

MINUTES OF THE COUNCIL CONVENTION, ZOO AND VISITOR FACILITIES
COMMITTEE OF THE METROPOLITAN SERVICE DISTRICT

Special Meeting
November 15, 1989

Committee members present: Councilors David Knowles (Chair),
Tom DeJardin, Ruth McFarland and
George Van Bergen

Committee members absent: Roger Buchanan

Chair Knowles called the meeting to order at 5:40 p.m.

1. Staff Follow-Up on Africa III Project Information

This item was canceled prior to the meeting. A corrected agenda was issued on the day of the meeting.

2. Resolution No. 89-1170, Approving an Intergovernmental Agreement with the City of Portland to Consolidate Regional Convention, Trade, Spectator and Performing Arts Facilities Presently Owned and Operated by the City of Portland and the Metropolitan Service District

Chair Knowles opened the public hearing. Richard Ares, Metro Exposition-Recreation Commission (MERC), encouraged the Committee to vote in favor of the consolidation, adding he was here both as a MERC member and a citizen of the region. He had reviewed the document and felt a good job had been done. As a citizen he felt Metro needed to move ahead in order to keep performing as the region needs. He added consolidation would be good for the City, also. Mitzi Scott, City of Portland ERC (ERC) and MERC, also testified in favor of the resolution. She believes consolidation is necessary in order for the region to compete in the convention market. She cited as a negative example Seattle, where all facilities are operated independently.

There being no further public testimony, Chair Knowles closed the public hearing.

Motion: Councilor DeJardin moved to recommend Council adoption of Resolution No. 89-1170.

Dan Cooper, General Counsel, reviewed Draft No. 4A of the Agreement with the Committee, pointing out the clarification of the definition of facilities. The question was asked as to why the ERC was a signatory on the Agreement, but not MERC. Mr. Cooper said the ERC had to sign because of its standing under the City Charter. If MERC signed, he said it could potentially hinder any termination procedure. Mr. Cooper also stressed all restrictions on Metro under this Agreement would be in force only during the term of Phase I consolidation.

In Section 2, the last sentence in paragraph A was added to be sure all past actions are carried forward; i.e., all current ERC resolutions would remain in force. Section 3, paragraph A states the City retains legal ownership of their property. At the request of General Counsel, the Committee reconvened under Executive Session (ORS 192.660(1)(h)) to discuss the agreements with the First Congregational Church and Al Kader Temple covered in paragraph B.

General Counsel is preparing new language for paragraph D. Mr. Cooper said the audit costs could be funded by a variety of sources; i.e., Metro budget, ERC budget, etc. Section 4 reflects that all ERC employees will be moved to MERC at the time the Agreement goes into effect. Mr. Cooper explained the differences between assignable contracts ("A") and non-assignable contracts ("B") as covered in Section 5, paragraph A. He said he didn't think there would be any B contracts at this time. Presently the ERC has no contracts that are not assignable. Section 6 deals with budget approval. Mr. Cooper said the City budget approval process was more restrictive than the MOU. He said it was appropriate to limit City approval to City facilities. In response to Councilor questions, Mr. Cooper said the City could choose to accept or object to the Metro budget, and the end result could result in termination of the agreement if no compromise were reached.

There were no questions about Section 7. Section 8 dealt with central services and overhead charges. Mr. Cooper said the overhead charges referenced were costs of Metro's Council and Executive. There were no charges to the MERC to pay for these overhead charges. In response to Councilor questions, Mr. Cooper said commitments made in the MOU were not legally binding. He added he would pursue clearer language on this issue with Chris Thomas, attorney representing the City of Portland. In Section 9, Mr. Cooper pointed out the Agreement does not restrict Metro from imposing an excise tax on City facilities, but said any tax imposed would have to be approved by the City beforehand and would be used for those same facilities. In response to questions, he said the State Statute does not require the excise tax be imposed uniformly.

No questions were raised regarding Section 10 except to change the date from July to January. This same change was made in Section 11. Sections 12 through 14 contained no changes. General Counsel felt the wording in Section 15 was adequate, adding that Phase II would present special problems of it's own. There were no questions on Sections 16 and 17, except to note the

language in Section 17 was left general in nature to give Metro and the City room to develop options and parameters as the Phase I Agreement evolved. Mr. Cooper noted in Section 18 the correction of "City County" to "City Council". He explained the termination time frame differences and noted the need by the City to resume responsibility of their facilities in a timely fashion should termination occur. The Committee agreed with Mr. Cooper's assessment. There were no questions on Sections 19 through 21. Mr. Cooper agreed to discuss the language in Section 22 with Mr. Thomas. There were no further questions on the remaining sections.

On further discussion, Councilor Van Bergen commended Mr. Cooper and Mr. Thomas on the job they had done, but said he was not in favor of consolidation. He felt the voters in his district would not endorse such a document or vote for taxes to support the additional facilities. Councilor McFarland said she was in agreement with Councilor Van Bergen, adding she would vote in favor of the resolution at the Committee level, but could reconsider her vote at the Council. Councilor Knowles spoke in favor of the resolution, saying it was Metro's job to deal with regional facilities, those which benefit and are used by the whole region. He noted the need to not be in competition with ourselves. Councilor DeJardin added he was in agreement with Councilor Van Bergen, but felt this was a bold step and one which he supported.

Vote: Councilors DeJardin, Knowles and McFarland voted aye; Councilor Van Bergen dissented.

The motion carried.

There being no other business, the meeting was adjourned at 8:30 p.m.

Respectfully submitted,



Ann Brunson
Committee Clerk

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