

MINUTES OF THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

December 19, 1992

Council Chamber

Councilors Present: Presiding Officer Tanya Collier, Deputy  
Presiding Officer Jim Gardner, Larry  
Bauer, Roger Buchanan, Richard Devlin,  
Tom DeJardin, Sandi Hansen, David  
Knowles, Ruth McFarland, Susan McLain,  
George Van Bergen and Judy Wyers

Councilors Absent: None

Also Present: Executive Officer Rena Cusma

Presiding Officer Collier called the meeting to order at 5:31  
p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS TO THE COUNCIL ON NON-AGENDA ITEMS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

3.1 Presentation of Public Policy Advisory Committee for  
Regional Convention, Trade, Performing Arts and Spectator  
Facilities Final Report

Councilor Knowles introduced Cliff Carlsen, chair, Public Policy  
Advisory Committee for Regional Convention, Trade, Performing  
Arts and Spectator Facilities (PPAC) who presented that  
Committee's final report dated December 1991.

Mr. Carlsen said the Council appointed the PPAC in August 1990  
and it first met in October 1990. He said the PPAC was supposed  
to return with its final report June 1991, but said after the  
PPAC was appointed, certain circumstances delayed their final  
report. He said two pending items still affected the outcome of  
the final report. He said the PPAC was charged with assessing  
the state of the arts in the region, but that Arts Plan 2000+ had  
not yet issued its final report. He said PPAC's final report  
referred to findings by Arts Plan 2000+ made to-date. He said  
another issue affecting PPAC's final report was the Blazers'  
proposal to construct a new arena and manage the Coliseum. He  
said PPAC's report should be considered a prelude to final  
financing solutions for the regional recreational facilities. He  
said the PPAC's report discussed costs for each of the

facilities, capital needs for continued operation, use/expansion of some facilities that could be better utilized for the public use, and the need for new, separate facilities.

Mr. Carlsen said the PPAC appointed five subcommittees on each of which at least two PPAC members served. He said other members represented geographic concerns and brought expertise to their particular subcommittee's area of concern.

Mr. Carlsen said the Arena Subcommittee realized early that the region needed a new facility, primarily because the Coliseum was 30 years old, was too small, and could not be expanded. He said the Subcommittee proposed, before the Blazers submitted their proposal, that the new arena result from a public/private partnership and said the Blazers submitted their proposal as such. He said the Subcommittee explored the use of the Coliseum after the construction of a new arena and concluded it had potential for use by the community and could be used efficiently if managed in conjunction with the new arena.

Mr. Carlsen discussed the Stadium Subcommittee. He noted another active committee not related to Metro had set up to study the viability of a domed stadium. He said the Dome Committee concluded there was not sufficient support for a domed facility and disbanded. He said the Stadium Subcommittee concluded also there was not enough public support for such a facility. He said they decided a group should be charged with handling work on, and review of that, and other proposed facilities on an ongoing basis. He said a sports commission could be created to consider the viability of such facilities.

Mr. Carlsen discussed the findings of the Convention Center and Expo Center Subcommittee. He said the Expo Center was under Multnomah County's auspices and was the only facility reviewed by the PPAC that was not managed by the Metropolitan Exposition-Recreation Commission (MERC). He said the Convention, Trade and Spectator (CTS) Committee, active during the mid-80's, recommended the Expo Center and the Convention Center be combined for greater efficiency. He said the Subcommittee recommended that option be looked at again as well as expanding the Convention Center. The Subcommittee noted the need for a headquarters hotel and other hotel space. He said the Expo Center was the only facility beside the Memorial Coliseum that made money and its funds went to Multnomah County's general fund. He did not know if the facility could be transferred. He said the Subcommittee's chair was Multnomah County Commissioner Pauline Anderson and that the Subcommittee did vote to transfer the Expo Center to MERC.

