

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution 99-32

For the Purpose of Approving a Plan to Proceed with Oregon Convention Center Expansion Construction

The Metropolitan Exposition-Recreation Commission finds:

1. **WHEREAS**, the Commission is authorized by Metro Code Section 6.01.040(a) to advise Metro, the owner of the Oregon Convention Center, on financial measures which are desirable with respect to major capital projects at the Oregon Convention Center;

2. **WHEREAS**, the addition of additional meeting room and exhibit space at the Oregon Convention Center would improve and increase the utilization of regional convention and exhibition facilities by allowing larger groups to use the facility;

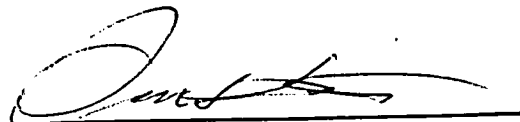

3. **WHEREAS**, the Metro staff, the Metro Council, and MERC staff in collaboration have developed a sound plan to finance the construction of the expansion of the Oregon Convention Center.

BE IT THEREFORE RESOLVED That the Commission supports expansion of the Oregon Convention Center, and

That the Commission recommends that the Metro Council and Executive take action to move forward with expansion of the Oregon Convention Center, and

That the Commission directs its staff to move forward in cooperation with Metro on development of a master plan for Oregon Convention Center expansion, and to bring such plans to the Oregon Convention Center liaison Commissioners and the full Commission for consideration.

Passed by the Commission on July 21, 1999.


Chair

Secretary-Treasurer

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

By: 
Kathleen Pool, Senior Assistant Counsel

MERC Staff Report

Agenda Item/Issue Approving a plan to proceed with the Oregon Convention Center Expansion

Resolution No.: 99-32

Presented By: Mr. David Biedermann

Date: July 21, 1999

Background and Analysis: The Oregon Convention Center Expansion plans have gone through highs and lows over the last year. In November 1998 we received approval to put the expansion project on the ballot, ran a good campaign and lost in the November election due to the funding mechanism of using property taxes to back the bonds.

After the defeat, several hospitality groups got together to try and expand the Center using a different funding source. It was realized that this project is vital to the convention and tourism industry in Portland. This plan was brought to the City of Portland due to their ability to economically place the bonds to accomplish the expansion project. Last April, the City, Metro and Multnomah County together announced that the expansion of the Oregon Convention Center was needed and a funding mechanism of increased hotel/motel taxes and rental car taxed combined would fund the construction of the OCC expansion. Efforts are now being finalized to delineate the funding with formal approvals and memorandums of understanding or intergovernmental agreements to follow over the next few months.

Staff believes that now is the time for MERC to formally request Metro Council to take action to move this project forward to the planning stages.

Fiscal Impact: There will need to be a budget adjustment made for this fiscal year when the project is approved by all governments and the taxes are collected to pay for bond issuance. It is anticipated that between \$2 and \$3 million will be expended on architectural services, staffing for construction management needs, permitting and consultants for this fiscal year. Ground-breaking is anticipated to be in June 2000.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission approve the need to expand the Oregon Convention Center and forward such desires to Metro Council to develop the plan to expand the Oregon Convention Center.