

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution 98 - 2

Approval of PCPA Rental Rates for FY 1998-99, 1999-00, 2000-01.

The Metropolitan Exposition-Recreation Commission finds:

1. Under the 1994 PCPA Business Plan, changes in policy were instituted to maximize operating revenue through increases in rental and other charges in relation to market conditions and user ability to pay for facilities.

2. After extensive research and community discussion, the Commission approved a 4-tier rental structure along with acceptance of specific organizations as qualified for Tier 3 (Featured Tenant) and Tier 4 (Principal Tenant); this rental structure and policy has proven effective in attaining increased rental revenues since July 1, 1995.

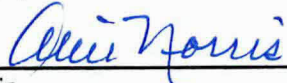
3. Under the new policy, PCPA rates were set on a 3-year basis to enable MERC and its customers to plan and budget on a long-term basis; this predictability has proven beneficial to both PCPA and its users, allowing the parties to contract future events based on established rates.

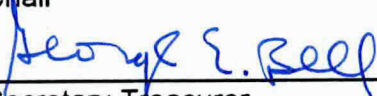
4. The public discussions for development of the 1998 PCPA Business Plan confirmed that the policy for a 4-tier PCPA rent schedule should be continued, with adoption of rates for the next 3 fiscal years no later than January, 1998.

5. That the number of organizations in Tier 3 and Tier 4 categories shall not exceed the total of 14, without prior approval of the Commission, and provided that named non-profit organizations in Tier 3 and Tier 4 shall meet applicable standards, their designation shall be continued for 3 additional fiscal years through June 30, 2001

**Be it therefore resolved** that the Metropolitan Exposition- Recreation Commission approves the PCPA rental rates for FY 1998-99, 1999-00, and 2000-01 attached as Exhibit "A".

Passed by the Commission on January 14, 1998.

  
\_\_\_\_\_  
Chair

  
\_\_\_\_\_  
Secretary-Treasurer

APPROVED AS TO FORM:  
Daniel B. Cooper, General Counsel

By:   
\_\_\_\_\_  
Kathleen Pool  
Senior Assistant Counsel

## Rent Rate Guidelines for increases 1998-2001

1. Tier 1: Large halls increase \$100/yr = 12 % 3 yrs.  
Small halls increase 4% /year rounded
2. Rehearsal/Load-in at large halls = 50% of evening rate
3. Non-ticketed (user fee) event @ large halls = 140% of rent
4. Matinee at large halls = 75% of evening rates
5. Morning performance rate = 40% of evening rate
6. Stop publishing half house rate at large halls; available at discretion of management
7. Lobby events = \$325 more at ASCH  
Civic and Rotunda are equal price
8. Matinees and mornings at small halls = same as evening events for Tiers 1, 2, & 3
9. Graduation rate \$500 off commercial rate
10. Load-in, load-out, rate at Intermediate and Winningstad same for Tiers 1 and 2
11. Tier 4 rates adjusted in standard increments (\$10, 25, etc.) per year from 1995-96 through 2000-01

FEATURED TENANTS	
Live from the Civic	ISEPP
One Voice Productions	Portland Arts & Lectures
Kalakendra	

PRINCIPAL TENANTS	
Oregon Symphony	Tears of Joy
Oregon Ballet	Tygres Heart Shakespeare Co.
Portland Center Stage	Portland Youth Philharmonic
Oregon Children's Theatre	Portland Opera Association
The Musical Theatre Company	

## PCPA RENTAL RATES 2000-2001

EXHIBIT "A"

	COMMERCIAL RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	3,000 v. 8%	3,000 v. 8%*	1,025	575
	2nd Performance - Evening	2,250 v. 8%*	2,250 v. 8%*	800	420
I	Non-Ticketed Event - Evening	4,200	4,200	1,250	700
E	1/2 House Performance Evening	2,250 v. 8%*	2,250 v. 8%*	N/A	N/A
R	Performance - Matinee	2,250 v. 8%*	2,250 v. 8%*	1,025	575
1	Performance - Morning	1,250	1,250	1,025	575
	Lobby Function	1,175	1,500	1,175	N/A
	Rehearsal/Load-In Day	1,500	1,500	550	300

