

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 98-12

For the purpose of approving changes to the Oregon Convention Center Scheduling Policies.

Whereas, the Commission approves all policies established for management of the facilities under their control.

Whereas, the Commission has the authority to administer, develop and approve such operational policies.

Whereas, the Commission recognizes the need to change, amend, and add to current policies to reflect the business needs of the users of its facilities and to remain competitive.

Whereas, staff recommends that the Metropolitan Exposition Recreation Commission amend the current Oregon Convention Center Scheduling Policies to reflect these needed business additions in its policies as stated in the Staff Report and per the attached Exhibit A.

BE IT THEREFORE RESOLVED that the Metropolitan Exposition Recreation Commission approves the amended Oregon Convention Center Scheduling Policies, attached as Exhibit A.

Passed by the Commission on March 11, 1998.

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


By: Kathleen Pool
Sr. Assistant Counsel


Chair


Secretary-Treasurer

Scheduling Policies

Approved by the Metropolitan
Exposition-Recreation Commission on

Mission Statement:

The Oregon Convention Center was developed with the primary objective of serving as a magnet for convention dollars, generated from convention and trade show attendees, to economically benefit the State of Oregon and metropolitan area of Portland. The Center is a publicly-owned national and international convention, trade show and multi-purpose facility operated by the Metropolitan Exposition-Recreation Commission.

The goal of the Oregon Convention Center is to provide the highest degree of cost-effective tenant and patron service, while recognizing its obligations to the citizens of Oregon in developing maximum use of the building and grounds.

The Commission recognizes the intense competition for available conventions, trade shows, and other varied public events by all the convention and exhibition facilities throughout the western states, and therefore expresses confidence in the sales abilities of the Oregon Convention Center sales staff, in conjunction with the endeavors of the Portland and Oregon Visitors Association (POVA) and the Oregon Convention and Visitor Services Network (OCVSN), to bring this highly desirable business to the State of Oregon. The Oregon Convention Center was designed as a means of serving this function, and when convention or trade show events are not booked, the facility should be scheduled in the best interest of community, educational, cultural, religious, athletic and/or entertainment events.

These policies are intended to be guidelines within which the Oregon Convention Center Director and staff will seek to obtain the optimum usage of the facility.

Scheduling Priorities:

When booking the Oregon Convention Center, consideration shall be given by the Commission to the following factors:

- Projected overall economic impact on the state of Oregon and metropolitan area of Portland;
- Total number of hotel rooms required;
- Projected revenue to the facility both in terms of direct space rental revenue, as well as projected revenue from concessions and other building services; and
- Potential for repeat booking.

First Priority: First priority for scheduling space and dates in the Oregon Convention Center are: conventions, trade shows, corporate meetings and similar activities that are not normally open to the general public. In addition, local conventions, trade shows or special events may be deemed appropriate to the overall objectives of the Oregon

Convention Center and may be offered equal scheduling priority at the discretion of the Oregon Convention Center Director.

Scheduling commitments, i.e. reservations for first priority events and activities, may be as far in advance as is necessary or appropriate and may supersede requests for other events and activities, unless a license agreement has been previously executed by the Center and the user for such other event.

Scheduling of first priority events beyond eighteen months in general will fit the following criteria:

- Have a minimum of 600 guest rooms on peak night
- Occupy 60,000 or more gross square feet of exhibit hall space.
- Have 25% deposit of total rental of facility on file.

Second Priority: Second priority for scheduling space and dates in the Oregon Convention Center is available to consumer or public exhibitions, local corporate meetings, special events, banquets, entertainment events, business meetings and other activities which essentially draw from or appeal to the general public and/or local attendees and participants.

Facility and date scheduling commitments for second priority events and activities are generally made not more than eighteen months in advance and are subject to change to accommodate first priority events unless a license agreement has been previously executed by the Center and user for such event. However, large consumer and public exhibitions held on an annual basis may at the discretion of the Convention Center Director obtain tentative scheduling commitments for facilities and dates on a long term basis, subject to revision to accommodate first priority activities.

Within the second priority category, the Oregon Convention Center may give preference to long standing annual public and commercial shows with a proven record of success and significant economic impact, and may offer alternate dates in a given year which may result in termination of other second priority scheduling commitments.

Subject to the priorities set forth above, the Oregon Convention Center Director may find it necessary to exercise discretion as to the issuance, modification or termination of scheduling commitments.

Special Considerations:

It is the responsibility of the Oregon Convention Center management to operate the facility in a sound business manner in an effort to maximize both economic benefit and financial stability of the facility. Consequently, Center management reserves the right to promote, solicit, develop and make reservations for any activity deemed appropriate to the Center's objectives, and to qualify all activities requesting utilization of the facility.

