

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 07-14

For the Purpose of Adopting New Resident Company User Fee Rates at the Portland Center for the Performing Arts, effective July 1, 2007.

WHEREAS, the Metropolitan Exposition-Recreation Commission periodically reviews and sets Resident Company user fees at the Portland Center for the Performing Arts ; and

WHEREAS, there has been no change in Resident Company user fees at the Portland Center for the Performing Arts since July 1, 2002 ; and

WHEREAS, Resident Company user fees for Oregon Children's Theatre, Tears of Joy, and Portland Youth Philharmonic should remain unchanged until further consideration and action by the Commission; and

WHEREAS, Non-Resident Company user fees should remain unchanged until further consideration and action by the Commission; and


WHEREAS, the Commission has the responsibility to operate its facilities in as cost-effective a manner as possible ;

BE IT THEREFORE RESOLVED AS FOLLOWS:

1. That the Metropolitan Exposition-Recreation Commission hereby adopts new Resident Company user fee rates at the Portland Center for the Performing Arts, effective July 1, 2007;
2. That user fees for Oregon Children's Theatre, Tears of Joy, and Portland Youth Philharmonic shall remain unchanged until further consideration and action by the Commission;
3. That Non-Resident Company user fees shall remain unchanged until further consideration and action by the Commission.

Passed by the Commission on May 23, 2007.

Approved as to Form:
Daniel B. Cooper, Metro Attorney

By: 
Nathan A. Schwartz Sykes
Senior Attorney


Chair-George Forbes


Secretary-Treasurer-Janice Marquis

MERC STAFF REPORT

Agenda Item/Issue:

Adopting New Resident Company User Fee Rates at the Portland Center for the Performing Arts, effective July 1, 2007.

Resolution No.: 07-14

Date: May 23, 2007

Presented by: Robyn Williams

Background/Analysis:

PCPA obtains earned revenue from user fees paid by ticket purchasers to help pay for the maintenance and operation of the halls. In addition to the deeply discounted rent, that Resident Companies receive, they have traditionally enjoyed lower user fees.

Commercial and other non-profit users pay a 6% fee per ticket.

The user fee for Resident Companies has been:

- a) \$.50 per ticket (July 1, 1996 through June 30, 2003)
- b) \$1.00 per ticket (July 1, 2003 through June 30, 2004)
- c) \$1.50 per ticket (July 1, 2004 through June 30, 2005)
- d) \$1.50 per ticket (July 1, 2005 through June 30, 2007)
- e) Since July 1, 2002, a special rate of \$.50, or 4% per ticket on tickets priced at \$5.00 or below, for student, youth or other special community outreach performances by the Resident Companies has applied.

An increase in the Resident Companies' user fee will help insure PCPA maintains its strategic fund balance of 6 months worth of operating reserves. Any surplus can go to the MERC pooled capital fund to cover future capital needs of PCPA.

Staff proposes the following increase in Resident Company user fees:

User Fee

FY 07 / 08	\$1.75 (increase of \$.25)
FY 08 / 09	\$1.75 (no increase)
FY 09 / 10	\$2.00 (increase of \$.25)

Tears of Joy Puppet Theatre performances, Oregon Children's Theatre performances, Portland Youth Philharmonic performances and the Oregon Symphony Orchestra's Family Sunday Concerts will remain at the \$.50 user fee on tickets above \$5.00 (4% on tickets \$5.00 or less).

User fees-as a fee paid by the ticket purchaser and collected by the Resident Companies for PCPA's benefit-will be due and payable to PCPA at settlement or at direction of the PCPA Director, but in all cases must be received within 30 days of invoicing. In the event of a failure to remit such fees as required the General Manager is delegated authority to exercise any or all of MERC's contractual rights and options, including but not limited to canceling any outstanding contracts and/or denying further use of any PCPA facility until such fees are paid. The General Manager may institute rules and requirements concerning the placement of user fees on tickets to PCPA events and any language used to describe the fee.

In the event that these measures generate funds above those necessary to establish and maintain a six (6) month operating reserve, any such funds will fall to MERC pooled capital for dedicated use by PCPA.

Fiscal Impact:

FY 08	\$52,399 increase in revenue
FY 09	No change
FY 10	\$52,399 increase in revenue

(Revenue based on FY 07 attendance projections remaining flat for the next 3 years.)

Recommendation:

Staff recommends approval of Resolution 07-14 for the purpose of Adopting New Resident Company User Fee Rates at the Portland Center for the Performing Arts, effective July 1, 2007.