Mr. Carlsen said the Portland Center for the Performing Arts (PCPA) Subcommittee realized losing the Coliseum would cut its funding source. He said the PCPA did not make money and said similar facilities in other parts of the country did not either. He said most believed such facilities should make a profit and others believed that such facilities were not performing needed educational functions. He said others believed the PCPA should be affordable to the citizens who had funded it to begin with.

Mr. Carlsen said the subcommittees concluded all of the regional recreational facilities had to achieve a permanent funding base of some kind. He said they also concluded the facilities were necessary and enhanced the region's quality of life. Mr. Carlsen said the subcommittees submitted their findings to the Finance Subcommittee chaired by Councilor Knowles.

Councilor Knowles thanked the Finance Subcommittee members for their work; Dennis Derby, Washington County representative; Kim Duncan, former Metro employee; Bob Gittes, PPAC member; Alice Norris, Clackamas County representative; and Harold Pollin, hotel industry representative.

Councilor Knowles said the Finance Subcommittee took the subcommittees' recommendations and assembled them to determine a funding package for all of the facilities. He said the Subcommittee agreed on four principles to do so: 1) Any funding source had to be regional in nature; 2) That the funding source be equitable; 3) That the funding source was adequate to meet all needs; 4) That the funding source had to be politically feasible. He said the Subcommittee considered different options including: 1) An admissions tax; 2) A hotel-motel tax; 3) A food/beverage tax; 4) A sales tax; 5) A real estate transfer tax; 6) An income tax; and 7) A property tax. He said all options were discussed in depth against the criteria listed. He said the Subcommittee commissioned a poll to test public responses to those revenue sources. He said the two revenue sources that best fit the criteria were the admissions tax and the hotel-motel tax. He said the hotel industry indicated it was not appropriate to establish any particular industry for support of the facilities.

Councilor Knowles said the Finance Subcommittee recommended two options to the Metro Council. Listed on page 40 of the Final Report, he said the first option would meet the basic operational requirements of the facilities. He said operational support was required for the PCPA and the Civic Stadium. He said the Coliseum was not made part of the financial recommendations because of the Blazer agreement. He said the PCPA and Civic Stadium required capital renewals and replacements. He said the

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Subcommittee recommended a general obligation bond for those needs plus a 6 percent admissions tax on all events.

Councilor Knowles said the second option took care of capital and program needs. He said the first option required periodic public votes to provide for the major capital improvements. He said the second option would reserve against current operations for capital needs. He said program items included operational support for the End of the Oregon Trail Project, reduced rents to non-profit arts organizations and Phase I of Arts Plan 2000+. He said funds could be raised from a 10 percent hotel-motel tax imposed in Multnomah, Clackamas and Washington Counties.

Councilor Knowles suggested further consolidation of MERC functions to achieve savings. He said the Council could aggressively use the budget process to achieve that goal. He said the Council should appoint another committee similar to the PPAC to achieve consensus on the funding options and return to the Council with final findings. He said reserve funds would run out in 1994 or early 1995. He said the Council should communicate with the Charter Committee about the authorities Metro needed to achieve resolution of regional recreational facility issues.

Councilor Knowles said the issues could be related to other Metro issues because of expected population growth and quality of life. He said all of the facilities provided a cultural and social infrastructure and were just as necessary as schools, transportation systems and sewer systems. He said \$4 million a year was not much when perceived in that context. He said Metro would deal primarily with growth and related issues and the regional facilities tied into those issues.

Councilor Buchanan commended Councilor Knowles and Mr. Carlsen on the PPAC report. He said basic public needs should be paid attention to at all the facilities related to seating, rest rooms and other facilities. He said the seats at the Arlene Schnitzer Concert Hall were uncomfortable and that citizens would not buy tickets to use that facility because of that reason. Mr. Carlsen said Concert Hall seating and the sound system required work. He said the Civic Auditorium required \$3 million for needed work without even considering rest room facilities. Mr. Carlsen discussed the issues further. He said the Symphony lost seats moving from the Auditorium to the Schnitzer which had caused the current tight seating situation at the Schnitzer.