Event Spacing:

Event spacing shall apply to events which have twenty percent (20%) like exhibitors, are charging an admission to gain entry to the show and/or are open to the general public rather than being limited to a well defined class of persons who normally belong to a trade or professional association.

Similar shows renting the entire ballroom (201-204) or more than 30,000 gross sq. ft. of exhibit hall space and are actively competing for specialized and specific local markets shall maintain the following clearance periods prior to the first show day and following the last show day. Ingress and egress shall be excluded from the space count.

- 45 Days: Public/consumer shows; i.e. boat shows, RV shows, home shows, car shows, sportsmen shows, nursery/garden shows, business/office/computer shows, etc.
- 30 Days: Hobby/arts and crafts; i.e. antique shows, food shows, collectibles, auctions, bridal shows, career fairs, etc.
- Events not falling into any of these event categories will be at the discretion of the Facility Director.
- No agreement with any user will be executed requiring such clearance periods.

Spacing of shows may be adjusted to shorter periods of time if event producers of each show agree to shorten the protection period. This approval would be in writing and obtained from each promoter affected by the Oregon Convention Center spacing policy.

The Oregon Convention Center Director shall have the right to establish a clearance period as deemed appropriate for the welfare of the Center for any events contracting at the Oregon Convention Center.

Generally speaking, such special considerations do not usually apply to conventions, trade shows and other first priority activities. However, the Oregon Convention Center Director shall have the right to establish a clearance period for highly competitive activities as deemed appropriate to the welfare of the Center.

Definition of Terminology:

In the process of scheduling facilities and dates, the following terms and definitions shall always apply to scheduling commitments; i.e. reservations, issued by the authority:

Tentative: Facilities and dates will be held pending notification to the contrary by either party. In the event a tentative commitment is released by the Oregon Convention Center, the requesting party will be notified that the facilities and/or dates have been released.

Second Option: Facilities and dates will be reserved tentatively but the tentative reservation will be contingent upon release of a prior reservation which is considered first option.

First Option: Facilities and dates reserved on first option are reserved tentatively but a conflicting commitment for the facilities and dates generally will not be made in favor of a second requesting party in the same scheduling priority without first offering the party

holding a first option an opportunity to either execute a license agreement or release its reservation.

Definite: Facilities and dates are considered a confirmed or contractual commitment only upon execution of an Oregon Convention Center license agreement by the event sponsor and the Oregon Convention Center Director specifying all details of the commitment. However, facilities and dates may be held as "definite" upon receipt of a letter of confirmation signed by both the event sponsor and the Oregon Convention Center Director pending the preparation of a license agreement. In the event such a letter of confirmation is signed by both the sponsor and Oregon Convention Center Director, no conflicting scheduling will be made during a reasonable period, permit preparation and execution of a license agreement.

No variance from the Center's agreement represented in the above terms may be made in any case except upon the prior, express written approval of the Oregon Convention Center Director.

Deposit Schedules:

Deposits are required for all activities upon execution of a formal Center license agreement. For both first and second priority events the deposit schedule is as follows:

Conventions, Trade Shows, Consumer/Public Exhibitions

| | |
|------------------------|---------------|
| On signing | 25% of rental |
| 30 days prior to event | Balance due |

Meetings Where Rental Value is Less Than \$1,000.00

| | |
|------------|----------------|
| On signing | 100% of rental |
|------------|----------------|

Meetings Where Rental Value is More Than \$1,000.00

| | |
|------------------------|---------------|
| On signing | 25% of rental |
| 30 days prior to event | Balance due |

Notwithstanding the foregoing, first-time events without a past history of success, and event sponsors with inadequate references, no prior event history, a record of slow payment, etc. may be required at the Center's option to remit up to one hundred percent (100%) of anticipated rental plus a contingency fee to cover event related costs at the discretion of the Oregon Convention Center Director.

Events and circumstances not covered in the above scheduling policies may be subject to special conditions as deemed appropriate by the Convention Center Director.

Facility Use Application and Approval:

If you wish to reserve any part of the Oregon Convention Center on either a tentative or definite basis, you may be asked to first submit a Facility Use Application Permit.

The Oregon Convention Center management may decline to approve any application for any producer on the basis of credit references, financial ability or prior experience or for any producer whose conduct is or in the opinion of the management may not be beneficial to the interest of the Metropolitan Exposition-Recreation Commission.

MERC Staff Report

Agenda Item/Issues: Approving changes to the Oregon Convention Center Scheduling Policies.

