverages*	45,400.00
200 @ \$40	
2200 @ \$17	
Contract Labor (<i>front of house</i>)	1,000.00
Decorations*	2,500.00
Labor (<i>production cost</i>)	1,300.00
Back stage:	
Ambiance Hospitality	4,500.00
Instruments/Stage Props	1,000.00
Rentals/Other	2,000.00
Ground Transportation*	2,500.00
Sound	6,000.00
Talent*	210,000.00
Airfare*	15,400.00
Hotel Rooms*	5,000.00
Misc.	1,000.00
Total Expenses:	<u>481,300.00</u>

Net Income **33,700.00**

**These items potentially reduced due to donation or discount.*