Mr. Carlsen thanked all participants in the process for their hard work including Regional Facilities Department staff Neil Saling, Pam Erickson, Sherry Oeser and Jane Popple.

Councilor Devlin noted current perception seemed to be that since MERC would lose the Coliseum, the facilities would lose their subsidy source. He said the regional facilities would need funds regardless of the Coliseum's status, whether it was regionally operated or privately managed. He said another perception was that the hotel-motel tax meant a 4 percent increase in Clackamas County, a 3 percent increase in Washington County and a 1 percent increase in Multnomah County. He clarified that in Multnomah County, 3 of the existing 9 cents were already allocated to regional facilities. He said 4 cents would be added from all the Counties for regional facilities. He was afraid support would dwindle if people thought Multnomah County's tax would increase by only 1 cent in comparison to other proposed county increases which he said was not the case. Councilor Knowles said the PPAC wanted to disconnect the subsidy from the Convention Center from Multnomah County and make it a region-wide lodging tax. He said the PPAC wanted to achieve a level regional rate.

Councilor Gardner said the report did not mention capital funding needs for the Oregon Trail Project. Councilor Knowles said the PPAC believed the project was valuable and should be pursued, but said no attempt was made to identify a funding source for it because the project arose after the PPAC had started. Councilor Gardner agreed that the system of facilities must be kept open and maintained, and that the funds to do so should be regionally based, if only for fairness. He said the Sports Commission's purpose was described to seek and secure sports events and professional franchises. He said that could fall under the auspices of an expanded marketing program for the sports facilities Metro currently had. He said the seeking and securing sports franchises meant there could be an advocate-for-profit for sports franchises negotiating with the MERC for the use of a regional facility and was bothered by the potential conflict which he said could lead to two entities working at cross-purposes. Mr. Carlsen said PPAC had not recommended that and said the Stadium Subcommittee recommended the creation of a Sports Commission for the purpose of ongoing studies. He said those concerns were discussed. He said the facilities would be kept separate from acquisition of sports franchises. Councilor Knowles said the Sports Commission could help to coordinate and attract national sporting events, both amateur and professional, and those efforts would be community-based rather than facility-based. The Council discussed the proposed Sports Commission and the PPAC's final report further.

Presiding Officer Collier asked if there were other Executive Officer Communications.

Executive Officer Cusma recognized and introduced Kurt Walker, Peter Walker & Son, and David Neibert, TrashCo. She said Solid Waste Department staff had noted that Mr. Walker and Mr. Neibert have habitually gone to extraordinary efforts to make sure the clean-up area at Metro Central was always left in a neat, clean and orderly manner, and that they tidied up the area not only after themselves, but after others as well. Executive Officer Cusma presented Mr. Walker and Mr. Neibert with plaques expressing Metro's appreciation. Executive Officer Cusma introduced Barry Hale, Trans Industries, who thanked Mr. Walker and Mr. Neibert also and presented them with dinner certificates to Jake's Restaurant.

#### 4. ORDINANCES, FIRST READINGS

##### 4.1 Ordinance No. 91-433. For the Purpose of Adopting Revisions to the Regional Transportation Plan

The Clerk read the ordinance for a first time by title only.

Presiding Officer Collier referred the ordinance to the Transportation & Planning Committee for consideration.

##### 4.2 Ordinance No. 92-442. An Ordinance Amending Ordinance No. 91-390A Revising the FY 1991-92 Budget and Appropriations Schedule for the Purpose of Transferring Appropriations to Personal Services in the Solid Waste Revenue Fund

The Clerk read the ordinance for a first time by title only.

Presiding Officer Collier referred the ordinance to the Finance Committee for consideration.

##### 4.3 Ordinance No. 91-443. For the Purpose of Establishing a Metropolitan Sports Authority

The Clerk read the ordinance for a first time by title only.

Presiding Officer Collier referred the ordinance to the Regional Facilities Committee for consideration.

