

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 22-07

For the purpose of approving the Oregon Convention Center rental rates for fiscal years 2026-2027, 2027-2028 and 2028-2029.

WHEREAS, the Metropolitan Exposition Recreation Commission (MERC) sets facility rental rates for the MERC venues, and;

WHEREAS, OCC seeks increased rental rates for fiscal years 2026-2027, 2027-2028 and 2028-2029 for events scheduled after June 30, 2026 based upon OCC's average rate increase every three years and current business trends.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission approves the Oregon Convention Center's rental rates, per Attachment A, for fiscal years 2026-2027, 2027-2028 and 2028-2029.

Passed by the Commission on September 7, 2022.

Approved as to form:

Carrie MacLaren, Metro Attorney

By: _____

Nathan A. S. Sykes, Deputy Metro Attorney

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Chair

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Secretary/Treasurer

MERC STAFF REPORT

Agenda Item/Issue: For the purpose of approving the Oregon Convention Center rental rates for fiscal years 2026-2027, 2027-2028 and 2028-2029.

Resolution No: 22-07

Presented by: Cindy Wallace

Date: August 30, 2022

Background and Analysis: To remain competitive while generating revenue to fund operations and future capital needs, the Oregon Convention Center (OCC) is proposing increased rental rates for the period July 1, 2026, through June 30, 2029. Identification and adoption of rental rates in a three-year cycle is OCC's historic approach. The rates extend seven years into the future and provide OCC the ability to propose rental costs to clients and complete license agreements years into the future, which aligns with industry practice for convention business. These rates are independent of the services rates charged to clients, which are reviewed and updated annually.

Since rental rates were last adopted by MERC in 2019 for 2023-2025, inflation for the Portland region has been 2.85%, 1.45% and 5.47% for June 30th of 2019, 2020 and 2021, respectively. In 2022, mid-year inflation is running in the 7-8% range. Inflation increases total around 17% combined.

To ensure OCC's rates are maintaining pace with inflation, OCC is proposing to increase the adopted 2023-2026 rates by 20%. OCC has historically offered a standard convention rate sales incentive discount that is also 20%, and OCC is proposing to maintain that discount to these increases. This proposed increase maintains OCC's rate alignment with other convention centers.

Establishing rates for a three-year period allows current and potential clients to plan accordingly for increases, as well as OCC staff to prepare for the budget planning process. Many OCC clients need advance bid pricing or guaranteed rental rates for conventions. The proposed rate increases would be guaranteed for three years beginning in the fiscal year 2026-2027.

FISCAL IMPACT: The 20% increases to rental rates would take effect beginning July 1, 2026, and the revised rates would hold through June 30, 2029. The fiscal years 2027-2028 and 2028-2029 would remain flat. Rental increases are considered in the five-year budget forecast. Space Rental revenue is approximately 17 percent of total event-related revenue. Other event revenues for services, such as food and beverage, audio visual, utility services and reimbursed labor, are reviewed for price adjustments on an annual basis.

Attachments to Resolution and/or Staff Report: Attachment A reflects proposed rates for exhibit halls, ballrooms, and meeting spaces with comparison to past years. The proposal also outlines flat rates for convention business and non-convention business.

RECOMMENDATION: Staff recommends that the Metropolitan Exposition-Recreation Commission, by Resolution No. 22-06, approve the proposed rental rates for the Oregon Convention Center through June 30, 2029, as outlined in Attachment A.

Attachment A

Exhibit Hall Rental

NAME OF ROOM	SQ. FT.	Approved Retail Rate 2023-2026	Retail Rate 2026-2029	Convention Rate 2026-2029
A, A1, B or E	30,000	\$4,780	\$5,736	\$4,589
A/A1, A1/B	60,000	\$9,560	\$11,472	\$9,178
C or D	61,000	\$9,740	\$11,688	\$9,350
A/A1/B	90,000	\$14,340	\$17,208	\$13,766
B/C or D/E	93,000	\$14,850	\$17,820	\$14,256
A1/B/C	124,000	\$19,800	\$23,760	\$19,008
C/D	130,000	\$20,730	\$24,876	\$19,901
A/A1/B/C	155,000	\$24,700	\$29,640	\$23,712
B/C/D or C/D/E	162,000	\$25,850	\$31,020	\$24,816
B/C/D/E or A1/B/C/D	195,000	\$31,020	\$37,224	\$29,779
A/A1/B/C/D	222,000	\$35,420	\$42,504	\$34,003
A1/B/C/D/E	225,000	\$35,420	\$42,504	\$34,003
A/A1/B/C/D/E	255,000	\$40,590	\$48,708	\$38,966