Resolution No.: 98-12

Date: March 11, 1998

Presented By: Jeffrey A. Blosser

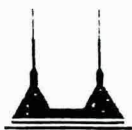
Background Analysis: Scheduling policies have been essentially the same since 1990 opening of the Oregon Convention Center. OCC staff has been reviewing these policies to add a couple of needed items, which reflect current operating procedures, and the way we do business. These changes are in two areas - Scheduling Priorities and Event Spacing - and are reflected below:

- 1) Scheduling Priorities: Add the following language: "Scheduling of first priority events beyond eighteen months in general will fit the following criteria:
 - Have a minimum of 600 guestrooms on peak night.
 - Occupancy 60,000 or more gross square feet of exhibit hall space.
 - Have 25% deposit of total rental of facility on file.
- 2) Event Spacing: Add the following language to this section: "Similar shows renting the entire ballroom (201-204) or".

These two changes reflect current business needs as they relate to both convention/trade show business and local consumer shows or events.

Fiscal Impact: The impact of approving this policy would be \$00.00 (no dollars) to the current budget or FY 1998-99 budget.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission approve the above changes and amend the current Oregon Convention Center Scheduling Policies as outlined in Exhibit A of Resolution No. 98-12.



METROPOLITAN COMMISSION

OREGON CONVENTION CENTER

SCHEDULING POLICIES

Approved by the

Metropolitan Exposition-Recreation Commission on 2/13/91

MISSION STATEMENT:

The Oregon Convention Center was developed with the primary objective of serving as a magnet for convention dollars, generated from convention and trade show attendees, to economically benefit the State of Oregon and metropolitan area of Portland by providing the highest degree of cost-effective tenant and patron services while maximizing the use of the Center's facilities. The Center is a publicly-owned national and international convention, trade show and multi-purpose facility operated by the Metropolitan Exposition-Recreation Commission.

The goal of the Oregon Convention Center is to provide the highest degree of cost-effective tenant and patron service, while recognizing its obligations to the citizens of Oregon in developing maximum use of the building and grounds.

The Commission recognizes the intense competition for available conventions, trade shows, and other varied public events by all the convention and exhibition facilities throughout the western states, and therefore expresses confidence in the sales abilities of the OCC marketing staff, in conjunction with the endeavors of the Portland/Oregon Visitors Association (POVA) and the Oregon Convention and Visitor Services Network (OCVSN), to bring this highly desirable business to the State of Oregon. The Oregon Convention Center was designed as a means of serving this function, and when convention or trade show events are not booked, the facility should be scheduled in the best interest of community, educational, cultural, religious, athletic and/or entertainment events.

These policies are intended to be guidelines within which the Convention Center Director and staff will seek to obtain the optimum scheduling for the facility.

SCHEDULING PRIORITIES:

When booking the Oregon Convention Center, consideration shall be given by the Commission to the following factors:

- Projected overall economic impact on the State and metropolitan area of Portland;
- Total number of hotel rooms required;
- Projected revenue to the facility both in terms of direct space rental revenue, as well as projected revenue from concessions and other building services; and
- Potential for repeat booking.

Generally speaking, first priority for scheduling facilities and dates in the Oregon Convention Center is available to regional, national and international conventions, tradeshow, national corporate meetings and similar activities which are not normally open to the general public and/or which generate significant attendance from outside the City of Portland and the State of Oregon. In addition, certain state and/or local conventions, trade shows or special events may be deemed appropriate to the overall objectives of the Oregon Convention Center and may be offered equal scheduling priority at the discretion of the Convention Center Director.

Facility and space scheduling commitments; i.e., reservations for first priority events and activities, may be made as far in advance as is necessary or appropriate and may supercede requests for other events and activities, unless a license agreement has been previously executed by the Center and the user for such other event.

Second priority for scheduling facilities and dates in the Oregon Convention Center is available to consumer or public exhibitions, local corporate meetings, special events, banquets, entertainment events, business meetings and other activities which essentially draw from or appeal to the general public and/or local attendees and participants.

Facility and date scheduling commitments for second priority events and activities are generally made not more than eighteen months in advance and are subject to change to accommodate first priority events unless a license agreement has been previously executed by the Center and user for such event. However, large consumer and public exhibitions held on an annual basis may at the discretion of the Convention Center Director obtain tentative scheduling commitments for facilities and dates on a long-term basis, subject to revision to accommodate first priority activities.

Within the second priority category, the Oregon Convention Center may give preference to long-standing annual public and commercial shows with a proven record of success and of significant economic impact, and may offer alternate dates in a given year which may result in termination of other second priority scheduling commitments.

Subject to the priorities set forth above, the Convention Center Director may find it necessary to exercise discretion as to the issuance, modification or termination of scheduling commitments.

