

**METROPOLITAN EXPOSITION-RECREATION COMMISSION**

**Resolution No. 04-02**

For the Purpose of approving a revision to the Oregon Convention Center Scheduling Policies.

WHEREAS, the Commission has the authority to administer, develop and approve operational policies for the MERC facilities; and

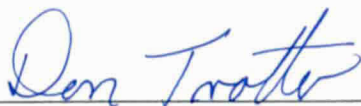
WHEREAS, the Commission recognizes the need to change, amend, and add to current policies to reflect the business needs of the users of its facilities and to remain competitive; and

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 revised Oregon Convention Center Scheduling Policies, attached as Exhibit A.

Passed by the Commission on February 25, 2004.

  
Chair

  
Secretary-Treasurer

APPROVED AS TO FORM:  
Daniel B. Cooper, Metro Attorney

  
By: Lisa Umscheid  
Sr. Assistant Counsel

## EXHIBIT A

### Scheduling Policies

Approved by the Metropolitan  
Exposition-Recreation Commission  
March 1, 2004

#### The Oregon Convention Center Mission Statement

*To maximize economic benefits for the metropolitan region and the state of Oregon, while protecting the public investment in the facility.*

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 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, when convention or trade show events are not booked, the facility should be scheduled in the best interest of the facility with 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 and generating significant room night occupancy for local hotels. 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 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:

18 months – 3 years  
Have a minimum of 500 guest rooms on peak night  
Occupy 60,000 gross square feet of exhibit hall space

3 – 5 years  
Have a minimum of 600 guest rooms on peak night  
Occupy 90,000 gross square feet of exhibit hall space

5 or more years into the future  
Have a minimum of 800 guest rooms on peak night  
Occupy 120,000 gross square feet of exhibit hall space

Each event will have paid a 25% deposit of total rental of facility with a completed license agreement.

**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 exhibit hall space of 60,000 gross square feet or more 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, children, baby, 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 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 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. Definite holds may also be placed on space by POVA for confirmed room night generated business as outlined in scheduling of 1<sup>st</sup> priority events beyond 18 months.

No variance from the Center's agreement represented in the agreement 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:

<b>Conventions, Trade Shows, Consumer/Public Exhibitions</b>	
On signing	25% of rental
30 days prior to event	Balance due
<b>Meetings Where Rental Value is Less Than \$1,000.00</b>	
On signing	100% of rental
<b>Meetings Where Rental Value is More Than \$1,000.00</b>	
On signing	25% of rental
30 days prior to event	Balance due
<b>Food and Beverage Only Events</b>	
On signing	50% 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/Issue:** Approving the revised Oregon Convention Center Scheduling Policy.

**Resolution No.:** 04-02

**Presented By:** Jeffrey A. Blosser

**Date:** February 25, 2004

**Background and Analysis:** MERC adopted the Oregon Convention Center Scheduling Policy in 1999 to reflect operating spacing and scheduling needs for the Center. The policy has been revised two other times over the last fifteen years. With the expansion and the doubling of the facility size, staff has been reviewing all operating policies of the Center and updating them as they relate to the new facility.

The current spacing policy calls for spacing or protecting events that are larger than 30,000 sq. ft. This size event made sense when the facility was only 150,000 sq. ft. With the almost doubling of the exhibit hall and adding a second ballroom, this policy works to the detriment of booking more events into the expanded space. Staff feels that the minimum space should be increased from 30,000 sq. ft. to 60,000 sq. ft. to better meet the facility booking needs and revenue production for the expanded facility.

The OCC Advisory Committee reviewed this policy change at the February 2004 meeting and unanimously endorsed the change of spacing events of 30,000 sq. ft. and up to 60,000 sq. ft. and larger as the preferred size.

**Fiscal Impact:** There is no financial implication directly to this policy change. The application of this policy could generate more business as its result.

**Recommendation:** Staff recommends that the Metropolitan Exposition Recreation Commission amend the current Oregon Convention Center Scheduling Policy by increasing the show size from 30,000 sq. ft. to 60,000 sq. ft. as the minimum size show that will apply to the spacing of similar events at the Center. Additionally, all other provisions of the policy remain as is. The effective date of this policy shall be March 1, 2004.