Ballroom Rental

	SQ. FT.	Approved Retail Rate 2023-2026	Retail Rate 2026-2029	Convention Rate 2026-2029
Oregon Ballroom				
201, 202, 203, 204	6,300	\$2,480	\$2,976	\$2,381
201-202, 202-203, 203-204	12,600	\$4,960	\$5,952	\$4,762
201-203, 202-204	18,900	\$7,440	\$8,928	\$7,142
201-204	25,200	\$9,920	\$11,904	\$9,523
Portland Ballroom				
251 or 256	4,000	\$1,620	\$1,944	\$1,555
253, 254, 257 or 258	4,200	\$1,680	\$2,016	\$1,613
252 or 255	4,700	\$1,780	\$2,136	\$1,709
251-258 or 256-257	8,200	\$3,300	\$3,960	\$3,168
253-254 or 253-258 or 254-257	8,400	\$3,360	\$4,032	\$3,226
251-252 or 255-256	8,700	\$3,400	\$4,080	\$3,264
252-253 or 254-255	8,900	\$3,460	\$4,152	\$3,322
251-257-258 or 256-257-258	12,400	\$4,980	\$5,976	\$4,781
252-253-254 or 253-254-255	13,100	\$5,140	\$6,168	\$4,934
251-256-257-258	16,400	\$6,600	\$7,920	\$6,336
253-254-257-258	16,800	\$6,720	\$8,064	\$6,451
251-252-253-258 or 254-255-256-257	17,100	\$6,760	\$8,112	\$6,490
252-253-254-255	17,800	\$6,920	\$8,304	\$6,643

251-252-253-254-257-258	25,500	\$10,120	\$12,144	\$9,715
253-254-255-256-257-258	25,500	\$10,120	\$12,144	\$9,715
251-252-253-254-255-256-257-258	34,200	\$13,520	\$16,224	\$12,979

Meeting Room Rental

NAME OF ROOM	SQ. FT.	Approved Retail Rate 2023-2026	Retail Rate 2026-2029	Convention Rate 2026-2029
A101, A102, C127, C128	263	\$110.00	\$132	\$106
A103 C126	621	\$290.00	\$348	\$278
A104 C125	756	\$350.00	\$420	\$336
A103-104 C125-126	1,377	\$640.00	\$768	\$614
A105 C124	1,874	\$871.00	\$1,045	\$836
A106 C123	2,231	\$1,040.00	\$1,248	\$998
A105-106 C123-124	4,105	\$1,911.00	\$2,293	\$1,835
A107 C122	826	\$387.00	\$464	\$372
A108 C121	737	\$350.00	\$420	\$336
A107-108 C121-122	1,563	\$737.00	\$884	\$708
A109 C120	783	\$363.00	\$436	\$348
A108-109 C120-121	1,520	\$713.00	\$856	\$684
A107-109 C120-122	2,346	\$1,100.00	\$1,320	\$1,056
B110 B119	783	\$363.00	\$436	\$348
B111 B118	737	\$350.00	\$420	\$336
B110-111 B118-119	1,520	\$713.00	\$856	\$684
B112 B117	937	\$435.00	\$522	\$418
B111-112 B117-118	1,674	\$785.00	\$942	\$754
B110-112 B117-119	2,457	\$1,148.00	\$1,378	\$1,102
B113 B116	1,665	\$774.00	\$929	\$743
B114 B115	1,170	\$544.00	\$653	\$522
B113-114 B115-116	2,835	\$1,318.00	\$1,582	\$1,265
B114-115	2,340	\$1,088.00	\$1,306	\$1,044
B113-115 B114-116	4,005	\$1,862.00	\$2,234	\$1,788
B113 - 114 - 115 - 116	5,670	\$2,636.00	\$3,163	\$2,531
D133 E148	811	\$375.00	\$450	\$360
D134 E147	647	\$290.00	\$348	\$278
D135 E146	1,386	\$653.00	\$784	\$627
D136 E145	1,818	\$847.00	\$1,016	\$813
D137 E144	983	\$459.00	\$551	\$441
D138 E143	940	\$459.00	\$551	\$441
D139 E142	958	\$459.00	\$551	\$441
D140	814	\$375.00	\$450	\$360
D133-134 E147-148	1,458	\$665.00	\$798	\$638
D135-136 E145-146	3,204	\$1,500.00	\$1,800	\$1,440
D137-138 E143-144	1,923	\$918.00	\$1,102	\$881
D138-139 E142-143	1,898	\$918.00	\$1,102	\$881
D137-139 E142-144	2,881	\$1,377.00	\$1,652	\$1,322