	RECOGNIZED TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	2,700 v. 5%*	2,700 v. 5%*	925	520
	2nd Performance - Evening	2,025 v. 5%*	2,025 v. 5%*	725	375
I	Non-Ticketed Event - Evening	3,780	3,780	1,125	650
E	1/2 House Performance Evening	2,025 v. 5%*	2,025 v. 5%*	N/A	N/A
R	Performance - Matinee	2,025 v. 5%*	2,025 v. 5%*	925	520
2	Performance - Morning	1,125	1,125	925	520
	Graduation	2,500	2,500	N/A	N/A
	Rehearsal/Load-In Day	1,350	1,350	550	300

	FEATURED TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	1,500	1,500	520	290
I	2nd Performance - Evening	1,125	1,125	N/A	N/A
R	Non-Ticketed Event - Evening	2,100	2,100	625	350
E	Performance - Matinee	1,125	1,125	520	290
	Performance - Morning	625	625	520	290
3	Rehearsal/Load-In Day	750	750	275	150

	PRINCIPAL TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	625	625	225	120
I	2nd Performance - Evening	435	435	N/A	N/A
E	Non-Ticketed Event - Evening	825	825	250	140
R	Performance - Matinee	435	435	130	85
4	Performance - Morning	250	250	80	75
	Rehearsal/Load-In Day	300	300	120	80

\* Base rent v. 8% of adjusted gross whichever is greater

\*\* Morning orchestra rehearsals 3 hours or less \$150



# PCPA RENTAL RATES 1999-2000

EXHIBIT "A"

	COMMERCIAL RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	2,900 v. 8%*	2,900 v. 8%*	990	555
	2nd Performance - Evening	2,175 v. 8%*	2,175 v. 8%*	775	400
I	Non-Ticketed Event - Evening	4,060	4,060	1,200	675
E	1/2 House Performance Evening	2,175 v. 8%*	2,175 v. 8%*	N/A	N/A
R	Performance - Matinee	2,175 v. 8%*	2,175 v. 8%*	990	555
1	Performance - Morning	1,200	1,200	990	555
	Lobby Function	1,125	1,450	1,125	N/A
	Rehearsal/Load-In Day	1,450	1,450	530	290

	RECOGNIZED TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	2,610 v. 5%*	2,610 v. 5%*	890	500
	2nd Performance - Evening	1,960 v. 5%*	1,960 v. 5%*	700	360
I	Non-Ticketed Event - Evening	3,650	3,650	1,080	610
E	1/2 House Performance Evening	1,960 v. 5%*	1,960 v. 5%*	N/A	N/A
R	Performance - Matinee	1,960 v. 5%*	1,960 v. 5%*	890	500
2	Performance - Morning	1,080	1,080	890	500
	Graduation	2,400	2,400	N/A	N/A
	Rehearsal/Load-In Day	1,300	1,300	530	290

	FEATURED TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	1,450	1,450	495	280
I	2nd Performance - Evening	1,090	1,090	N/A	N/A
R	Non-Ticketed Event - Evening	2,030	2,030	600	340
E	Performance - Matinee	1,090	1,090	495	280
3	Performance - Morning	600	600	495	280
	Rehearsal/Load-In Day	725	725	265	145

	PRINCIPAL TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T	Performance - Evening	600	600	215	115
I	2nd Performance - Evening	420	420	N/A	N/A
E	Non-Ticketed Event - Evening	800	800	240	135
R	Performance - Matinee	420	420	125	80
4	Performance - Morning	240	240	75	70
	Rehearsal/Load-In Day	290	290	115	75

\* Base rate v. 8% of adjusted gross whichever is greater

\*\* Morning Orchestra rehearsals-3 hours or less \$150

## PCPA RENTAL RATES 1998-99

EXHIBIT "A"