#### RESOLUTIONS

##### 5.1 Resolution No. 91-1539. For the Purpose of Confirming the Appointment of Clifford Carlsen to the Metropolitan Exposition-Recreation Commission

Motion: Councilor Knowles moved, seconded by Councilor DeJardin, for adoption of Resolution No. 91-1539.

Councilor Knowles gave the Regional Facilities Committee's report and recommendations. He strongly endorsed Mr. Carlsen for service on MERC.

Vote: Councilors Bauer, Buchanan, Devlin, DeJardin, Gardner, Hansen, Knowles, McFarland, McLain, Van Bergen, Wyers and Collier voted aye. The vote was unanimous and Resolution No. 91-1539.

Executive Officer Cusma stated how pleased she was to have been able to forward Mr. Carlsen's name for appointment to MERC.

5.2 Resolution No. 91-1540. For the Purpose of Authorizing the Executive Officer to Execute a Contract with Metropolitan Disposal Corporation for Sewage Grit and Screenings

Motion: Councilor McFarland moved, seconded by Councilor DeJardin, for adoption of Resolution No. 91-1540.

Councilor McFarland gave the Solid Waste Committee's report and recommendations. She said the Council previously adopted Resolution No. 91-1525A to begin hauling sewage grit and screenings on a regional basis to be stored at the City of Portland's Columbia Sewage Treatment Plant before final hauling and disposal. She said Metropolitan Disposal Corporation (MDC) submitted the low bid for hauling services for a period of five years. She said MDC's bid was \$2 per ton lower than the next lowest bid and that the City of Portland had approved their hauling equipment for use. She said it appeared at this time however that MDC would not get its Public Utilities Commission (PUC) permit at this time. General Counsel Dan Cooper said MDC had not notified Metro whether or not it planned to pursue the PUC permit. He advised the Council to award the contract to MDC, which as the low bidder if it did not get its PUC permit, would forfeit its security deposit of \$1,000 to Metro.

Councilor Knowles declared a conflict of interest because MDC was a client of the law firm he worked for. The Council briefly discussed the resolution further.

Vote: Councilors Bauer, Buchanan, Devlin, DeJardin, Gardner, Hansen, McFarland, McLain, Van Bergen, Wyers and Collier voted aye. Councilor Knowles abstained from the vote. The vote was unanimous and Resolution No. 91-1526 was adopted.

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5.3 Resolution No. 91-1526, For the Purpose of Endorsing  
Comments and Recommendations Regarding ODOT's November 1991  
Draft Oregon Transportation Plan Policy Element

Motion: Councilor Devlin moved, seconded by Councilor  
Gardner, for adoption of Resolution No. 91-1526.

Councilor Devlin gave the Transportation & Planning Committee's  
report and recommendations.

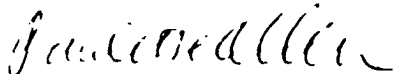
Vote: Councilors Buchanan, Devlin, DeJardin, Gardner,  
Hansen, Knowles, McFarland, McLain, Van Bergen and  
Collier voted aye. Councilors Bauer and Wyers  
were absent. The vote was unanimous and  
Resolution No. 91-1526 was adopted.

6. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS

Councilor Gardner briefed the Council on the activities of the  
Building (Sears) Committee to-date. The Council as a whole  
discussed a resolution to be transmitted to the Charter Committee  
on that Committee's activities to-date. Councilor Wyers  
discussed Riedel's current financial status with regard to the  
Metro Composter Facility. Councilor Gardner discussed the FY  
1992-93 Budget process and a retreat to discuss the same.  
Councilor Buchanan reported on the Tri-Met Handicapped  
Transportation Committee and its discussion to date on the  
federal Americans with Disabilities Act.

There being no further business, Presiding Officer Collier  
adjourned the meeting at 7:00 p.m.

Respectfully submitted,



Paulette Allen  
Clerk of the Council