D137-140	3,695	\$1,752.00	\$2,102	\$1,682
D138-140	2,712	\$1,293.00	\$1,552	\$1,241
D139-140	1,772	\$834.00	\$1,001	\$801
E141	1,212	\$556.00	\$667	\$534
E141-142	2,170	\$1,015.00	\$1,218	\$974
E141-143	3,110	\$1,474.00	\$1,769	\$1,415
E141-144	4,093	\$1,933.00	\$2,320	\$1,856
F149 F152	1,158	\$532.00	\$638	\$511
F150 F151	1,875	\$883.00	\$1,060	\$848
F149-150 F151-152	3,033	\$1,415.00	\$1,698	\$1,358
F149-151 F150-152	4,908	\$2,298.00	\$2,758	\$2,206
F150-151	3,750	\$1,766.00	\$2,119	\$1,695
F149-F152	6,066	\$2,830.00	\$3,396	\$2,717
G129	785	\$363.00	\$436	\$348
G130	1,024	\$484.00	\$581	\$465
G131	1,228	\$568.00	\$682	\$545
G132	1,010	\$484.00	\$581	\$465
G129-130	1809	\$847.00	\$1,016	\$813
G131-132	2238	\$1,052.00	\$1,262	\$1,010

F&B Minimum to Waive Rental

NAME OF ROOM	SQ. FT.	Approved Retail Rate 2023-2026	Retail Rate 2026-2029	Convention Rate 2026-2029
Oregon Ballroom				
201, 202, 203, 204	6,300	\$9,630	\$10,500	N/A
201-202, 202-203, 203-204	12,600	\$19,260	\$21,000	N/A
201-203, 202-204	18,900	\$14,445	\$31,500	N/A
201-204	25,200	\$38,520	\$42,000	N/A
Portland Ballroom				
251 or 256	4,000	\$6,313	\$6,300	N/A
253, 254, 257 or 258	4,200	\$6,527	\$6,300	N/A
252 or 255	4,700	\$6,955	\$6,300	N/A
251-258 or 256-257	8,200	\$12,840	\$12,600	N/A
253-254 or 253-258 or 254-257	8,400	\$13,054	\$12,600	N/A
251-252 or 255-256	8,700	\$13,268	\$12,600	N/A
252-253 or 254-255	8,900	\$13,482	\$12,600	N/A
251-257-258 or 256-257-258	12,400	\$19,367	\$18,900	N/A
252-253-254 or 253-254-255	13,100	\$20,009	\$18,900	N/A
251-256-257-258	16,400	\$25,680	\$18,900	N/A
253-254-257-258	16,800	\$26,108	\$25,200	N/A
251-252-253-258 or 254-255-256-257	17,100	\$26,322	\$25,200	N/A
252-253-254-255	17,800	\$26,964	\$25,200	N/A
251-252-253-254-257-258	25,500	\$39,376	\$37,800	N/A
253-254-255-256-257-258	25,500	\$39,376	\$37,800	N/A

251-252-253-254-255-256-257-258	34,200	\$52,644	\$50,400	N/A
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