	COMMERCIAL RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T I E R 1	Performance - Evening	2,800 v. 8%*	2,800 v. 8%*	955	535
	2nd Performance - Evening	2,100 v. 8%*	2,100 v. 8%*	750	385
	Non-Ticketed Event - Evening	3,920	3,920	1,150	650
	1/2 House Performance Evening	2,100 v. 8%*	2,100 v. 8%*	N/A	N/A
	Performance - Matinee	2,100 v. 8%*	2,100 v. 8%*	955	535
	Performance - Morning	1,150	1,150	955	535
	Lobby Function	1,075	1,400	1,075	N/A
	Rehearsal/Load-In Day	1,400	1,400	510	280

	RECOGNIZED TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T I E R 2	Performance - Evening	2,500 v. 5%*	2,520 v. 5%*	860	485
	2nd Performance - Evening	1,890 v. 5%*	1,890 v. 5%*	675	350
	Non-Ticketed Event - Evening	3,530	3,530	1,035	585
	1/2 House Performance Evening	1,890 v. 5%*	1,890 v. 5%*	N/A	N/A
	Performance - Matinee	1,890 v. 5%*	1,890 v. 5%*	860	485
	Performance - Morning	1,035	1,035	860	485
	Graduation	2,300	2,300	N/A	N/A
	Rehearsal/Load-In Day	1,260	1,260	510	280

	FEATURED TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T I R E 3	Performance - Evening	1,400	1,400	480	270
	2nd Performance - Evening	1,050	1,050	N/A	N/A
	Non-Ticketed Event - Evening	1,960	1,960	575	325
	Performance - Matinee	1,050	1,050	480	270
	Performance - Morning	575	575	480	270
	Rehearsal/Load-In Day	700	700	255	140

	PRINCIPAL TENANT RATE	CIVIC AUDITORIUM	ASCH	INTERMEDIATE	WINNINGSTAD
T I E R 4	Performance - Evening	575	575	205	110
	2nd Performance - Evening	405	405	N/A	N/A
	Non-Ticketed Event - Evening	775	775	230	130
	Performance - Matinee	405	405	120	75
	Performance - Morning	230	230	70	60
	Rehearsal/Load-In Day	280	280	110	70

\* Base rate v. 8% of adjusted gross whichever is greater

\*\* Morning orchestra rehearsals 3 hours or less \$150

## MERC STAFF REPORT

Agenda Item/Issue:           PCPA Rental Rates 1998-99, 1999-00, 2000-01

Resolution No. 98 - 2

Date: January 14, 1998

Presented by: Harriet Sherburne

**Background and Analysis:** In 1994-95, staff conducted extensive research and analysis to evaluate rental policies and rates which would maximize operating revenue earnings, while recognizing prevailing market rates and the ability of users to pay for use of facilities. This information, together with community discussion, provided the basis for the 4-tier rental structure (adjusted annually for 3 years) which was adopted in January, 1995 to become effective in next fiscal year. Under the 1995 Rental Policy, 9 non-profit resident companies were approved as Principal Tenants (Tier 4), and 5 non-profit resident companies were approved as Featured Tenants (Tier 3). The policy set a maximum of 14 organizations to be recognized by the Commission in these two categories for local producing arts organizations. As reviewed for the 1998 Business Plan, the rental policies and rates have proven to be acceptable to the categories of users, and effective in increasing rental revenue to PCPA. The rate schedules proposed for FY 1998-99, 1999-00 and 2000-01 have been distributed broadly and reviewed in conjunction with the 1998 Business Plan. In general, Tier 1 rates increase 4 percent per annum, and serve as the basis for calculating the other rates: Tier 2 = 10% discount; Tier 3 = 50% discount; Tier 4 = 80% discount.

**Fiscal Impact:** The 1995 Rental Policy and Rental Rates have proven effective as a means for increasing PCPA operating revenue in the fiscal years since July 1, 1995. Extension of the policies and adoption of the rates assures that such income will continue to grow at no less than 4 percent per annum, which is consistent with long-term financial plan forecasting.

**Discussion with Commission Liaison and/or Users:** The PCPA Advisory Committee and constituent users have had extensive involvement in Business Plan discussions, and in reviewing the specific rates proposed for the next 3 fiscal years. There have been no objections to any of these recommendations.

**Recommendation:** Staff recommend that the Commission adopt the 4-tier schedule of rents for FY 1998-99, 1999-00, and 2000-01 attached to the Resolution.