SPECIAL CONSIDERATIONS:

It is the responsibility of the Oregon Convention Center management to operate the facility in a sound business manner in an effort to maximize both economic benefit and financial stability of the Center. Consequently, Center management reserves the right to promote, solicit, develop and make reservations for any activity deemed appropriate to the Center's objectives, and to qualify all activities requesting utilization of the facility.

EVENT SPACING:

Event spacing shall apply to events which have twenty percent (20%) like exhibitors, are charging an admission to gain entry to the show and are open to the general public rather than being limited to a well-defined class of persons who normally belong to a trade or professional association.

Similar show renting more than 30,000 gross sq.ft. of exhibit space and actively competing for specialized and specific local markets shall maintain the following clearance periods prior to the first show day and following the last show day. Ingress and egress shall be excluded for the spacing count.

- 45 Days: Public / consumer shows; i.e., boat shows, RV shows, home shows, car shows, sportsmen shows, etc.
- 30 Days: Hobby / arts and crafts; i.e., handcrafted wares, antique shows, food shows, collectibles, gun shows, etc.
- 30 Days: Flea markets, swap meets, auctions.
- 30 Days: Animal / pet shows; i.e., cat shows, dog shows, bird shows, etc.
- Events not falling into any of these event categories will be at the discretion of the facility manager.
- No agreement with any user will be executed requiring such clearance periods.

Those seated spectator events utilizing an arena, stadium, theatre or auditorium shall have no structured event spacing except those events under multi-year contractual agreement which specifically address event spacing.

Spacing of shows may be adjusted to shorter period of time if event producers of each show agree to shorten the protection period. This approval would be in writing obtained from each promoter affected by the MERC spacing policy.

The General Manager shall have the right to establish a clearance period as deemed appropriate for the welfare of the Center for any events contracting at MERC facilities.

Generally speaking, such special considerations do not usually apply to conventions, tradeshow and other first priority activities. However, the Convention Center Director shall have the right to establish a clearance period for highly competitive activities as deemed appropriate to the welfare of the Center.

DEFINITION OF TERMINOLOGY:

In the process of scheduling facilities and dates, the following terms and definitions shall always apply to scheduling commitments; i.e., reservations, issued by the authority:

Tentative: Facilities and dates will be held pending notification to the contrary by either party. In the event a tentative commitment is released by the Oregon Convention Center, the requesting party will be notified the facilities and/or dates have been released.

Second Option: Facilities and dates will be reserved tentatively but the tentative reservation will be contingent upon release of a prior reservation which is considered first option.

First Option: Facilities and dates reserved on first option are reserved tentatively but a conflicting commitment for the facilities and dates generally will not be made in favor of a second requesting party within the same scheduling priority without first offering the party holding a first option an opportunity to either execute a license agreement or release its reservation.

Definite: Facilities and dates are considered a confirmed or contractual commitment only upon execution of an Oregon Convention Center license agreement by the event sponsor and the Convention Center Director specifying all details of the commitment. However, facilities and dates may be

as "definite" upon receipt of a letter of confirmation signed by both the event sponsor and the Convention Center Director pending the preparation of a license agreement. In the event such a letter of confirmation is signed by both the sponsor and Convention Center Director, no conflicting scheduling will be made during a reasonable period to permit preparation and execution of a license agreement.

No variance from the Center's agreement represented in the above terms may be made in any case except upon the prior, express written approval of the Convention Center Director.

DEPOSIT SCHEDULES:

Deposits are required for all activities upon execution of a formal Center license agreement. For both first and second priority events the deposit schedule is as follows:

| | |
|--|----------------|
| Conventions, Trade Shows, Consumer or Public Exhibitions | |
| On signing | 25% of rental |
| 6-12 months prior to event | 25% of rental |
| 3 months prior to event | Balance due |
| Meetings Where Rental Value is Less Than \$1,000 | |
| On signing | 100% of rental |
| Meetings Where Rental Value is More Than \$5,000 | |
| On signing | 25% of rental |
| 6 months prior to event | 75% of rental |

Notwithstanding the foregoing, first-time events without a past history of success, and event sponsors with inadequate reference, no prior event sponsorship, a record of slow payment, etc. may be required at the Center's option to remit up to one hundred percent (100%) of anticipated rental and related expenses upon execution of the license agreement.

Events and circumstances not covered in the above scheduling policies may be subject to special conditions as deemed appropriate by the Convention Center Director.

FACILITY USE APPLICATION AND APPROVAL:

If you wish to reserve any part of the Oregon Convention Center on either a tentative or definite basis, you must first submit a Facility Use Application.

The Oregon Convention Center management may decline to approve any application for any producer on the basis of credit references, financial ability or prior experience or for any producer whose conduct is or in the opinion of the management may not be beneficial to the interest of the Metropolitan Exposition-Recreation Commission.